

**SUBSTITUTE FOR
SENATE BILL NO. 848**

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, 2018 and September 30, 2019 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.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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ARTICLE I

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of agriculture and rural development for the fiscal year ending

1 September 30, 2019, 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	500.5	
6	GROSS APPROPRIATION.....		\$ 107,948,100
7	Interdepartmental grant revenues:		
8	IDG from department of licensing and regulatory		
9	affairs, liquor quality testing fees		223,700
10	IDG from department of environmental quality,		
11	biosolids		90,200
12	Total interdepartmental grants and intradepartmental		
13	transfers		313,900
14	ADJUSTED GROSS APPROPRIATION.....		\$ 107,634,200
15	Federal revenues:		
16	USDA, multiple grants.....		6,118,600
17	EPA, multiple grants.....		1,277,300
18	HHS-FDA.....		4,140,500
19	Department of interior.....		238,800
20	Total federal revenues.....		11,775,200
21	Special revenue funds:		
22	Total local revenues.....		0
23	Private - slow-the-spread foundation.....		21,300
24	Private - commodity group revenue.....		80,500
25	Total private revenues.....		101,800
26	Agricultural preservation fund.....		1,442,500
27	Agriculture equine industry development fund.....		3,667,200

1	Agriculture licensing and inspection fees.....	4,110,200
2	Animal welfare fund.....	150,000
3	Commodity inspection fees.....	650,000
4	Consumer and industry food safety education fund.....	356,500
5	Dairy and food safety fund.....	5,978,900
6	Feed control fund.....	1,305,400
7	Fertilizer control fund.....	1,095,600
8	Freshwater protection fund.....	7,940,700
9	Gasoline inspection and testing fund.....	1,444,400
10	Grain dealers fee fund.....	589,800
11	Horticulture fund.....	40,000
12	Industry support funds.....	486,100
13	Michigan craft beverage council fund.....	917,200
14	Migratory labor housing fund.....	169,100
15	Private forestland enhancement fund.....	581,500
16	Refined petroleum fund.....	3,316,800
17	Rural development fund.....	2,004,600
18	Testing fees.....	200,000
19	Weights and measures regulation fees.....	725,500
20	Total other state restricted revenues.....	37,172,000
21	State general fund/general purpose.....	\$ 58,585,200
22	State general fund/general purpose schedule:	
23	Ongoing state general fund/general	
24	purpose	\$55,430,200
25	One-time state general fund/general	
26	purpose	\$3,155,000
27	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	

1	Full-time equated unclassified positions	6.0	
2	Full-time equated classified positions	24.0	
3	Unclassified salaries--6.0 FTE positions.....		\$ 573,500
4	Accounting service center.....		1,164,200
5	Commissions and boards.....		23,800
6	Emergency management--4.0 FTE positions.....		1,093,300
7	Executive direction--20.0 FTE positions.....		2,561,900
8	Property management.....		<u>705,700</u>
9	GROSS APPROPRIATION.....		\$ 6,122,400
10	Appropriated from:		
11	Federal revenues:		
12	HHS-FDA.....		438,100
13	Special revenue funds:		
14	Agricultural preservation fund.....		16,600
15	Agriculture licensing and inspection fees.....		127,500
16	Freshwater protection fund.....		24,500
17	Industry support funds.....		54,300
18	Michigan craft beverage council fund.....		31,000
19	State general fund/general purpose.....		\$ 5,430,400
20	Sec. 103. INFORMATION AND TECHNOLOGY		
21	Information technology services and projects.....		<u>\$ 1,794,500</u>
22	GROSS APPROPRIATION.....		\$ 1,794,500
23	Appropriated from:		
24	Interdepartmental grant revenues:		
25	IDG from department of licensing and regulatory		
26	affairs, liquor quality testing fees		3,200
27	Special revenue funds:		

1	Agricultural preservation fund.....	200
2	Agriculture licensing and inspection fees.....	93,800
3	Dairy and food safety fund.....	61,200
4	Freshwater protection fund.....	100
5	Gasoline inspection testing fund.....	31,800
6	Michigan craft beverage council fund.....	500
7	State general fund/general purpose.....	\$ 1,603,700
8	Sec. 104. FOOD AND DAIRY	
9	Full-time equated classified positions	132.0
10	Food safety and quality assurance--96.0 FTE positions.	\$ 16,602,900
11	Milk safety and quality assurance--36.0 FTE positions.	<u>5,439,900</u>
12	GROSS APPROPRIATION.....	\$ 22,042,800
13	Appropriated from:	
14	Federal revenues:	
15	HHS-FDA.....	2,398,600
16	USDA, multiple grants.....	137,100
17	Special revenue funds:	
18	Consumer and industry food safety education fund.....	356,500
19	Dairy and food safety fund.....	5,421,500
20	State general fund/general purpose.....	\$ 13,729,100
21	Sec. 105. ANIMAL INDUSTRY	
22	Full-time equated classified positions	61.0
23	Animal disease prevention and response--61.0 FTE	
24	positions	\$ 9,356,900
25	Indemnification--livestock depredation.....	<u>50,000</u>
26	GROSS APPROPRIATION.....	\$ 9,406,900
27	Appropriated from:	

1	Federal revenues:	
2	Department of interior.....	40,800
3	HHS-FDA.....	46,600
4	USDA, multiple grants.....	530,600
5	Special revenue funds:	
6	Private - commodity group revenue.....	30,500
7	Agriculture licensing and inspection fees.....	70,300
8	Animal welfare fund.....	150,000
9	State general fund/general purpose.....	\$ 8,538,100
10	Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT	
11	Full-time equated classified positions93.0	
12	Pesticide and plant pest management--87.0 FTE	
13	positions	\$ 14,172,700
14	Producer security/grain dealers--6.0 FTE positions....	<u>628,200</u>
15	GROSS APPROPRIATION.....	\$ 14,800,900
16	Appropriated from:	
17	Federal revenues:	
18	Department of interior.....	101,700
19	EPA, multiple grants.....	543,000
20	HHS-FDA.....	325,300
21	USDA, multiple grants.....	716,900
22	Special revenue funds:	
23	Private - slow-the-spread foundation.....	21,300
24	Agriculture licensing and inspection fees.....	3,481,900
25	Commodity inspection fees.....	648,900
26	Feed control fund.....	1,116,200
27	Fertilizer control fund.....	1,071,600

1	Freshwater protection fund.....	156,200
2	Grain dealers fee fund.....	581,800
3	Horticulture fund.....	40,000
4	Industry support funds.....	251,400
5	State general fund/general purpose.....	\$ 5,744,700
6	Sec. 107. ENVIRONMENTAL STEWARDSHIP	
7	Full-time equated classified positions65.5	
8	Environmental stewardship - MAEAP--25.0 FTE positions.	\$ 10,191,300
9	Farmland and open space preservation--10.0 FTE	
10	positions	1,545,000
11	Intercounty drain--6.0 FTE positions.....	811,900
12	Migrant labor housing--9.0 FTE positions.....	1,231,100
13	Qualified forest program--9.0 FTE positions.....	2,590,000
14	Right-to-farm--6.5 FTE positions.....	<u>964,000</u>
15	GROSS APPROPRIATION.....	\$ 17,333,300
16	Appropriated from:	
17	Interdepartmental grant revenues:	
18	IDG from department of environmental quality,	
19	biosolids	90,200
20	Federal revenues:	
21	Department of interior.....	96,300
22	EPA, multiple grants.....	560,500
23	USDA, multiple grants.....	822,300
24	Special revenue funds:	
25	Agricultural preservation fund.....	1,425,700
26	Freshwater protection fund.....	7,714,900
27	Migratory labor housing fund.....	140,100

1	Private forestland enhancement fund.....	581,500
2	State general fund/general purpose.....	\$ 5,901,800
3	Sec. 108. LABORATORY SERVICES	
4	Full-time equated classified positions108.0	
5	Central licensing and customer service call	
6	center--12.0 FTE positions	\$ 1,338,200
7	Consumer protection program--41.0 FTE positions.....	6,790,600
8	Laboratory services--42.0 FTE positions.....	7,141,500
9	USDA monitoring--13.0 FTE positions.....	<u>1,637,300</u>
10	GROSS APPROPRIATION.....	\$ 16,907,600
11	Appropriated from:	
12	Interdepartmental grant revenues:	
13	IDG from department of licensing and regulatory	
14	affairs, liquor quality testing fees	220,500
15	Federal revenues:	
16	EPA, multiple grants.....	173,800
17	HHS-FDA.....	931,900
18	USDA, multiple grants.....	1,638,500
19	Special revenue funds:	
20	Agriculture licensing and inspection fees.....	336,700
21	Commodity inspection fees.....	1,100
22	Dairy and food safety fund.....	496,200
23	Feed control fund.....	189,200
24	Fertilizer control fund.....	24,000
25	Freshwater protection fund.....	45,000
26	Gasoline inspection and testing fund.....	1,412,600
27	Grain dealers fee fund.....	8,000

1	Migratory labor housing fund.....		29,000
2	Refined petroleum fund.....		3,316,800
3	Testing fees.....		200,000
4	Weights and measures regulation fees.....		725,500
5	State general fund/general purpose.....	\$	7,158,800
6	Sec. 109. AGRICULTURAL DEVELOPMENT		
7	Full-time equated classified positions	17.0	
8	Agricultural development--13.0 FTE positions.....	\$	4,253,100
9	Food and agriculture investment program.....		5,125,000
10	Michigan craft beverage council--3.0 FTE positions....		934,800
11	Rural development fund grant program--1.0 FTE		
12	position		<u>2,004,600</u>
13	GROSS APPROPRIATION.....	\$	12,317,500
14	Appropriated from:		
15	Federal revenues:		
16	USDA, multiple grants.....		2,273,200
17	Special revenue funds:		
18	Private - commodity group revenue.....		50,000
19	Industry support funds.....		180,400
20	Michigan craft beverage council fund.....		885,700
21	Rural development fund.....		2,004,600
22	State general fund/general purpose.....	\$	6,923,600
23	Sec. 110. FAIRS AND EXPOSITIONS		
24	County fairs, shows, and expositions grants.....	\$	400,000
25	Fairs and racing.....		256,600
26	Licensed tracks - light horse racing.....		40,300
27	Light horse racing - breeders' awards.....		20,000

1	Purses and supplements - fairs/licensed tracks.....	708,300
2	Standardbred breeders' awards.....	345,900
3	Standardbred purses and supplements - licensed tracks.	671,800
4	Standardbred sire stakes.....	275,000
5	Thoroughbred breeders' awards.....	368,600
6	Thoroughbred sire stakes.....	378,800
7	Thoroughbred supplements - licensed tracks.....	<u>601,900</u>
8	GROSS APPROPRIATION.....	\$ 4,067,200
9	Appropriated from:	
10	Special revenue funds:	
11	Agriculture equine industry development fund.....	3,667,200
12	State general fund/general purpose.....	\$ 400,000
13	Sec. 111. ONE-TIME APPROPRIATIONS	
14	Animal agriculture initiative.....	\$ 2,000,000
15	County fairs, shows, and expositions.....	775,000
16	ACRE agriculture incubator.....	260,000
17	ODC network - project clarity.....	<u>120,000</u>
18	GROSS APPROPRIATION.....	\$ 3,155,000
19	Appropriated from:	
20	Special revenue funds:	
21	State general fund/general purpose.....	\$ 3,155,000

22 PART 2

23 PROVISIONS CONCERNING APPROPRIATIONS

24 FOR FISCAL YEAR 2018-2019

25 GENERAL SECTIONS

1 Sec. 201. Pursuant to section 30 of article IX of the state
 2 constitution of 1963, total state spending from state sources under
 3 part 1 for fiscal year 2018-2019 is \$95,757,200.00 and state
 4 spending from state sources to be paid to local units of government
 5 for fiscal year 2018-2019 is \$6,350,000.00. The itemized statement
 6 below identifies appropriations from which spending to local units
 7 of government will occur:

8 DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

9	Environmental stewardship/MAEAP.....	\$	4,250,000
10	Qualified forest program.....		1,500,000
11	Rural development fund grant program.....		<u>600,000</u>
12	TOTAL.....	\$	6,350,000

13 Sec. 202. The appropriations authorized under part 1 and this
 14 part are subject to the management and budget act, 1984 PA 431, MCL
 15 18.1101 to 18.1594.

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

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

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

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

22 (d) "FDA" means the United States Food and Drug
 23 Administration.

24 (e) "Fiscal agencies" means the Michigan house fiscal agency
 25 and the Michigan senate fiscal agency.

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

27 (g) "HHS" means the United States Department of Health and

1 Human Services.

2 (h) "IDG" means interdepartmental grant.

3 (i) "LARA" means the Michigan department of licensing and
4 regulatory affairs.

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

6 (k) "MAEAP" means the Michigan agriculture environmental
7 assurance program.

8 (l) "MDEQ" means the Michigan department of environmental
9 quality.

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

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

12 (o) "Subcommittees" means all members of the subcommittees of
13 the house and senate appropriations committees with jurisdiction
14 over the budget for the department.

15 (p) "TB" means tuberculosis.

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

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 shall 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.
9 Each director shall strongly encourage firms with which the
10 department contracts to subcontract with certified businesses in
11 depressed and deprived communities for services or supplies, or
12 both.

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

23 (a) The dates of each travel occurrence.

24 (b) The transportation and related costs of each travel
25 occurrence, including the proportion funded with state general
26 fund/general purpose revenues, the proportion funded with state
27 restricted revenues, the proportion funded with federal revenues,

1 and the proportion funded with other revenues.

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

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

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

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

1 1984 PA 431, MCL 18.1393.

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

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

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

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

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

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

23 (d) The number of active department employees by job
24 classification.

25 (e) Job specifications and wage rates.

26 Sec. 212. Within 14 days after the release of the executive
27 budget recommendation, the department shall cooperate with the

1 state budget office to provide the senate and house appropriations
2 chairs, the subcommittees, respectively, and the senate and house
3 fiscal agencies with an annual report on estimated state restricted
4 fund balances, state restricted fund projected revenues, and state
5 restricted fund expenditures for the fiscal years ending September
6 30, 2018 and September 30, 2019.

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

11 Sec. 214. Total authorized appropriations from all sources
12 under part 1 for legacy costs for the fiscal year ending September
13 30, 2019 is \$12,428,400.00. From this amount, total agency
14 appropriations for pension-related legacy costs are estimated at
15 \$5,729,700.00. Total agency appropriations for retiree health care
16 legacy costs are estimated at \$6,698,700.00.

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

20 Sec. 234. The department and agencies receiving appropriations
21 in part 1 shall receive and retain copies of all reports funded
22 from appropriations in part 1. Federal and state guidelines for
23 short-term and long-term retention of records shall be followed.
24 The department may electronically retain copies of reports unless
25 otherwise required by federal and state guidelines.

26 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

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

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

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

7 (c) Laboratory support analyses of food, livestock, and
8 agricultural products for disease, foreign products for disease,
9 toxic materials, foreign substances, and quality standards.

10 (d) Laboratory support test samples for other state and local
11 agencies and public or private organizations.

12 (2) The department may receive and expend revenue from the
13 fees authorized under subsection (1), subject to appropriation, for
14 the purpose of recovering expenses associated with the work
15 activities and services described in subsection (1). Fee revenue
16 collected by the department under subsection (1) shall not lapse to
17 the state general fund at the end of the fiscal year but shall
18 carry forward for appropriation by the legislature in the
19 subsequent fiscal year.

20 (3) The department shall notify the subcommittees, the fiscal
21 agencies, and the state budget office 30 days prior to proposing
22 changes in fees authorized under this section or under section 5 of
23 1915 PA 91, MCL 285.35.

24 (4) On or before February 1 of each year, the department shall
25 provide a report to the subcommittees, the fiscal agencies, and the
26 state budget office detailing all the fees charged by the
27 department under the authorization provided in this section,

1 including, but not limited to, rates, number of individuals paying
2 each fee, and the revenue generated by each fee in the previous
3 fiscal year.

4 Sec. 302. (1) The department may contract with or provide
5 grants to local units of government, institutions of higher
6 education, or nonprofit organizations to support activities
7 authorized by appropriations in part 1. As used in this section,
8 contracts and grants include, but are not limited to, contracts for
9 delivery of groundwater/freshwater programs, MAEAP technical
10 assistance, forest management, invasive species monitoring,
11 wildlife risk mitigation, grants promoting proper pesticide
12 disposal, and research grants for the purpose of enhancing the
13 agricultural industries in this state.

14 (2) The department shall provide notice of contracts or grants
15 authorized under this section to the subcommittees, the fiscal
16 agencies, and the state budget office not later than 7 days before
17 the department notifies contract or grant recipients.

18 **FOOD AND DAIRY**

19 Sec. 401. (1) The department shall report on the previous
20 fiscal year's activities of the food and dairy division. The report
21 shall include information on activities and outcomes of the dairy
22 safety and inspection program, the food safety inspection program,
23 the foodborne illness and emergency response program, and the food
24 service program.

25 (2) The report shall include information on significant
26 foodborne outbreaks and emergencies, including any significant

1 enforcement actions taken related to food safety during the prior
2 calendar year.

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

6 **ANIMAL INDUSTRY**

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

13 Sec. 452. (1) The department shall report on the previous
14 calendar year's activities of the animal industry division. The
15 report shall be transmitted to the subcommittees, the fiscal
16 agencies, and the state budget office and posted to the
17 department's website on or before April 1 of each year.

18 (2) The department shall include in the report all
19 indemnification payments for livestock depredation made in the
20 previous calendar year and shall include all of the following:

21 (a) The reason for the indemnification.

22 (b) The amount of the indemnification.

23 (c) The person for whom the indemnification was paid.

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

1 USDA.

2 Sec. 457. (1) On or before October 15, 2018, the department
3 shall provide to the subcommittees, the fiscal agencies, and the
4 state budget office a report on bovine TB status and department
5 activities.

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

22 Sec. 459. It is the intent of the legislature that the
23 department shall not conduct whole herd bovine TB testing on any 1
24 herd in a TB-free zone more often than every 4 years or re-test
25 until all other herds in their county have been tested, unless
26 involved in an epidemiological investigation, there is an outbreak
27 within a 10-radius-mile area, or is not on a verified wildlife risk

1 mitigated premises. If there is an outbreak within a 10-radius-mile
2 area, protocols outlined by the current memorandum of understanding
3 with the USDA shall be used.

4 Sec. 462. From the funds appropriated in part 1, not to exceed
5 \$20,000.00, the department shall establish a grant program to
6 assist in the construction of protective systems for apiaries. The
7 department may make grants under this program to reimburse apiary
8 owners for costs of projects designed to protect apiaries from
9 damage by wildlife, subject to all of the following:

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

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

14 **PESTICIDE AND PLANT PEST MANAGEMENT**

15 Sec. 501. The department shall report on the previous calendar
16 year's activities of the pesticide and plant pest management
17 division. The report shall be transmitted to the subcommittees, the
18 fiscal agencies, and the state budget office and posted to the
19 department's website on or before April 1 of each year.

20 **ENVIRONMENTAL STEWARDSHIP**

21 Sec. 601. The funds appropriated in part 1 for environmental
22 stewardship/MAEAP shall be used to support department agriculture
23 pollution prevention programs, including groundwater and freshwater
24 protection programs under part 87 of the Michigan natural resources
25 and environmental protection act, 1994 PA 451, MCL 324.8701 to

1 324.8717, and technical assistance in implementing conservation
2 grants available under the federal farm bill of 2014.

3 Sec. 602. The department shall report on the previous calendar
4 year's activities of the environmental stewardship division. The
5 report shall be transmitted to the subcommittees, the fiscal
6 agencies, and the state budget office and posted to the
7 department's website on or before April 1 of each year.

8 Sec. 604. The department may receive and expend federal
9 revenues in excess of the federal revenue appropriated in section
10 107 of part 1 for environmental stewardship and MAEAP activities.
11 The department shall notify the subcommittees, the fiscal agencies,
12 and the state budget office prior to expending federal revenues
13 authorized under this section.

14 Sec. 608. (1) The appropriations in part 1 for the qualified
15 forest affidavit program are for the purpose of increasing the
16 knowledge of nonindustrial private forestland owners of sound
17 forest management practices and increasing the amount of commercial
18 timber production from those lands.

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

23 **LABORATORY PROGRAM**

24 Sec. 651. The department shall report on the previous calendar
25 year's activities of the laboratory division. The report shall be
26 transmitted to the subcommittees, the fiscal agencies, and the

1 state budget office and posted to the department's website on or
2 before April 1 of each year.

3 **AGRICULTURE DEVELOPMENT**

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

7 (2) The food and agriculture investment program shall expand
8 the Michigan food and agriculture sector, grow Michigan exports,
9 promote the development of value-added agricultural production,
10 food hubs, food incubators, and community-based processing
11 facilities, and the expansion of farm markets and urban
12 agriculture, and increase food processing activities within the
13 state by accelerating projects and infrastructure development that
14 support growth in the food and agriculture processing industry.

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

18 (4) Before the allocation of funding, all projects shall
19 receive approval from the Michigan commission of agriculture and
20 rural development, except for projects selected through a
21 competitive process by a joint evaluation committee selected by the
22 director and consisting of representatives that have agriculture,
23 business, and economic development expertise. Projects funded
24 through the food and agriculture investment program will be
25 required to have a grant agreement that outlines milestones and
26 activities that must be met in order to receive a disbursement of

1 funds. Projects must also identify measurable project outcomes.

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

7 (6) The food and agriculture investment program shall be
8 administered by the department and provide support for food and
9 agriculture projects that will enable growth in the industry and
10 this state's economy.

11 (7) The unexpended funds appropriated in part 1 for the food
12 and agriculture investment program are designated as a work project
13 appropriation, and any unencumbered or unallotted funds shall not
14 lapse at the end of the fiscal year and shall be available for
15 expenditures for projects under this section until the projects
16 have been completed. The following is in compliance with section
17 451a(1) of the management and budget act, 1984 PA 431, MCL
18 18.1451a:

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

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

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

27 (d) The tentative completion date for the work project is

1 September 30, 2021.

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

5 (a) Grants.

6 (b) Loans or loan guarantees.

7 (c) Infrastructure development.

8 (d) Other economic assistance.

9 (e) Program administration.

10 (f) Export assistance.

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

14 Sec. 706. (1) The department shall report on the previous
15 calendar year's activities of the agriculture development division.
16 The report shall be transmitted to the subcommittees, the fiscal
17 agencies, and the state budget office and posted to the
18 department's website on or before April 1 of each year.

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

21 (a) The name of the grantee.

22 (b) The amount of the grant.

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

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

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

27 (3) The report shall include the following information on the

1 Michigan craft beverage council established under section 303 of
2 the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1303:

3 (a) Council activities and accomplishments for the previous
4 fiscal year.

5 (b) Council expenditures for the previous fiscal year by
6 category of administration, industry support, research and
7 education grants, and promotion and consumer education.

8 (c) Grants awarded during the previous fiscal year and the
9 results of research grant projects completed during the previous
10 fiscal year.

11 **FAIRS AND EXPOSITIONS**

12 Sec. 801. All appropriations from the agriculture equine
13 industry development fund shall be spent on equine-related
14 purposes. No funds from the agriculture equine industry development
15 fund shall be expended for nonequine-related purposes without prior
16 approval of the legislature.

17 Sec. 802. From the funds appropriated in part 1 from
18 agriculture equine industry development funds, available revenue
19 shall be allocated in the following priority order:

20 (a) To support all administrative, contractual, and regulatory
21 costs incurred by the department and the Michigan gaming control
22 board.

23 (b) Up to \$395,000.00 shall be allocated to the purses and
24 supplements - fairs/licensed tracks line item.

25 (c) Any remaining funds collected through September 30, 2019,
26 after the obligations in subdivisions (a) and (b) have been met,

1 shall be prorated equally among the supplements, breeders' awards,
2 and sire stakes awards to eligible race meeting licensees in
3 accordance with section 20 of the horse racing law of 1995, 1995 PA
4 279, MCL 431.320.

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

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

10 (b) Provide financial support, promotion, prizes, and premiums
11 of equine, livestock, and other agricultural commodity expositions
12 in the state.

13 (2) The department shall award grants on a competitive basis
14 to county fairs or other organizations from the funds appropriated
15 in part 1 for county fairs, shows, and expositions grants. Grantees
16 will be required to provide a dollar-for-dollar cash match with
17 grant awards and identify measurable project outcomes. A county
18 fair organization that received a county fair capital improvement
19 grant in the prior fiscal year shall not receive a grant from the
20 appropriation in part 1.

21 (3) From the amount appropriated in part 1 for county fairs,
22 shows, and expositions, up to \$25,000.00 shall be expended for the
23 purpose of financial support, promotion, prizes, and premiums of
24 equine, livestock, and other agricultural commodity expositions in
25 this state, and festivals.

26 (4) All fairs receiving grants under this section shall
27 provide a report to the department on the financial impact

1 resulting from the capital improvement project on both fair and
2 nonfair events. These reports are due for 3 years immediately
3 following the completion of the capital improvement project.

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

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

10 (7) From the funds appropriated in part 1 for county fairs,
11 shows, and expositions grants, \$25,000.00 shall be used for
12 renovations to the Tuscola County fair grandstand, and \$250,000.00
13 shall be used for the construction and furnishing of a community
14 center at the Tuscola County fair.

15 (8) The unexpended portion of the county fairs, shows, and
16 expositions grants is considered a work project appropriation in
17 accordance with section 451a of the management and budget act, 1984
18 PA 431, MCL 18.1451a. The following apply to the project:

19 (a) The purpose of the project is to support building
20 improvements or other capital improvements at county fairgrounds of
21 the state.

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

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

27 (d) The tentative completion date for the work project is

1 September 30, 2021.

2 (9) The department shall provide a year-end report on the
3 county fairs, shows, and expositions grants no later than December
4 1, 2019 to the subcommittees, the fiscal agencies, and the state
5 budget director that includes a listing of the grantees, award
6 amounts, match funding, and project outcomes.

7 ARTICLE V

8 DEPARTMENT OF CORRECTIONS

9 PART 1

10 LINE-ITEM APPROPRIATIONS

11 Sec. 101. There is appropriated for the department of
12 corrections for the fiscal year ending September 30, 2019, from the
13 following funds:

14 **DEPARTMENT OF CORRECTIONS**

15 APPROPRIATION SUMMARY

16	Average population.....	38,815	
17	Full-time equated unclassified positions.....	16.0	
18	Full-time equated classified positions.....	13,963.2	
19	GROSS APPROPRIATION.....		\$ 2,017,056,200
20	Interdepartmental grant revenues:		
21	Total interdepartmental grants and intradepartmental		
22	transfers		0
23	ADJUSTED GROSS APPROPRIATION.....		\$ 2,017,056,200
24	Federal revenues:		
25	Total federal revenues.....		5,315,200

1	Special revenue funds:	
2	Total local revenues.....	8,960,100
3	Total private revenues.....	0
4	Total other state restricted revenues.....	40,939,600
5	State general fund/general purpose.....	\$ 1,961,841,300
6	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
7	Full-time equated unclassified positions16.0	
8	Full-time equated classified positions322.0	
9	Unclassified salaries--16.0 FTE positions.....	\$ 1,884,600
10	Administrative hearings officers.....	3,266,100
11	Budget and operations administration--240.0 FTE	
12	positions	32,971,300
13	Compensatory buyout and union leave bank.....	100
14	County jail reimbursement program.....	15,064,600
15	Equipment and special maintenance.....	1,559,700
16	Executive direction--20.0 FTE positions.....	4,298,200
17	Judicial data warehouse user fees.....	50,600
18	New custody staff training.....	9,527,600
19	Prison industries operations--62.0 FTE positions.....	9,989,700
20	Property management.....	2,413,100
21	Prosecutorial and detainer expenses.....	4,901,000
22	Sheriffs' coordinating and training office.....	100,000
23	Worker's compensation.....	<u>10,613,000</u>
24	GROSS APPROPRIATION.....	\$ 96,639,600
25	Appropriated from:	
26	Federal revenues:	
27	DOJ, prison rape elimination act grant.....	674,700

1	Special revenue funds:	
2	Correctional industries revolving fund.....	9,989,700
3	Correctional industries revolving fund 110.....	616,700
4	Jail reimbursement program fund.....	5,900,000
5	Local corrections officer training fund.....	100,000
6	Program and special equipment fund.....	100
7	State general fund/general purpose.....	\$ 79,358,400
8	Sec. 103. OFFENDER SUCCESS ADMINISTRATION	
9	Full-time equated classified positions351.4	
10	Community corrections comprehensive plans and services \$	12,058,000
11	Education/skilled trades/career readiness programs--	
12	270.4 FTE positions	39,009,700
13	Enhanced food technology program--12.0 FTE positions..	2,000,000
14	Federally qualified health center pilot.....	250,000
15	Felony drunk driver jail reduction and community	
16	treatment program	1,440,100
17	Goodwill Flip the Script.....	1,500,000
18	Offender success federal grants.....	751,000
19	Offender success community partners.....	14,500,000
20	Offender success programming.....	11,772,800
21	Public safety initiative.....	4,000,000
22	Offender success services--69.0 FTE positions.....	15,145,700
23	Residential probation diversions.....	<u>17,825,500</u>
24	GROSS APPROPRIATION.....	\$ 120,252,800
25	Appropriated from:	
26	Federal revenues:	
27	DOJ, prisoner reintegration.....	751,000

1	Federal education funding.....		1,536,300
2	Special revenue funds:		
3	Program and special equipment fund.....		10,213,200
4	State general fund/general purpose.....	\$	107,752,300
5	Sec. 104. FIELD OPERATIONS ADMINISTRATION		
6	Full-time equated classified positions		2,182.6
7	Criminal justice reinvestment.....	\$	5,498,400
8	Detroit Detention Center--66.1 FTE positions.....		8,685,100
9	Detroit Reentry Center--236.0 FTE positions.....		29,989,600
10	Field operations--1,849.5 FTE positions.....		215,083,300
11	Parole board operations--31.0 FTE positions.....		3,727,300
12	Parole/probation services.....		940,000
13	Residential alternative to prison program.....		1,500,000
14	Substance abuse parole certain sanction program.....		1,440,000
15	Supervising region incentive program.....		<u>1,000,000</u>
16	GROSS APPROPRIATION.....	\$	267,863,700
17	Appropriated from:		
18	Special revenue funds:		
19	Local - community tether program reimbursement.....		275,000
20	Local revenues.....		8,685,100
21	Parole and probation oversight fees.....		4,000,000
22	Parole and probation oversight fees set-aside.....		940,000
23	Reentry center offender reimbursements.....		10,000
24	Tether program participant contributions.....		2,630,500
25	State general fund/general purpose.....	\$	251,323,100
26	Sec. 105. CORRECTIONAL FACILITIES ADMINISTRATION		
27	Full-time equated classified positions		654.0

1	Central records--38.0 FTE positions.....	\$	4,446,300
2	Correctional facilities administration--24.0 FTE		
3	positions		5,010,700
4	Housing inmates in federal institutions.....		611,000
5	Inmate housing fund.....		100
6	Inmate legal services.....		490,900
7	Leased beds and alternatives to leased beds.....		100
8	Prison food service--352.0 FTE positions.....		70,342,800
9	Prison kitchen inspections.....		50,000
10	Prison store operations--33.0 FTE positions.....		3,282,600
11	Public works programs.....		1,000,000
12	Transportation--207.0 FTE positions.....		<u>26,768,000</u>
13	GROSS APPROPRIATION.....	\$	112,002,500
14	Appropriated from:		
15	Federal revenues:		
16	DOJ-BOP, federal prisoner reimbursement.....		411,000
17	SSA-SSI, incentive payment.....		272,000
18	Special revenue funds:		
19	Correctional industries revolving fund 110.....		573,900
20	Public works user fees.....		1,000,000
21	Resident stores.....		3,282,600
22	State general fund/general purpose.....	\$	106,463,000
23	Sec. 106. HEALTH CARE		
24	Full-time equated classified positions		1,461.1
25	Clinical complexes--1,047.1 FTE positions.....	\$	146,066,300
26	Health care administration--20.0 FTE positions.....		3,775,800
27	Healthy Michigan plan administration--12.0 FTE		

1	positions	1,124,700
2	Hepatitis C treatment.....	6,735,500
3	Interdepartmental grant to health and human services,	
4	eligibility specialists	119,700
5	Mental health services and support--376.0 FTE	
6	positions	45,981,100
7	Prisoner health care services.....	86,717,900
8	Substance abuse testing and treatment services--6.0	
9	FTE positions	21,386,600
10	Vaccination program.....	<u>691,200</u>
11	GROSS APPROPRIATION.....	\$ 312,598,800
12	Appropriated from:	
13	Federal revenues:	
14	DOJ, Office of Justice programs, RSAT.....	250,200
15	Federal revenues and reimbursements.....	385,200
16	Special revenue funds:	
17	Prisoner health care copayments.....	257,200
18	State general fund/general purpose.....	\$ 311,706,200
19	Sec. 107. CORRECTIONAL FACILITIES	
20	Average population	38,815
21	Full-time equated classified positions	8,992.1
22	Alger Correctional Facility - Munising--259.0 FTE	
23	positions	\$ 31,189,400
24	Baraga Correctional Facility - Baraga--293.8 FTE	
25	positions	36,021,600
26	Bellamy Creek Correctional Facility - Ionia--391.2 FTE	
27	positions	45,003,600

1	Carson City Correctional Facility - Carson City--424.4	
2	FTE positions	49,613,500
3	Central Michigan Correctional Facility - St. Louis--	
4	387.6 FTE positions	47,009,300
5	Charles E. Egeler Correctional Facility - Jackson--	
6	387.6 FTE positions	46,801,100
7	Chippewa Correctional Facility - Kincheloe--445.6 FTE	
8	positions	52,230,000
9	Cooper Street Correctional Facility - Jackson--262.1	
10	FTE positions	30,325,000
11	Earnest C. Brooks Correctional Facility - Muskegon--	
12	245.2 FTE positions	30,604,700
13	G. Robert Cotton Correctional Facility - Jackson--	
14	393.0 FTE positions	45,634,700
15	Gus Harrison Correctional Facility - Adrian--443.6 FTE	
16	positions	50,857,600
17	Ionia Correctional Facility - Ionia--287.3 FTE	
18	positions	34,886,000
19	Kinross Correctional Facility - Kincheloe--256.6 FTE	
20	positions	33,008,100
21	Lakeland Correctional Facility - Coldwater--276.4 FTE	
22	positions	33,619,700
23	Macomb Correctional Facility - New Haven--292.8 FTE	
24	positions	35,285,600
25	Marquette Branch Prison - Marquette--319.7 FTE	
26	positions	38,697,200
27	Michigan Reformatory - Ionia--318.7 FTE positions.....	36,034,000

1	Muskegon Correctional Facility - Muskegon--206.0 FTE	
2	positions	26,109,600
3	Newberry Correctional Facility - Newberry--198.1 FTE	
4	positions	24,673,000
5	Oaks Correctional Facility - Eastlake--289.4 FTE	
6	positions	34,862,600
7	Ojibway Correctional Facility - Marenisco--201.1 FTE	
8	positions	23,747,300
9	Parnall Correctional Facility - Jackson--264.1 FTE	
10	positions	29,475,600
11	Richard A. Handlon Correctional Facility - Ionia--	
12	252.7 FTE positions	30,762,400
13	Saginaw Correctional Facility - Freeland--275.9 FTE	
14	positions	33,835,800
15	Special Alternative Incarceration Program - Cassidy	
16	Lake--120.0 FTE positions	14,179,300
17	St. Louis Correctional Facility - St. Louis--302.6 FTE	
18	positions	37,907,700
19	Thumb Correctional Facility - Lapeer--283.6 FTE	
20	positions	33,809,700
21	Womens Huron Valley Correctional Complex - Ypsilanti--	
22	504.1 FTE positions	60,568,400
23	Woodland Correctional Facility - Whitmore Lake--277.9	
24	FTE positions	33,169,100
25	Northern region administration and support--43.0 FTE	
26	positions	4,336,300
27	Southern region administration and support--89.0 FTE	

1	positions	20,430,900
2	Facility closure.....	<u>(19,201,100)</u>
3	GROSS APPROPRIATION.....	\$ 1,065,487,700
4	Appropriated from:	
5	Federal revenues:	
6	DOJ, state criminal assistance program.....	1,034,800
7	Special revenue funds:	
8	State restricted fees, revenues, and reimbursements...	102,100
9	State general fund/general purpose.....	\$ 1,064,350,800
10	Sec. 108. INFORMATION TECHNOLOGY	
11	Information technology services and projects.....	\$ <u>30,583,400</u>
12	GROSS APPROPRIATION.....	\$ 30,583,400
13	Appropriated from:	
14	Special revenue funds:	
15	Correctional industries revolving fund 110.....	178,600
16	Parole and probation oversight fees set-aside.....	701,000
17	Program and special equipment fund.....	444,000
18	State general fund/general purpose.....	\$ 29,259,800
19	Sec. 109. ONE-TIME APPROPRIATIONS	
20	Higher custody level programming.....	\$ 2,400,000
21	New custody staff training.....	<u>9,227,700</u>
22	GROSS APPROPRIATION.....	\$ 11,627,700
23	Appropriated from:	
24	State general fund/general purpose.....	\$ 11,627,700

25 PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2018-2019

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 2018-2019 is \$2,002,780,900.00 and state spending from state sources to be paid to local units of government for fiscal year 2018-2019 is \$122,169,600.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF CORRECTIONS

County jail reimbursement program.....	\$	15,064,600
Community corrections comprehensive plans and services		12,058,000
Felony drunk driver jail reduction and community treatment program		1,440,100
Field operations.....		65,380,300
Leased beds and alternatives to leased beds.....		100
Prosecutorial and detainer expenses.....		4,901,000
Public safety initiative.....		4,000,000
Residential alternative to prison program.....		1,500,000
Residential probation diversions.....		<u>17,825,500</u>
TOTAL.....	\$	122,169,600

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:

1 (a) "Administrative segregation" means confinement for
2 maintenance of order or discipline to a cell or room apart from
3 accommodations provided for inmates who are participating in
4 programs of the facility.

5 (b) "Cost per prisoner" means the sum total of the funds
6 appropriated under part 1 for the following, divided by the
7 projected prisoner population in fiscal year 2018-2019:

8 (i) New custody staff training.

9 (ii) Education/skilled trades/career readiness programs.

10 (iii) Offender success programming.

11 (iv) Central records.

12 (v) Correctional facilities administration.

13 (vi) Inmate legal services.

14 (vii) Prison food service.

15 (viii) Prison store operations.

16 (ix) Transportation.

17 (x) Clinical complexes.

18 (xi) Hepatitis C treatment.

19 (xii) Mental health services and support.

20 (xiii) Prisoner health care services.

21 (xiv) Vaccination program.

22 (xv) Correctional facilities.

23 (xvi) Northern and southern region administration and support.

24 (xvii) Higher custody level programming.

25 (c) "Department" or "MDOC" means the Michigan department of
26 corrections.

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

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

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

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

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

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

11 (j) "Goal" means the intended or projected result of a
12 comprehensive corrections plan or community corrections program to
13 reduce repeat offending, criminogenic and high-risk behaviors,
14 prison commitment rates, the length of stay in a jail, or to
15 improve the utilization of a jail.

16 (k) "Jail" means a facility operated by a local unit of
17 government for the physical detention and correction of persons
18 charged with or convicted of criminal offenses.

19 (l) "MDHHS" means the Michigan department of health and human
20 services.

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

24 (n) "Objective risk and needs assessment" means an evaluation
25 of an offender's criminal history; the offender's noncriminal
26 history; and any other factors relevant to the risk the offender
27 would present to the public safety, including, but not limited to,

1 having demonstrated a pattern of violent behavior, and a criminal
2 record that indicates a pattern of violent offenses.

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

4 (p) "Offender eligibility criteria" means particular criminal
5 violations, state felony sentencing guidelines descriptors, and
6 offender characteristics developed by advisory boards and approved
7 by local units of government that identify the offenders suitable
8 for community corrections programs funded through the office of
9 community corrections.

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

16 (r) "Offender target populations" means felons or
17 misdemeanants who would likely be sentenced to imprisonment in a
18 state correctional facility or jail, who would not likely increase
19 the risk to the public safety based on an objective risk and needs
20 assessment that indicates that the offender can be safely treated
21 and supervised in the community.

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

24 (i) A felon or misdemeanant who receives a sentencing
25 disposition that appears to be in place of incarceration in a state
26 correctional facility or jail, according to historical local
27 sentencing patterns.

1 (ii) A currently incarcerated felon or misdemeanant who is
2 granted early release from incarceration to a community corrections
3 program or who is granted early release from incarceration as a
4 result of a community corrections program.

5 (t) "Programmatic success" means that the department program
6 or initiative has ensured that the offender has accomplished all of
7 the following:

8 (i) Obtained employment, has enrolled or participated in a
9 program of education or job training, or has investigated all bona
10 fide employment opportunities.

11 (ii) Obtained housing.

12 (iii) Obtained a state identification card.

13 (u) "Recidivism" means that term as defined in section 1 of
14 2017 PA 5, MCL 798.31.

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

16 (w) "Serious emotional disturbance" means that term as defined
17 in section 100d(2) of the mental health code, 1974 PA 258, MCL
18 330.1100d.

19 (x) "Serious mental illness" means that term as defined in
20 section 100d(3) of the mental health code, 1974 PA 258, MCL
21 330.1100d.

22 (y) "SSA" means the United States Social Security
23 Administration.

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

25 Sec. 204. The department shall use the internet to fulfill the
26 reporting requirements of this part. This requirement may include
27 transmission of reports via electronic mail to the recipients

1 identified for each reporting requirement or it may include
2 placement of reports on an internet or intranet site.

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

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

16 Sec. 207. The department shall prepare a report on out-of-
17 state travel expenses not later than January 1 of each year. The
18 travel 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 senate and house appropriations committees, the
23 senate and house fiscal agencies, and the state budget office. The
24 report shall include the following information:

25 (a) The dates of each travel occurrence.

26 (b) The total transportation and related costs of each travel
27 occurrence, including the proportion funded with state general

1 fund/general purpose revenues, the proportion funded with state
2 restricted revenues, the proportion funded with federal revenues,
3 and the proportion funded with other revenues.

4 Sec. 208. Funds appropriated in part 1 shall not be used by
5 the department to hire a person to provide legal services that are
6 the responsibility of the attorney general. This prohibition does
7 not apply to legal services for bonding activities and for those
8 outside services that the attorney general authorizes.

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

17 Sec. 210. (1) In addition to the funds appropriated in part 1,
18 there is appropriated an amount not to exceed \$10,000,000.00 for
19 federal contingency funds. These funds are not available for
20 expenditure until they have been transferred to another line item
21 in part 1 under section 393(2) of the management and budget act,
22 1984 PA 431, MCL 18.1393.

23 (2) In addition to the funds appropriated in part 1, there is
24 appropriated an amount not to exceed \$10,000,000.00 for state
25 restricted contingency funds. These funds are not available for
26 expenditure until they have been transferred to another line item
27 in part 1 under section 393(2) of the management and budget act,

1 1984 PA 431, MCL 18.1393.

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

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

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

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

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

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

23 (d) The number of active department employees by job
24 classification.

25 (e) Job specifications and wage rates.

26 Sec. 212. Within 14 days after the release of the executive
27 budget recommendation, the department shall cooperate with the

1 state budget office to provide the chairpersons of the senate and
2 house appropriations committees, the chairpersons of the senate and
3 house appropriations subcommittees on corrections, and the senate
4 and house fiscal agencies with an annual report on estimated state
5 restricted fund balances, state restricted fund projected revenues,
6 and state restricted fund expenditures for the prior 2 fiscal
7 years.

8 Sec. 213. The department shall maintain, on a publicly
9 accessible website, a department scorecard that identifies, tracks,
10 and regularly updates key metrics that are used to monitor and
11 improve the department's performance.

12 Sec. 214. Total authorized appropriations from all sources
13 under part 1 for legacy costs for the fiscal year ending September
14 30, 2019 are estimated at \$319,141,800.00. From this amount, total
15 department appropriations for pension-related legacy costs are
16 estimated at \$147,129,800.00. Total department appropriations for
17 retiree health care legacy costs are estimated at \$172,012,000.00.

18 Sec. 216. On a quarterly basis, the department shall report on
19 the number of full-time equated positions in pay status by civil
20 service classification to the senate and house appropriations
21 subcommittees on corrections, the senate and house fiscal agencies,
22 the legislative corrections ombudsman, and the state budget office.
23 This report shall include a detailed accounting of the long-term
24 vacancies that exist within the department. As used in this
25 section, "long-term vacancy" means any full-time equated position
26 that has not been filled at any time during the past 24 calendar
27 months.

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

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

12 (2) Revenues appropriated and collected for program and
13 special equipment funds shall be considered state restricted
14 revenue. Funding shall be used for prisoner programming, special
15 equipment, and security projects. Unexpended funds remaining at the
16 close of the fiscal year shall not lapse to the general fund but
17 shall be carried forward and be available for appropriation in
18 subsequent fiscal years.

19 (3) The department shall submit a report to the senate and
20 house appropriations subcommittees on corrections, the senate and
21 house fiscal agencies, the legislative corrections ombudsman, and
22 the state budget office by February 1 outlining revenues and
23 expenditures from program and special equipment funds. The report
24 shall include all of the following:

25 (a) A list of all individual projects and purchases financed
26 with program and special equipment funds in the immediately
27 preceding fiscal year, the amounts expended on each project or

1 purchase, and the name of each vendor from which the products or
2 services were purchased.

3 (b) A list of planned projects and purchases to be financed
4 with program and special equipment funds during the current fiscal
5 year, the amounts to be expended on each project or purchase, and
6 the name of each vendor from which the products or services will be
7 purchased.

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

10 Sec. 220. The department may charge fees and collect revenues
11 in excess of appropriations in part 1 not to exceed the cost of
12 offender services and programming, employee meals, parolee loans,
13 academic/vocational services, custody escorts, compassionate
14 visits, union steward activities, and public works programs and
15 services provided to local units of government or private nonprofit
16 organizations. The revenues and fees collected are appropriated for
17 all expenses associated with these services and activities.

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

23 Sec. 247. In cooperation with the state court administrative
24 office, the department shall assist with the data compilation for
25 the swift and sure sanctions program.

26 Sec. 248. At the May 2019 consensus revenue estimating
27 conference, the senate and house fiscal agencies and the state

1 budget director, or state treasurer, shall establish a projected
2 prisoner population for fiscal year 2019-2020, and a projected
3 number of available beds based on the population projection.

4 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

5 Sec. 301. For 3 years after a felony offender is released from
6 the department's jurisdiction, the department shall maintain the
7 offender's file on the offender tracking information system and
8 make it publicly accessible in the same manner as the file of the
9 current offender. However, the department shall immediately remove
10 the offender's file from the offender tracking information system
11 upon determination that the offender was wrongfully convicted and
12 the offender's file is not otherwise required to be maintained on
13 the offender tracking information system.

14 Sec. 304. The department shall maintain a staff savings
15 initiative program in conjunction with the EPIC program for
16 employees to submit suggestions for efficiencies for the
17 department. The department shall consider each suggestion in a
18 timely manner. By March 1, the department shall report to the
19 senate and house appropriations subcommittees on corrections, the
20 senate and house fiscal agencies, the legislative corrections
21 ombudsman, and the state budget office on process improvements that
22 were implemented based on suggestions that were recommended for
23 implementation from the staff savings initiative and EPIC programs.

24 Sec. 305. From the funds appropriated in part 1 for
25 prosecutorial and detainer expenses, the department shall reimburse
26 counties for housing and custody of parole violators and offenders

1 being returned by the department from community placement who are
2 available for return to institutional status and for prisoners who
3 volunteer for placement in a county jail.

4 Sec. 306. Funds included in part 1 for the sheriffs'
5 coordinating and training office are appropriated for and may be
6 expended to defray costs of continuing education, certification,
7 recertification, decertification, and training of local corrections
8 officers, the personnel and administrative costs of the sheriffs'
9 coordinating and training office, the local corrections officers
10 advisory board, and the sheriffs' coordinating and training council
11 under the local corrections officers training act, 2003 PA 125, MCL
12 791.531 to 791.546.

13 Sec. 307. The department shall issue a biannual report for all
14 vendor contracts to 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 cover service contracts with a value of
18 \$500,000.00 or more and include all of the following:

19 (a) The original start date and the current expiration date of
20 each contract.

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

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

26 Sec. 308. The department shall provide for the training of all
27 custody staff in effective and safe ways of handling prisoners with

1 mental illness and referring prisoners to mental health treatment
2 programs. Mental health awareness training shall be incorporated
3 into the training of new custody staff.

4 Sec. 309. The department shall issue a report for all
5 correctional facilities to the senate and house appropriations
6 subcommittees on corrections, the senate and house fiscal agencies,
7 the legislative corrections ombudsman, and the state budget office
8 by January 1 setting forth the following information for each
9 facility: its name, street address, and date of construction; its
10 current maintenance costs; any maintenance planned; its current
11 utility costs; its expected future capital improvement costs; the
12 current unspent balance of any authorized capital outlay projects,
13 including the original authorized amount; and its expected future
14 useful life.

15 Sec. 310. (1) By February 1, the department shall provide a
16 report to the senate and house appropriations subcommittees on
17 corrections, the senate and house fiscal agencies, the legislative
18 corrections ombudsman, and the state budget office which details
19 the strategic plan of the department. The report shall contain
20 strategies to decrease the overall recidivism rate, measurable
21 plans to increase the rehabilitative function of correctional
22 facilities, metrics to track and ensure prisoner readiness to
23 reenter society, and constructive actions for providing prisoners
24 with life skills development.

25 (2) The intent of this report is to express that the mission
26 of the department is to provide an action plan before reentry to
27 society that ensures prisoners' readiness for meeting parole

1 requirements and ensures a reduction in the total number of
2 released inmates who reenter the criminal justice system.

3 Sec. 311. By December 1, the department shall provide a report
4 on the Michigan state industries program to the senate and house
5 appropriations subcommittees on corrections, the senate and house
6 fiscal agencies, the legislative corrections ombudsman, and the
7 state budget office. The report shall include, but not be limited
8 to, the locations of the programs, the total number of participants
9 at each location, a description of job duties and typical inmate
10 schedules, the products that are produced, and how the program
11 provides marketable skills that lead to employable outcomes after
12 release from a department facility.

13 Sec. 312. (1) From the funds appropriated in part 1 for budget
14 and operations administration, \$50,000.00 shall be used to conduct
15 a comprehensive study of the prevalence of post-traumatic stress
16 disorder and other psychological issues among correctional officers
17 that are exacerbated by the corrections environment and exposure to
18 highly stressful situations.

19 (2) By July 15, the department shall submit a report on the
20 results of the study to the senate and house appropriations
21 subcommittees on corrections, the senate and house fiscal agencies,
22 the legislative corrections ombudsman, and the state budget office.

23 **OFFENDER SUCCESS ADMINISTRATION**

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

6 Sec. 402. By March 1, the department shall provide a report on
7 offender success expenditures and allocations to the senate and
8 house appropriations subcommittees on corrections, the senate and
9 house fiscal agencies, the legislative corrections ombudsman, and
10 the state budget office. At a minimum, the report shall include
11 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 offender success
23 services. Offender success services include, but are not limited
24 to, counseling, providing information on housing and job placement,
25 and money management assistance.

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

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

4 Sec. 405. By March 1, the department shall report to the
5 senate and house appropriations subcommittees on corrections, the
6 senate and house fiscal agencies, the legislative corrections
7 ombudsman, 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 project shall
23 operate in at least Berrien, Kent, and Macomb Counties. The FQHC
24 organization shall submit annual reports detailing these outcomes
25 to the senate and house appropriations subcommittees on
26 corrections, the senate and house fiscal agencies, the legislative
27 corrections ombudsman, and the state budget office. The report

1 shall include, but not be limited to, the number of offenders
2 served by the pilot project in each county, the number of
3 individual contacts with each offender, the federally reimbursable
4 expenditures leveraged by the pilot project by county, and the
5 state expenditures within the pilot project by county.

6 Sec. 407. By June 30, the department shall place the
7 statistical report from the immediately preceding calendar year on
8 an internet site. The statistical report shall include, but not be
9 limited to, the information as provided in the 2004 statistical
10 report.

11 Sec. 408. The department shall measure the recidivism rates of
12 offenders.

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

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

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

6 Sec. 410. (1) The funds included in part 1 for community
7 corrections comprehensive plans and services are to encourage the
8 development through technical assistance grants, implementation,
9 and operation of community corrections programs that enhance
10 offender success and that also may serve as an alternative to
11 incarceration in a state facility or jail. The comprehensive
12 corrections plans shall include an explanation of how the public
13 safety will be maintained, the goals for the local jurisdiction,
14 offender target populations intended to be affected, offender
15 eligibility criteria for purposes outlined in the plan, and how the
16 plans will meet the following objectives, consistent with section
17 8(4) of the community corrections act, 1988 PA 511, MCL 791.408:

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

20 (b) Improve the appropriate utilization of jail facilities,
21 the first priority of which is to open jail beds intended to house
22 otherwise prison-bound felons, and the second priority being to
23 appropriately utilize jail beds so that jail crowding does not
24 occur.

25 (c) Open jail beds through the increase of pretrial release
26 options.

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

1 (e) Reduce the admission or readmission to prison of
2 offenders, including probation violators and parole violators, for
3 substance abuse violations.

4 (f) Contribute to offender success.

5 (2) The award of community corrections comprehensive plans and
6 residential services funds shall be based on criteria that include,
7 but are not limited to, the prison commitment rate by category of
8 offenders, trends in prison commitment rates and jail utilization,
9 historical trends in community corrections program capacity and
10 program utilization, and the projected impact and outcome of annual
11 policies and procedures of programs on offender success, prison
12 commitment rates, and jail utilization.

13 (3) Funds awarded for residential probation diversions in part
14 shall provide for a per diem reimbursement of not more than
15 \$52.50.

16 Sec. 411. The comprehensive corrections plans shall also
17 include, where appropriate, descriptive information on the full
18 range of sanctions and services that are available and utilized
19 within the local jurisdiction and an explanation of how jail beds,
20 residential services, the special alternative incarceration
21 program, probation detention centers, the electronic monitoring
22 program for probationers, and treatment and rehabilitative services
23 will be utilized to support the objectives and priorities of the
24 comprehensive corrections plans and the purposes and priorities of
25 section 8(4) of the community corrections act, 1988 PA 511, MCL
26 791.408, that contribute to the success of offenders. The plans
27 shall also include, where appropriate, provisions that detail how

1 the local communities plan to respond to sentencing guidelines
2 found in chapter XVII of the code of criminal procedure, 1927 PA
3 175, MCL 777.1 to 777.69, and use the county jail reimbursement
4 program under section 414 of this part. The state community
5 corrections board shall encourage local community corrections
6 advisory boards to include in their comprehensive corrections plans
7 strategies to collaborate with local alcohol and drug treatment
8 agencies of the MDHHS for the provision of alcohol and drug
9 screening, assessment, case management planning, and delivery of
10 treatment to alcohol- and drug-involved offenders.

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

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

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

27 (c) Status of the community corrections information system and

1 the jail population information system.

2 (d) Data on residential services, including participant data,
3 participant sentencing guideline scores, program expenditures,
4 average length of stay, and bed utilization data.

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

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

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

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

18 (2) The county jail reimbursement program shall reimburse
19 counties for convicted felons in the custody of the sheriff if the
20 conviction was for a crime committed on or after January 1, 1999
21 and 1 of the following applies:

22 (a) The felon's sentencing guidelines recommended range upper
23 limit is more than 18 months, the felon's sentencing guidelines
24 recommended range lower limit is 12 months or less, the felon's
25 prior record variable score is 35 or more points, and the felon's
26 sentence is not for commission of a crime in crime class G or crime
27 class H or a nonperson crime in crime class F under chapter XVII of

1 the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69.

2 (b) The felon's minimum sentencing guidelines range minimum is
3 more than 12 months under the sentencing guidelines described in
4 subdivision (a).

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

10 (3) State reimbursement under this subsection shall be \$65.00
11 per diem per diverted offender for offenders with a presumptive
12 prison guideline score, \$55.00 per diem per diverted offender for
13 offenders with a straddle cell guideline for a group 1 crime, and
14 \$40.00 per diem per diverted offender for offenders with a straddle
15 cell guideline for a group 2 crime. Reimbursements shall be paid
16 for sentences up to a 1-year total.

17 (4) As used in this section:

18 (a) "Group 1 crime" means a crime in 1 or more of the
19 following offense categories: arson, assault, assaultive other,
20 burglary, criminal sexual conduct, homicide or resulting in death,
21 other sex offenses, robbery, and weapon possession as determined by
22 the department based on specific crimes for which counties received
23 reimbursement under the county jail reimbursement program in fiscal
24 year 2007 and fiscal year 2008, and listed in the county jail
25 reimbursement program document titled "FY 2007 and FY 2008 Group
26 One Crimes Reimbursed", dated March 31, 2009.

27 (b) "Group 2 crime" means a crime that is not a group 1 crime,

1 including larceny, fraud, forgery, embezzlement, motor vehicle,
2 malicious destruction of property, controlled substance offense,
3 felony drunk driving, and other nonassaultive offenses.

4 (c) "In the custody of the sheriff" means that the convicted
5 felon has been sentenced to the county jail and is either housed in
6 a county jail, is in custody but is being housed at a hospital or
7 medical facility for a medical or mental health purpose, or has
8 been released from jail and is being monitored through the use of
9 the sheriff's electronic monitoring system.

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

18 (6) Any county that receives funding under this section for
19 the purpose of housing in jails certain felons who otherwise would
20 have been sentenced to prison shall, as a condition of receiving
21 the funding, report by September 30 an annual average jail capacity
22 and annual average jail occupancy for the immediately preceding
23 fiscal year.

24 (7) Not later than February 1, the department shall report to
25 the senate and house appropriations subcommittees on corrections
26 all of the following information:

27 (a) The number of inmates sentenced to the custody of the

1 sheriff and eligible for the county jail reimbursement program.

2 (b) The total amount paid to counties under the county jail
3 reimbursement program.

4 (c) The total number of days inmates were in the custody of
5 the sheriff and eligible for the county jail reimbursement program.

6 (d) The number of inmates sentenced to the custody of the
7 sheriff under each of the 3 categories: presumptive prison, group 1
8 crime, and group 2 crime in subsection (3).

9 (e) The total amount paid to counties under each of the 3
10 categories: presumptive prison, group 1 crime, and group 2 crime in
11 subsection (3).

12 (f) The total number of days inmates were in the custody of
13 the sheriff under each of the 3 categories: presumptive prison,
14 group 1 crime, and group 2 crime in subsection (3).

15 (g) The estimated cost of housing inmates sentenced to the
16 custody of the sheriff and eligible for the county jail
17 reimbursement program as inmates of a state prison.

18 Sec. 416. Allowable uses of felony drunk driver jail reduction
19 and community treatment program funding shall include reimbursing
20 counties for transportation, treatment costs, and housing felony
21 drunk drivers during a period of assessment for treatment and case
22 planning. Reimbursements for housing during the assessment process
23 shall be at the rate of \$43.50 per day per offender, up to a
24 maximum of 5 days per offender.

25 Sec. 417. (1) By March 1, the department shall report to the
26 senate and house appropriations subcommittees on corrections, the
27 senate and house fiscal agencies, the legislative corrections

1 ombudsman, and the state budget office on both of the following
2 programs from the previous fiscal year:

3 (a) The felony drunk driver jail reduction and community
4 treatment program.

5 (b) Any new initiatives to control prison population growth
6 funded or proposed to be funded under part 1.

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

9 (a) Program objectives and outcome measures, including, but
10 not limited to, the number of offenders who successfully completed
11 the program, and the number of offenders who successfully remained
12 in the community during the 3 years following termination from the
13 program.

14 (b) Expenditures by location.

15 (c) The impact on jail utilization.

16 (d) The impact on prison admissions.

17 (e) Other information relevant to an evaluation of the
18 program.

19 Sec. 418. (1) The department shall collaborate with the state
20 court administrative office on facilitating changes to Michigan
21 court rules that would require the court to collect at the time of
22 sentencing the state operator's license, state identification card,
23 or other documentation used to establish the identity of the
24 individual to be admitted to the department. The department shall
25 maintain those documents in the prisoner's personal file.

26 (2) The department shall cooperate with MDHHS to create and
27 maintain a process by which prisoners can obtain their Michigan

1 birth certificates if necessary. The department shall describe a
2 process for obtaining birth certificates from other states, and in
3 situations where the prisoner's effort fails, the department shall
4 assist in obtaining the birth certificate.

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

9 Sec. 419. (1) The department shall provide weekly electronic
10 mail reports to the senate and house appropriations subcommittees
11 on corrections, the senate and house fiscal agencies, the
12 legislative corrections ombudsman, and the state budget office on
13 prisoner populations by security levels by facility, prison
14 facility capacities, and parolee and probationer populations.

15 (2) The department shall provide monthly electronic mail
16 reports to the senate and house appropriations subcommittees on
17 corrections, the senate and house fiscal agencies, the legislative
18 corrections ombudsman, and the state budget office. The reports
19 shall include information on end-of-month prisoner populations in
20 county jails, the net operating capacity according to the most
21 recent certification report, identified by date, the number of beds
22 in currently closed housing units by facility, and end-of-month
23 data, year-to-date data, and comparisons to the prior year for the
24 following:

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

27 (b) Parole populations.

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

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

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

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

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

14 (h) Prison intake and returns, including probation violators,
15 new court commitments, violators with new sentences, escaper new
16 sentences, total prison intake, returns from court with additional
17 sentences, community placement returns, technical parole violator
18 returns, and total returns to prison and camp.

19 Sec. 421. (1) Funds appropriated in part 1 for the substance
20 abuse parole certain sanction program shall be distributed to an
21 American Correctional Association accredited rehabilitation
22 organization operating in any of the following counties: Berrien,
23 Calhoun, Genesee, Kalamazoo, Kent, Macomb, Muskegon, Oakland,
24 Saginaw, and Wayne for operations and administration of the
25 program. The program may be utilized as a condition of parole for
26 technical parole violators to ensure public safety and justice
27 through a program based on evidence-based tactics and programs.

1 (2) The program or programs selected shall report by March 30
2 to the department, the senate and house appropriations
3 subcommittees on corrections, the senate and house fiscal agencies,
4 the legislative corrections ombudsman, and the state budget office.
5 The report shall include program performance measurements, the
6 number of individuals who participate in the program, the number of
7 individuals who return to prison after participating, and outcomes
8 of participants who complete the program.

9 Sec. 422. On a quarterly basis, the department shall issue a
10 report to the senate and house appropriations subcommittees on
11 corrections, the senate and house fiscal agencies, the legislative
12 corrections ombudsman, and the state budget office, for the
13 previous 4 quarters detailing the outcomes of prisoners who have
14 been reviewed for parole. The report shall include all of the
15 following:

- 16 (a) How many prisoners in each quarter were reviewed.
17 (b) How many prisoners were granted parole.
18 (c) How many prisoners were denied parole.
19 (d) How many parole decisions were deferred.
20 (e) The distribution of the total number of prisoners reviewed
21 during that quarter grouped by whether the prisoner had been
22 interviewed for the first, second, third, fourth, fifth, sixth, or
23 more than sixth time.
24 (f) The number of paroles granted, denied, or deferred for
25 each of the parole guideline scores of low, average, and high.
26 (g) The reason for denying or deferring parole.

27 Sec. 423. From the funds appropriated in part 1 for offender

1 success administration, the department shall collaborate with the
2 Michigan Restaurant Association for job placement for individuals
3 on probation and parole.

4 Sec. 425. (1) From the funds appropriated in part 1 for
5 offender success programming, \$1,000,000.00 shall be used by the
6 department to establish medication-assisted treatment offender
7 success pilot programs to provide prerelease treatment and
8 postrelease referral for opioid-addicted and alcohol-addicted
9 offenders who voluntarily participate in the medication-assisted
10 treatment offender success pilot programs. The department shall
11 collaborate with residential and nonresidential substance abuse
12 treatment providers and with community-based clinics to provide
13 postrelease treatment. The programs shall employ a multifaceted
14 approach to treatment, including a long-acting nonaddictive
15 medication approved by the Food and Drug Administration for the
16 treatment of opioid and alcohol dependence, counseling, and
17 postrelease referral to community-based providers.

18 (2) The manufacturer of a long-acting nonaddictive medication
19 approved by the Food and Drug Administration for opioid and alcohol
20 dependence shall provide the department with samples of the
21 medication, at no cost to the department, during the duration of
22 the medication-assisted treatment offender success pilot programs.
23 Offenders shall receive 1 injection prior to being released from
24 custody and shall be connected with an aftercare plan and
25 assistance with obtaining insurance to cover subsequent injections.

26 (3) Participants of the programs shall be required to attend
27 substance abuse treatment programming as directed by their agent,

1 including coordination of both direct or indirect services through
2 federally qualified health centers in Wayne, Washtenaw, Genesee,
3 Berrien, Van Buren, and Allegan Counties, but not limited to only
4 those counties, shall be subject to routine drug and alcohol
5 testing, shall not be allowed to consume drugs or alcohol, and
6 shall possess a strong will to overcome addiction.

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

16 Sec. 426. From the funds appropriated in part 1, the
17 department shall ensure that any inmate with a diagnosed mental
18 illness is referred to a local mental health care provider that is
19 able and willing to treat the inmate upon parole or discharge. The
20 department shall ensure that the provider is informed of the
21 inmate's current treatment plan including any medications that are
22 currently prescribed to the inmate.

23 Sec. 437. (1) Funds appropriated in part 1 for Goodwill Flip
24 the Script shall be distributed to a Michigan-chartered 501(c)(3)
25 nonprofit corporation operating in a county with greater than
26 1,500,000 people for administration and expansion of a program
27 which serves a population of persons aged 16 to 39. The program

1 shall target those who are entering the criminal justice system for
2 the first or second time and shall assist those individuals through
3 the following program types:

4 (a) Alternative sentencing programs in partnership with a
5 local district or circuit court.

6 (b) Educational recovery for special adult populations with
7 high rates of illiteracy.

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

9 (2) The program selected shall report by March 30 to the
10 department, the senate and house appropriations subcommittees on
11 corrections, the senate and house fiscal agencies, the legislative
12 corrections ombudsman, and the state budget office. The report
13 shall include program performance measurements, the number of
14 individuals diverted from incarceration, the number of individuals
15 served, and outcomes of participants who complete the program.

16 **FIELD OPERATIONS ADMINISTRATION**

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

22 Sec. 603. (1) All prisoners, probationers, and parolees
23 involved with the curfew monitoring program shall reimburse the
24 department for costs associated with their participation in the
25 program. The department may require community service work
26 reimbursement as a means of payment for those able-bodied

1 individuals unable to pay for the costs of the equipment.

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

6 (3) Included in the appropriation in part 1 is adequate
7 funding to implement the curfew monitoring program to be
8 administered by the department. The curfew monitoring program is
9 intended to provide sentencing judges and county sheriffs in
10 coordination with local community corrections advisory boards
11 access to the state's curfew monitoring program to reduce prison
12 admissions and improve local jail utilization. The department shall
13 determine the appropriate distribution of the curfew monitor units
14 throughout the state based upon locally developed comprehensive
15 corrections plans under the community corrections act, 1988 PA 511,
16 MCL 791.401 to 791.414.

17 (4) For a fee determined by the department, the department
18 shall provide counties with the curfew monitor equipment,
19 replacement parts, administrative oversight of the equipment's
20 operation, notification of violators, and periodic reports
21 regarding county program participants. Counties are responsible for
22 curfew monitor equipment installation and service. For an
23 additional fee as determined by the department, the department
24 shall provide staff to install and service the equipment. Counties
25 are responsible for the coordination and apprehension of program
26 violators.

27 (5) Any county with curfew monitor charges outstanding over 60

1 days shall be considered in violation of the community curfew
2 monitor program agreement and lose access to the program.

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

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

23 Sec. 611. The department shall prepare by March 1 individual
24 reports for the residential reentry program, the electronic
25 monitoring program, and the special alternative to incarceration
26 program. The reports shall be submitted to the senate and house
27 appropriations subcommittees on corrections, the senate and house

1 fiscal agencies, the legislative corrections ombudsman, and the
2 state budget office. Each program's report shall include
3 information on all of the following:

4 (a) Monthly new participants by type of offender. Residential
5 reentry program participants shall be categorized by reason for
6 placement. For technical rule violators, the report shall sort
7 offenders by length of time since release from prison, by the most
8 recent violation, and by the number of violations occurring since
9 release from prison.

10 (b) Monthly participant unsuccessful terminations, including
11 cause.

12 (c) Number of successful terminations.

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

14 (e) Average length of placement.

15 (f) Return to prison statistics.

16 (g) Description of each program location or locations,
17 capacity, and staffing.

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

20 (i) Comparison with prior year statistics.

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

23 Sec. 612. (1) The department shall review and revise as
24 necessary policy proposals that provide alternatives to prison for
25 offenders being sentenced to prison as a result of technical
26 probation violations and technical parole violations. To the extent
27 the department has insufficient policies or resources to affect the

1 continued increase in prison commitments among these offender
2 populations, the department shall explore other policy options to
3 allow for program alternatives, including department or OCC-funded
4 programs, local level programs, and programs available through
5 private agencies that may be used as prison alternatives for these
6 offenders.

7 (2) By April 1, the department shall provide a report to the
8 senate and house appropriations subcommittees on corrections, the
9 senate and house fiscal agencies, the legislative corrections
10 ombudsman, and the state budget office on the number of all
11 parolees returned to prison and probationers sentenced to prison
12 for either a technical violation or new sentence during the
13 preceding fiscal year. The report shall include the following
14 information for probationers, for parolees after their first
15 parole, and for parolees who have been paroled more than once:

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

20 (b) The numbers of parole and probation violators returned to
21 or sent to prison for a technical violation and the type of
22 violation, including, but not limited to, zero gun tolerance and
23 substance abuse violations. For parole technical rule violators,
24 the report shall list violations by type, by length of time since
25 release from prison, by the most recent violation, and by the
26 number of violations occurring since release from prison.

27 (c) The educational history of those offenders, including how

1 many had a high school equivalency or high school diploma prior to
2 incarceration in prison, how many received a high school
3 equivalency while in prison, and how many received a vocational
4 certificate while in prison.

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

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

10 Sec. 615. (1) The department shall submit a report detailing
11 the number of prisoners who have received life imprisonment
12 sentences with the possibility of parole and who are currently
13 eligible for parole to the senate and house appropriations
14 subcommittees on corrections, the senate and house fiscal agencies,
15 the legislative corrections ombudsman, and the state budget office
16 by April 30.

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

25 Sec. 617. From the funds appropriated in part 1 for the
26 residential alternative to prison program, the department shall
27 provide vocational, educational, and cognitive programming in a

1 secure environment to enhance existing alternative sentencing
2 options, increase employment readiness and successful placement
3 rates, and reduce new criminal behavior for the west Michigan
4 probation violator population. The department shall measure and set
5 the following metric goals:

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

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

10 (c) Of the participants that complete the program, 100% will
11 earn a certificate of completion for cognitive programming.

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

15 **HEALTH CARE**

16 Sec. 802. As a condition of expenditure of the funds
17 appropriated in part 1, the department shall provide the senate and
18 house appropriations subcommittees on corrections, the senate and
19 house fiscal agencies, the legislative corrections ombudsman, and
20 the state budget office with quarterly reports on physical and
21 mental health care detailing quarterly and fiscal year-to-date
22 expenditures itemized by vendor, allocations, status of payments
23 from contractors to vendors, and projected year-end expenditures
24 from accounts for prisoner health care, mental health care,
25 pharmaceutical services, and durable medical equipment. These
26 reports shall include a breakdown of all payments to the integrated

1 care provider itemized by physical health care, mental health care,
2 and pharmacy expenditures.

3 Sec. 803. (1) The department shall assure that all prisoners,
4 upon any health care treatment, are given the opportunity to sign a
5 release of information form designating a family member or other
6 individual to whom the department shall release records information
7 regarding a prisoner. A release of information form signed by a
8 prisoner shall remain in effect for 1 year, and the prisoner may
9 elect to withdraw or amend the release form at any time.

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

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

15 Sec. 804. The department shall report quarterly to the senate
16 and house appropriations subcommittees on corrections, the senate
17 and house fiscal agencies, the legislative corrections ombudsman,
18 and the state budget office on prisoner health care utilization.
19 The report shall include the number of inpatient hospital days,
20 outpatient visits, emergency room visits, and prisoners receiving
21 off-site inpatient medical care in the previous quarter, by
22 facility.

23 Sec. 807. The funds appropriated in part 1 for Hepatitis C
24 treatment shall be used only to purchase specialty medication for
25 Hepatitis C treatment in the prison population. In addition to the
26 above appropriation, any rebates received from the medications used
27 shall be used only to purchase specialty medication for Hepatitis C

1 treatment. On a quarterly basis, the department shall issue a
2 report to the senate and house appropriations subcommittees on
3 corrections, the senate and house fiscal agencies, the legislative
4 corrections ombudsman, and the state budget office, showing for the
5 previous 4 quarters the total amount spent on specialty medication
6 for the treatment of Hepatitis C, the number of prisoners that were
7 treated, the amount of any rebates that were received from the
8 purchase of specialty medication, and what outstanding rebates are
9 expected to be received.

10 Sec. 812. (1) The department shall provide the department of
11 health and human services with a monthly list of prisoners newly
12 committed to the department of corrections. The department and the
13 department of health and human services shall enter into an
14 interagency agreement under which the department of health and
15 human services provides the department of corrections with monthly
16 lists of newly committed prisoners who are eligible for Medicaid
17 benefits in order to maintain the process by which Medicaid
18 benefits are suspended rather than terminated. The department shall
19 assist prisoners who may be eligible for Medicaid benefits after
20 release from prison with the Medicaid enrollment process prior to
21 release from prison.

22 (2) The department shall provide the senate and house
23 appropriations subcommittees on corrections, the senate and house
24 fiscal agencies, the legislative corrections ombudsman, and the
25 state budget office with quarterly updates on the utilization of
26 Medicaid benefits for prisoners.

27 Sec. 816. By April 1, the department shall provide the senate

1 and house appropriations subcommittees on corrections, the senate
2 and house fiscal agencies, the legislative corrections ombudsman,
3 and the state budget office with a report on pharmaceutical
4 expenditures and prescribing practices. In particular, the report
5 shall provide the following information:

6 (a) A detailed accounting of expenditures on antipsychotic
7 medications.

8 (b) Any changes that have been made to the prescription drug
9 formularies.

10 **CORRECTIONAL FACILITIES ADMINISTRATION**

11 Sec. 901. From the funds appropriated in part 1 for the
12 enhanced food technology program, the department shall expand the
13 existing food technology education program to at least 700 inmates
14 annually. A participant in the food technology program shall
15 complete 408 hours of on-the-job training in a prison kitchen as a
16 part of the program.

17 Sec. 902. All inmates working in prison kitchens shall
18 complete the minimum requirements for a ServSafe Food Handler
19 certificate before being allowed to work in the kitchens.
20 Requirements shall be met by using online materials unless the
21 department determines the program would be best served by using
22 other materials. Current prison kitchen workers shall complete the
23 requirements for a ServSafe Food Handler certificate on or before
24 April 1, to maintain eligibility to work in a prison kitchen.

25 Sec. 903. (1) All department-operated prisoner food service
26 operations shall be annually inspected to ensure they meet food

1 safety standards established for food service establishments under
2 the food law, 2000 PA 92, MCL 289.1101 to 289.8111, or for food
3 service establishments under the 2001 food code published by the
4 Food and Drug Administration of the Public Health Service of the
5 Department of Health and Human Services. Funds appropriated in part
6 1 for prison kitchen inspections shall be used for costs to
7 implement this section and for inspecting prison food service
8 operations.

9 (2) Nothing in this section shall be construed to remove the
10 exemption under section 1107(p) of the food law, 2000 PA 92, MCL
11 289.1107.

12 Sec. 903a. From the funds appropriated in part 1 for prison
13 food service, the department shall report biannually to the senate
14 and house appropriations subcommittees on corrections, the senate
15 and house fiscal agencies, the legislative corrections ombudsman,
16 and the state budget office on the following:

17 (a) Average per-meal cost for prisoner food service. Per-meal
18 cost shall include all costs directly related to the provision of
19 food for the prisoner population, and shall include, but not be
20 limited to, actual food costs, total compensation for all food
21 service workers, including benefits and legacy costs, and
22 inspection and compliance costs for food service.

23 (b) Food service-related contracts, including goods or
24 services to be provided and the vendor.

25 (c) Major sanitation violations.

26 Sec. 904. The department shall calculate the per prisoner/per
27 day cost for each prisoner security custody level. This calculation

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

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

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

23 (3) If a county participating in the county jail bed program
24 has available bed space in its county jail and the department has
25 prisoners in its custody meeting the eligibility requirements under
26 this section, the department may place the eligible prisoners in
27 the county jail.

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

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

6 (b) The prisoner is not serving a sentence for conviction of a
7 violation or attempted violation of section 520b, 520c, 520d, 520e,
8 or 520g of the Michigan penal code, 1931 PA 328, MCL 750.520b,
9 750.520c, 750.520d, 750.520e, and 750.520g.

10 (c) The prisoner is serving a fixed sentence with a determined
11 discharge date.

12 Sec. 906. Any local unit of government or private nonprofit
13 organization that contracts with the department for public works
14 services shall be responsible for financing the entire cost of such
15 an agreement.

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

23 (a) The number of instructors and the number of instructor
24 vacancies, by program and facility.

25 (b) The number of prisoners enrolled in each program, the
26 number of prisoners completing each program, the number of
27 prisoners who do not complete each program and are not subsequently

1 reenrolled, and the reason for not completing the program, the
2 number of prisoners transferred to another facility while enrolled
3 in a program and not subsequently reenrolled, the number of
4 prisoners enrolled who are repeating the program, and the number of
5 prisoners on waiting lists for each program, all itemized by
6 facility.

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

10 (d) The number of prisoners paroled without a high school
11 diploma and the number of prisoners paroled without a high school
12 equivalency.

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

16 (f) An identification of program outcomes for each academic
17 and vocational program.

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

21 Sec. 908. From the funds appropriated in part 1, the
22 department shall establish a pilot online career high school
23 education program to serve up to 400 inmates through a regionally
24 accredited public or private school district that offers career-
25 based online high school diplomas designed to prepare adult inmates
26 for transition into the workplace. The department may use federal
27 funds provided to educate inmates to expand this pilot beyond 400

1 inmates. Funds for the pilot may also be used for certification
2 programs related to the enhanced food technology program. The
3 department shall provide an initial report no later than June 1
4 regarding the progress of the inmates in the online high school
5 diploma and career certificate programs to the senate and house
6 appropriations subcommittees on corrections, the senate and house
7 fiscal agencies, the legislative corrections ombudsman, and the
8 state budget office.

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

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

24 Sec. 912. The department shall report monthly to the senate
25 and house appropriations subcommittees on corrections, the senate
26 and house fiscal agencies, the legislative corrections ombudsman,
27 and the state budget office on the ratio of correctional officers

1 to prisoners for each correctional institution, the ratio of shift
2 command staff to line custody staff, and the ratio of noncustody
3 institutional staff to prisoners for each correctional institution.

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

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

21 (3) The department shall submit a quarterly report to the
22 senate and house appropriations subcommittees on corrections, the
23 senate and house fiscal agencies, the legislative corrections
24 ombudsman, and the state budget office detailing enrollment in sex
25 offender programming, assaultive offender programming, violent
26 offender programming, and thinking for a change programming. At a
27 minimum, the report shall include the following:

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

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

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

8 Sec. 924. The department shall evaluate all prisoners at
9 intake for substance abuse disorders, serious developmental
10 disorders, serious mental illness, and other mental health
11 disorders. Prisoners with serious mental illness or serious
12 developmental disorders shall not be removed from the general
13 population as a punitive response to behavior caused by their
14 serious mental illness or serious developmental disorder. Due to
15 persistent high violence risk or severe disruptive behavior that is
16 unresponsive to treatment, prisoners with serious mental illness or
17 serious developmental disorders may be placed in secure residential
18 housing programs that will facilitate access to institutional
19 programming and ongoing mental health services. A prisoner with
20 serious mental illness or serious developmental disorder who is
21 confined in these specialized housing programs shall be evaluated
22 or monitored by a medical professional at a frequency of not less
23 than every 12 hours.

24 Sec. 925. By March 1, the department shall report to the
25 senate and house appropriations subcommittees on corrections, the
26 senate and house fiscal agencies, the legislative corrections
27 ombudsman, and the state budget office on the annual number of

1 prisoners in administrative segregation between October 1, 2017 and
2 September 30, 2018, and the annual number of prisoners in
3 administrative segregation between October 1, 2017 and September
4 30, 2018 who at any time during the current or prior prison term
5 were diagnosed with serious mental illness or have a developmental
6 disorder and the number of days each of the prisoners with serious
7 mental illness or a developmental disorder have been confined to
8 administrative segregation.

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

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

20 (b) Provide appropriate placement for prisoners less than 18
21 years of age who have serious mental illness, serious emotional
22 disturbance, or a serious developmental disorder and need to be
23 housed separately from the general population. Prisoners less than
24 18 years of age who have serious mental illness, serious emotional
25 disturbance, or a serious developmental disorder shall not be
26 removed from an existing placement as a punitive response to
27 behavior caused by their serious mental illness, serious emotional

1 disturbance, or a serious developmental disorder. Due to persistent
2 high violence risk or severe disruptive behavior that is
3 unresponsive to treatment, prisoners less than 18 years of age with
4 serious emotional disturbance, serious mental illness, or serious
5 developmental disorders may be placed in secure residential housing
6 programs that will facilitate access to institutional programming
7 and ongoing mental health services. A prisoner less than 18 years
8 of age with serious mental illness, serious emotional disturbance,
9 or a serious developmental disorder who is confined in these
10 specialized housing programs shall be evaluated or monitored by a
11 medical professional at a frequency of not less than every 12
12 hours.

13 (c) Implement a specialized offender success program that
14 recognizes the needs of prisoners less than 18 years old for
15 supervised offender success.

16 Sec. 930. The department shall submit a quarterly report to
17 the senate and house appropriations subcommittees on corrections,
18 the senate and house fiscal agencies, the legislative corrections
19 ombudsman, and the state budget office on the number of youth in
20 prison. The report shall include, but not be limited to, the
21 following information:

22 (a) The total number of inmates under age 18 who are not on
23 Holmes youthful trainee act status.

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

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

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

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

11 Sec. 942. The department shall ensure that any contract with a
12 public or private party to operate a facility to house state
13 prisoners includes a provision to allow access by both the office
14 of the legislative auditor general and the office of the
15 legislative corrections ombudsman to the facility and to
16 appropriate records and documents related to the operation of the
17 facility. These access rights for both offices shall be the same
18 for the contracted facility as for a general state-operated
19 correctional facility.

20 Sec. 943. The department shall submit a report by May 1 to the
21 senate and house appropriations subcommittees on corrections, the
22 senate and house fiscal agencies, the legislative corrections
23 ombudsman, and the state budget office on the actual and projected
24 savings achieved by closing correctional facilities. Savings
25 amounts shall be itemized by facility. Information required by this
26 section shall start with the closure of the Pugsley Correctional
27 Facility, which closed in September of 2016.

1 Sec. 944. When the department is planning to close a
2 correctional facility, the department shall fully consider the
3 potential economic impact of the prison closure on the community
4 where the facility is located. The department, when weighing all
5 factors related to the closure of a facility, shall also consider
6 the impact on the local community where the facility to be closed
7 is located.

8 **MISCELLANEOUS**

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

24 Sec. 1011. The department may accept in-kind services and
25 equipment donations to facilitate the addition of a cable network
26 that provides programming that will address the religious needs of

1 incarcerated individuals. This network may be a cable television
2 network that presently reaches the majority of households in the
3 United States. A bilingual channel affiliated with this network may
4 also be added to department programming to assist the religious
5 needs of Spanish-speaking inmates. The addition of these channels
6 shall be at no additional cost to this state.

7 Sec. 1013. From the funds appropriated in part 1, priority may
8 be given to funding reentry or rehabilitation programs that have
9 been demonstrated to reduce prison violence and recidivism,
10 including faith-based initiatives.

11 **ONE-TIME APPROPRIATIONS**

12 Sec. 1100. From the funds appropriated in part 1 for new
13 custody staff training, the department shall increase the training
14 capacity for new custody staff. The purpose of additional academies
15 is to address higher than normal attrition of correction officers
16 and to decrease overtime costs.

17 PART 2A

18 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

19 FOR FISCAL YEAR 2019-2020

20 **GENERAL SECTIONS**

21 Sec. 1201. It is the intent of the legislature to provide
22 appropriations for the fiscal year ending on September 30, 2020 for
23 the line items listed in part 1. Fiscal year 2019-2020
24 appropriations are anticipated to be the same as those for fiscal

1 year 2018-2019, except that the line items will be adjusted for
 2 changes in caseload and related costs, federal fund match rates,
 3 economic factors, and available revenue. These adjustments will be
 4 determined after the January 2019 consensus revenue estimating
 5 conference.

6 ARTICLE VI

7 DEPARTMENT OF EDUCATION

8 PART 1

9 LINE-ITEM APPROPRIATIONS

10 Sec. 101. There is appropriated for the department of
 11 education for the fiscal year ending September 30, 2019, from the
 12 following funds:

13 **DEPARTMENT OF EDUCATION**

14 APPROPRIATION SUMMARY

15	Full-time equated unclassified positions	6.0	
16	Full-time equated classified positions	614.5	
17	GROSS APPROPRIATION.....		\$ 400,815,000
18	Interdepartmental grant revenues:		
19	Total interdepartmental grants and intradepartmental		
20	transfers		0
21	ADJUSTED GROSS APPROPRIATION.....		\$ 400,815,000
22	Federal revenues:		
23	Total federal revenues.....		298,074,500
24	Special revenue funds:		
25	Total local revenues.....		5,852,800

1	Total private revenues.....	2,035,800
2	Total local and private revenues.....	7,888,600
3	Total other state restricted revenues.....	8,668,200
4	State general fund/general purpose.....	\$ 86,183,700
5	Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE	
6	SUPERINTENDENT	
7	Full-time equated unclassified positions6.0	
8	Full-time equated classified positions13.0	
9	Unclassified positions--6.0 FTE positions.....	\$ 868,900
10	Education commission of the states.....	120,800
11	State board of education, per diem payments.....	24,400
12	State board/superintendent operations--13.0 FTE	
13	positions	<u>2,634,000</u>
14	GROSS APPROPRIATION.....	\$ 3,648,100
15	Appropriated from:	
16	Federal revenues:	
17	Federal revenues.....	238,400
18	Special revenue funds:	
19	Private foundations.....	28,100
20	Certification fees.....	783,800
21	State general fund/general purpose.....	\$ 2,597,800
22	Sec. 103. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
23	Full-time equated classified positions23.6	
24	Central support operations--23.6 FTE positions.....	\$ 3,761,500
25	Federal and private grants.....	3,000,000
26	Property management.....	3,362,100
27	Terminal leave payments.....	353,300

1	Training and orientation workshops.....	150,000
2	Worker's compensation.....	<u>28,200</u>
3	GROSS APPROPRIATION.....	\$ 10,655,100
4	Appropriated from:	
5	Federal revenues:	
6	Federal indirect funds.....	2,480,200
7	Federal revenues.....	3,688,600
8	Special revenue funds:	
9	Private foundations.....	1,000,000
10	Certification fees.....	411,500
11	Teacher testing fees.....	4,200
12	Training and orientation workshop fees.....	150,000
13	State general fund/general purpose.....	\$ 2,920,600
14	Sec. 104. INFORMATION TECHNOLOGY	
15	Information technology services and projects.....	\$ <u>4,287,500</u>
16	GROSS APPROPRIATION.....	\$ 4,287,500
17	Appropriated from:	
18	Federal revenues:	
19	Federal indirect funds.....	1,865,600
20	Federal revenues.....	630,900
21	Special revenue funds:	
22	Certification fees.....	406,500
23	State general fund/general purpose.....	\$ 1,384,500
24	Sec. 105. SPECIAL EDUCATION SERVICES	
25	Full-time equated classified positions	47.0
26	Special education operations--47.0 FTE positions.....	\$ <u>9,263,800</u>
27	GROSS APPROPRIATION.....	\$ 9,263,800

1	Appropriated from:	
2	Federal revenues:	
3	Federal revenues.....	8,678,800
4	Special revenue funds:	
5	Private foundations.....	110,100
6	Certification fees.....	45,300
7	State general fund/general purpose.....	\$ 429,600
8	Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND	
9	Full-time equated classified positions82.0	
10	Camp Tuhsmebeta--1.0 FTE position.....	\$ 297,600
11	Low incidence outreach program.....	750,000
12	Michigan schools for the deaf and blind operations--	
13	81.0 FTE positions	13,430,700
14	Private gifts - blind.....	200,000
15	Private gifts - deaf.....	<u>150,000</u>
16	GROSS APPROPRIATION.....	\$ 14,828,300
17	Appropriated from:	
18	Federal revenues:	
19	Federal revenues.....	7,484,600
20	Special revenue funds:	
21	Local cost sharing (schools for deaf/blind).....	5,852,800
22	Gifts, bequests, and donations.....	647,600
23	Low incidence outreach fund.....	750,000
24	Student insurance revenue.....	93,300
25	State general fund/general purpose.....	\$ 0
26	Sec. 107. PROFESSIONAL PREPARATION SERVICES	
27	Full-time equated classified positions33.0	

1	Professional preparation operations--33.0 FTE		
2	positions	\$	<u>5,569,700</u>
3	GROSS APPROPRIATION.....	\$	5,569,700
4	Appropriated from:		
5	Federal revenues:		
6	Federal revenues.....		1,471,600
7	Special revenue funds:		
8	Certification fees.....		3,678,000
9	Teacher testing fees.....		193,300
10	State general fund/general purpose.....	\$	226,800
11	Sec. 108. MICHIGAN OFFICE OF GREAT START		
12	Full-time equated classified positions		66.0
13	Child development and care contracted services.....	\$	11,500,000
14	Child development and care external support.....		28,749,600
15	Child development and care public assistance.....		202,000,000
16	Head start collaboration office--1.0 FTE position.....		313,700
17	Office of great start operations--65.0 FTE positions..		12,350,000
18	TEACH scholarship program.....		<u>5,000,000</u>
19	GROSS APPROPRIATION.....	\$	259,913,300
20	Appropriated from:		
21	Federal revenues:		
22	Federal revenues.....		218,266,100
23	Special revenue funds:		
24	Private foundations.....		250,000
25	Certification fees.....		64,600
26	State general fund/general purpose.....	\$	41,332,600
27	Sec. 109. STATE AID AND SCHOOL FINANCE SERVICES		

1	Full-time equated classified positions	11.5	
2	State aid and school finance operations--	11.5 FTE	
3	positions		\$ <u>1,671,500</u>
4	GROSS APPROPRIATION.....		\$ 1,671,500
5	Appropriated from:		
6	State general fund/general purpose.....		\$ 1,671,500
7	Sec. 110. AUDIT SERVICES		
8	Full-time equated classified positions	4.5	
9	Audit operations--4.5 FTE positions.....		\$ <u>624,700</u>
10	GROSS APPROPRIATION.....		\$ 624,700
11	Appropriated from:		
12	Federal revenues:		
13	Federal indirect funds.....		496,600
14	Special revenue funds:		
15	Certification fees.....		62,900
16	State general fund/general purpose.....		\$ 65,200
17	Sec. 111. ADMINISTRATIVE LAW SERVICES		
18	Full-time equated classified positions	2.0	
19	Administrative law operations--2.0 FTE positions.....		\$ <u>1,392,900</u>
20	GROSS APPROPRIATION.....		\$ 1,392,900
21	Appropriated from:		
22	Federal revenues:		
23	Federal revenues.....		573,800
24	Special revenue funds:		
25	Certification fees.....		717,400
26	State general fund/general purpose.....		\$ 101,700
27	Sec. 112. ACCOUNTABILITY SERVICES		

1	Full-time equated classified positions	64.6	
2	Accountability services operations--64.6 FTE positions		\$ <u>14,828,600</u>
3	GROSS APPROPRIATION.....		\$ 14,828,600
4	Appropriated from:		
5	Federal revenues:		
6	Federal revenues.....		12,652,400
7	State general fund/general purpose.....		\$ 2,176,200
8	Sec. 113. SCHOOL SUPPORT SERVICES		
9	Full-time equated classified positions	83.6	
10	Adolescent and school health.....		\$ 100
11	School support services operations--83.6 FTE positions		<u>17,238,700</u>
12	GROSS APPROPRIATION.....		\$ 17,238,800
13	Appropriated from:		
14	Federal revenues:		
15	Federal revenues.....		14,690,300
16	Special revenue funds:		
17	Certification fees.....		87,600
18	Commodity distribution fees.....		71,700
19	State general fund/general purpose.....		\$ 2,389,200
20	Sec. 114. FIELD SERVICES		
21	Full-time equated classified positions	47.0	
22	Field services operations--47.0 FTE positions.....		\$ <u>9,494,900</u>
23	GROSS APPROPRIATION.....		\$ 9,494,900
24	Appropriated from:		
25	Federal revenues:		
26	Federal revenues.....		8,722,200
27	Special revenue funds:		

1	Certification fees.....	37,300
2	State general fund/general purpose.....	\$ 735,400
3	Sec. 115. EDUCATIONAL IMPROVEMENT AND INNOVATION	
4	SERVICES	
5	Full-time equated classified positions	44.7
6	Educational improvement and innovation operations--	
7	44.7 FTE positions	\$ <u>9,090,000</u>
8	GROSS APPROPRIATION.....	\$ 9,090,000
9	Appropriated from:	
10	Federal revenues:	
11	Federal revenues.....	5,942,100
12	Special revenue funds:	
13	Certification fees.....	565,100
14	State general fund/general purpose.....	\$ 2,582,800
15	Sec. 116. CAREER AND TECHNICAL EDUCATION	
16	Full-time equated classified positions	29.0
17	Career and technical education operations--29.0 FTE	
18	positions	\$ <u>5,312,900</u>
19	GROSS APPROPRIATION.....	\$ 5,312,900
20	Appropriated from:	
21	Federal revenues:	
22	Federal revenues.....	3,944,400
23	State general fund/general purpose.....	\$ 1,368,500
24	Sec. 117. LIBRARY OF MICHIGAN	
25	Full-time equated classified positions	33.0
26	Library of Michigan operations--31.0 FTE positions....	\$ 4,900,200
27	Library services and technology program--1.0 FTE	

1	position	5,611,400
2	Michigan eLibrary--1.0 FTE position.....	1,757,900
3	Renaissance zone reimbursements.....	2,500,000
4	State aid to libraries.....	<u>12,067,700</u>
5	GROSS APPROPRIATION.....	\$ 26,837,200
6	Appropriated from:	
7	Federal revenues:	
8	Federal revenues.....	5,611,400
9	Special revenue funds:	
10	Library fees.....	300,000
11	State general fund/general purpose.....	\$ 20,925,800
12	Sec. 118. EDUCATOR TALENT AND POLICY COORDINATION	
13	Full-time equated classified positions17.0	
14	Educator talent and policy coordination operations--	
15	17.0 FTE positions	\$ <u>2,652,700</u>
16	GROSS APPROPRIATION.....	\$ 2,652,700
17	Appropriated from:	
18	Federal revenues:	
19	Federal revenues.....	636,500
20	Special revenue funds:	
21	Certification fees.....	245,600
22	State general fund/general purpose.....	\$ 1,770,600
23	Sec. 119. PARTNERSHIP DISTRICT SUPPORT	
24	Full-time equated classified positions13.0	
25	Partnership district support operations--13.0 FTE	
26	positions	\$ <u>3,504,900</u>
27	GROSS APPROPRIATION.....	\$ 3,504,900

1	Appropriated from:		
2	State general fund/general purpose.....	\$	3,504,900
3	Sec. 120. ONE-TIME APPROPRIATIONS		
4	Drinking water declaration of emergency.....	\$	<u>100</u>
5	GROSS APPROPRIATION.....	\$	100
6	Appropriated from:		
7	Special revenue funds:		
8	Drinking water declaration of emergency reserve fund..		100
9	State general fund/general purpose.....	\$	0

10 PART 2
11 PROVISIONS CONCERNING APPROPRIATIONS
12 FOR FISCAL YEAR 2018-2019

13 **GENERAL SECTIONS**

14 Sec. 201. Pursuant to section 30 of article IX of the state
15 constitution of 1963, total state spending from state sources under
16 part 1 for fiscal year 2018-2019 is \$94,851,900.00 and state
17 spending from state sources to be paid to local units of government
18 for fiscal year 2018-2019 is \$14,567,700.00. The itemized statement
19 below identifies appropriations from which spending to local units
20 of government will occur:

21 DEPARTMENT OF EDUCATION

22	State aid to libraries.....	\$	12,067,700
23	Renaissance zone reimbursements.....		<u>2,500,000</u>
24	Total department of education.....	\$	14,567,700

25 Sec. 202. The appropriations authorized under this part and

1 part 1 are subject to the management and budget act, 1984 PA 431,
2 MCL 18.1101 to 18.1594.

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

4 (a) "Department" means the Michigan department of education.

5 (b) "District" means a local school district as that term is
6 defined in section 6 of the revised school code, 1976 PA 451, MCL
7 380.6, or a public school academy as that term is defined in
8 section 5 of the revised school code, 1976 PA 451, MCL 380.5.

9 (c) "FTE" means full-time equated.

10 (d) "IDG" means interdepartmental grant.

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 should 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 state superintendent of public instruction shall

1 take all reasonable steps to ensure businesses in deprived and
2 depressed communities compete for and perform contracts to provide
3 services or supplies, or both. The state superintendent of public
4 instruction shall strongly encourage firms with which the
5 department contracts to subcontract with certified businesses in
6 depressed and deprived communities for services, supplies, or both.

7 Sec. 207. The departments and agencies receiving
8 appropriations in part 1 shall prepare a report on out-of-state
9 travel expenses not later than January 1 of each year. The travel
10 report shall be a listing of all travel by classified and
11 unclassified employees outside this state in the immediately
12 preceding fiscal year that was funded in whole or in part with
13 funds appropriated in the department's budget. The report shall be
14 submitted to the senate and house appropriations committees, the
15 house and senate fiscal agencies, and the state budget director.
16 The report must include the following information:

17 (a) The dates of each travel occurrence.

18 (b) The transportation and related costs of each travel
19 occurrence, including the proportion funded with state general
20 fund/general purpose revenues, the proportion funded with state
21 restricted revenues, the proportion funded with federal revenues,
22 and the proportion funded with other revenues.

23 Sec. 208. Funds appropriated in part 1 shall not be used by a
24 principal executive department, state agency, or authority to hire
25 a person to provide legal services that are the responsibility of
26 the attorney general. This prohibition does not apply to legal
27 services for bonding activities and for those outside services that

1 the attorney general authorizes.

2 Sec. 209. Not later than November 30, the state budget office
3 shall prepare and transmit a report that provides for estimates of
4 the total general fund/general purpose appropriation lapses at the
5 close of the prior fiscal year. This report shall summarize the
6 projected year-end general fund/general purpose appropriation
7 lapses by major departmental program or program areas. The report
8 shall be transmitted to the chairpersons of the senate and house
9 appropriations committees and the senate and 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 \$700,000.00 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 \$250,000.00 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 \$3,000,000.00 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 for each department or agency:

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 chairs of the senate and house appropriations
23 subcommittees responsible for the department budget, and the senate
24 and house fiscal agencies with an annual report on estimated state
25 restricted fund balances, state restricted fund projected revenues,
26 and state restricted fund expenditures for the fiscal years ending
27 September 30, 2018 and September 30, 2019.

1 Sec. 213. The department shall maintain, on a publicly
2 accessible website, a department scorecard that identifies, tracks,
3 and regularly updates key metrics that are used to monitor and
4 improve the department's performance.

5 Sec. 214. Total authorized appropriations from all sources
6 under part 1 for legacy costs for the fiscal year ending September
7 30, 2019 are estimated at \$15,595,300.00. From this amount, total
8 agency appropriations for pension-related legacy costs are
9 estimated at \$7,189,700.00. Total agency appropriations for retiree
10 health care legacy costs are estimated at \$8,405,600.00.

11 Sec. 215. The department shall provide through the internet
12 the state board of education agenda and all supporting documents,
13 and shall notify the state budget director and the senate and house
14 fiscal agencies that the agenda and supporting documents are
15 available on the internet, at the time the agenda and supporting
16 documents are provided to state board of education members.

17 Sec. 217. The department may assist the department of health
18 and human services, other departments, and local school districts
19 to secure reimbursement for eligible services provided in Michigan
20 schools from the federal Medicaid program. The department may
21 submit reports of direct expenses related to this effort to the
22 department of health and human services for reimbursement.

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

27 Sec. 220. The department shall post on its website a link to

1 the federal Institute of Education Sciences' What Works
2 Clearinghouse. The department also shall work to disseminate
3 knowledge about the What Works Clearinghouse to districts and
4 intermediate districts so that it may be used to improve reading
5 proficiency for pupils in grades K to 3.

6 Sec. 221. The department shall require all districts and
7 intermediate school districts to maintain complete records within
8 the personnel file of a teacher or school employee of any
9 disciplinary actions taken by the governing board against the
10 teacher or employee for sexual misconduct. The records shall not be
11 destroyed or removed from the teacher's or employee's personnel
12 file except as required by a court order.

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

16 Sec. 223. The department and agencies receiving appropriations
17 in part 1 shall receive and retain copies of all reports funded
18 from appropriations in part 1. Federal and state guidelines for
19 short-term and long-term retention of records shall be followed.
20 The department may electronically retain copies of reports unless
21 otherwise required by federal and state guidelines.

22 Sec. 225. (1) From the funds appropriated in part 1, the
23 department must comply with section 17c of the state school aid act
24 of 1979, 1979 PA 94, MCL 388.1617c.

25 (2) If the department fails to comply with subsection (1), the
26 state funds appropriated in part 1 for unclassified positions,
27 state board/superintendent operations, school support services

1 operations, and field services operations shall each be reduced by
2 2.5%.

3 Sec. 226. From the funds appropriated in part 1, the
4 department shall coordinate with the other departments to
5 streamline state services and resources, reduce duplication, and
6 increase efficiency. This includes, but is not limited to, working
7 with the department of treasury to coordinate with the financial
8 independence team and overseeing deficit districts and working with
9 the department of health and human services and department of
10 licensing and regulatory affairs to coordinate with early childhood
11 programs and overseeing child care providers.

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

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

23 Sec. 229. The department shall not enter into a contract
24 funded under part 1 that exceeds \$1,000,000.00, submit federal
25 accountability plans, or request amendments to federal
26 accountability plans until after notification of the content to
27 both the house and senate appropriations committees and the state

1 budget director.

2 Sec. 230. From the funds appropriated in part 1, the
3 department shall compile a report that identifies any new, or lack
4 thereof, mandates required of nonpublic schools. In compiling the
5 report, the department may consult with relevant statewide
6 education associations in Michigan. The report compiled by the
7 department shall indicate the type of mandate, including, but not
8 limited to, student health, student or building safety,
9 accountability, and educational requirements, and shall indicate
10 whether a school has to report on the specified mandates. The
11 report required under this section shall be completed by April 1,
12 2019 and transmitted to the state budget director, the house and
13 senate appropriations subcommittees responsible for the department
14 of education, and the senate and house fiscal agencies not later
15 than April 15, 2019.

16 Sec. 231. (1) From the funds appropriated in part 1, the
17 department shall submit to intermediate school districts, school
18 districts, and public school academies information from the final
19 report containing task force recommendations for reducing child
20 sexual abuse in this state as required by section 12b of the child
21 protection law, 1975 PA 238, MCL 722.632b. The information provided
22 shall include the policy recommendations and guidelines for schools
23 and other youth-serving organizations.

24 (2) The department shall collect information from all school
25 districts, intermediate school districts, and public school
26 academies that have adopted policies that were specified by section
27 12b of the child protection law, 1975 PA 238, MCL 722.632b. The

1 information collected shall be reported to the house and senate
2 appropriations committees, the house and senate fiscal agencies,
3 and the state budget office. The report shall include a list of
4 each school district, intermediate school district, and public
5 school academy that has adopted each policy specified by section
6 12b of the child protection law, 1975 PA 238, MCL 722.632b.

7 Sec. 232. From the funds appropriated in part 1, the
8 department shall ensure that the most recently issued report of
9 regional in-demand occupations issued by the department of
10 technology, management, and budget is distributed in electronic or
11 paper form to all high schools in each school district,
12 intermediate school district, and public school academy.

13 Sec. 233. (1) From the funds appropriated in part 1, the
14 department shall develop and implement a training program to
15 provide resources and programming to pupils in grades 9 to 12 who
16 are interested in a career in teaching and who are members of
17 groups that are underrepresented in the teaching profession in this
18 state.

19 (2) The department shall do all of the following with respect
20 to the training program developed and implemented under subsection
21 (1):

22 (a) Create a process for nomination and admission of pupils to
23 the program.

24 (b) Advertise the program.

25 (c) Invite postsecondary institutions in this state that
26 operate a teacher preparation program to participate in the
27 training program.

1 (d) Connect pupils participating in the program to
2 representatives of teacher preparation programs at postsecondary
3 institutions in this state.

4 (e) At least once, conduct conferences for pupils
5 participating in the program in locations that are geographically
6 convenient for the majority of pupils attending each conference.

7 (f) Provide all available research and resources to pupils and
8 postsecondary institutions participating in the training program on
9 at least all of the following:

10 (i) Successful activities and programs for recruiting and
11 retaining pupils who are members of groups that are
12 underrepresented in the teaching profession for participation in
13 postsecondary teacher preparation programs.

14 (ii) Teacher certification.

15 (iii) Employment as a teacher.

16 Sec. 234. (1) Except as otherwise provided in this section,
17 after the effective date of this act and during the tenure of an
18 appointed interim state superintendent, the department shall not
19 use funds appropriated in part 1 for the development of, staffing
20 of, or activities promoting the promulgation of new, revised, or
21 rescinded administrative rules until a permanent state
22 superintendent of public instruction is appointed by the state
23 board of education.

24 (2) An administrative rules change for which a request for
25 rule-making has been submitted to the office of regulatory affairs
26 before the effective date of this act may continue to proceed
27 pursuant to the administrative rules process under the

1 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
2 24.328.

3 **STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT**

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

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

9 (b) State board of education - member other than president -
10 \$100.00 per day.

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

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

17 **CENTRAL SUPPORT**

18 Sec. 325. Within 10 days of the receipt of a grant
19 appropriated in the federal and private grants line item in part 1,
20 the department shall notify the house and senate chairpersons of
21 the appropriations subcommittees responsible for the department
22 budget, the house and senate fiscal agencies, and the state budget
23 director of the receipt of the grant, including the funding source,
24 purpose, and amount of the grant.

1 SPECIAL EDUCATION SERVICES

2 Sec. 350. From the funds in part 1 for special education
3 operations, the department shall use \$100,000.00 to design and
4 distribute to all parents and legal guardians of a student with a
5 disability information about federal and state mandates regarding
6 the rights and protections of students with disabilities,
7 including, but not limited to, individualized education programs to
8 ensure that parents and legal guardians are fully informed about
9 laws, rules, procedural safeguards, problem-solving options, and
10 any other information the department determines is necessary so
11 that parents and legal guardians may be able to provide meaningful
12 input in collaboration with districts to develop and implement an
13 individualized education program.

14 MICHIGAN SCHOOLS FOR THE DEAF AND BLIND

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

19 Sec. 402. For each student enrolled at the Michigan Schools
20 for the Deaf and Blind, the department shall assess the
21 intermediate school district of residence 100% of the cost of
22 operating the student's instructional program. The amount shall
23 exclude room and board related costs and the cost of weekend
24 transportation between the school and the student's home.

25 Sec. 406. (1) The Michigan Schools for the Deaf and Blind may
26 promote its residential program as a possible appropriate option

1 for children who are deaf or hard of hearing or who are blind or
2 visually impaired. The Michigan Schools for the Deaf and Blind
3 shall distribute information detailing its services to all
4 intermediate school districts in this state.

5 (2) Upon knowledge of or recognition by an intermediate school
6 district that a child in the district is deaf or hard of hearing or
7 blind or visually impaired, the intermediate school district shall
8 provide to the parents of the child the literature distributed by
9 the Michigan Schools for the Deaf and Blind to intermediate school
10 districts under subsection (1).

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

13 Sec. 407. Revenue received by the Michigan Schools for the
14 Deaf and Blind from gifts, bequests, and donations that is
15 unexpended at the end of the state fiscal year may be carried over
16 to the succeeding fiscal year and shall not revert to the general
17 fund.

18 Sec. 408. (1) The funds appropriated in part 1 for the low
19 incidence outreach fund are appropriated from money collected by
20 the Michigan Schools for the Deaf and Blind and the low incidence
21 outreach program for providing qualified services and may be used
22 for any expenses necessary to provide the qualified services. Any
23 money that is unexpended at the end of the current fiscal year may
24 be carried forward into the succeeding fiscal year.

25 (2) As used in this section, "qualified services" means
26 document reproduction and services; conducting conferences,
27 workshops, and training classes; and providing specialized

1 equipment, facilities, and software.

2 Sec. 409. When conducting a due process hearing resulting from
3 a parent's appeal of his or her child's individualized education
4 program team's decision on the child's educational placement, a
5 state administrative law judge shall consider designating the
6 Michigan Schools for the Deaf and Blind as the least restrictive
7 environment under federal law for the parent's child who is deaf,
8 deafblind, or hard of hearing.

9 **PROFESSIONAL PREPARATION SERVICES**

10 Sec. 501. From the funds appropriated in part 1 for
11 professional preparation services, the department shall maintain
12 certificate revocation/felony conviction files of educational
13 personnel.

14 Sec. 502. The department shall authorize teacher preparation
15 institutions to provide an alternative program by which up to 1/2
16 of the required student internship or student teaching credits may
17 be earned through substitute teaching. The department shall require
18 that teacher preparation institutions collaborate with school
19 districts to ensure that the quality of instruction provided to
20 student teachers is comparable to that required in a traditional
21 student teaching program.

22 Sec. 503. From the funds appropriated in part 1, the
23 department shall, upon request, consult with the Michigan Virtual
24 Research Institute and external stakeholders in connection with the
25 department's implementation and administration of professional
26 development training described in section 35a of the state school

1 aid act of 1979, 1979 PA 94, MCL 388.1635a, including, but not
2 limited to, the online training of educators of pupils in grades K
3 to 3 described in that section.

4 Sec. 506. Revenue received from teacher testing fees that is
5 unexpended at the end of the current fiscal year may be carried
6 over to the succeeding fiscal year and shall not revert to the
7 general fund.

8 Sec. 507. From the funds appropriated in part 1, the
9 department shall adopt a teacher certification test that ensures
10 that all newly certified elementary teachers have the skills to
11 deliver evidence-based literacy instruction. The department may use
12 teacher certification or teacher testing fee revenue to the extent
13 allowable under law to implement this section, or may pass along
14 increased testing fees to teachers as allowable and appropriate.

15 **SCHOOL SUPPORT SERVICES**

16 Sec. 601. From the funds appropriated in part 1, there is
17 appropriated an amount not to exceed \$1,000,000.00 for
18 implementation costs associated with programs for early childhood
19 literacy funded under section 35a of the state school aid act of
20 1979, 1979 PA 94, MCL 388.1635a.

21 Sec. 602. From the funds appropriated in part 1 for adolescent
22 and school health, there is appropriated \$100.00 to replace federal
23 funding reductions from the HHS - Centers for Disease Control and
24 Prevention to the department and section 39a(2)(a) of the state
25 school aid act of 1979, 1979 PA 94, MCL 388.1639a.

1 **FIELD SERVICES**

2 Sec. 701. (1) From the funds appropriated in part 1 for field
3 services operations, the department shall produce a report
4 detailing the progress made by districts with grades K to 12
5 receiving at-risk funding under section 31a of the state school aid
6 act of 1979, 1979 PA 94, MCL 388.1631a, in implementing multitiered
7 systems of supports in the prior school fiscal year for grades K to
8 12, and in providing reading intervention services described in
9 section 1280f of the revised school code, 1976 PA 451, MCL
10 380.1280f, for pupils in grades K to 12.

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

13 (a) A description of the training, coaching, and technical
14 assistance offered by the department to districts to support the
15 implementation of effective multitiered systems of supports and
16 reading intervention programs.

17 (b) A list of districts determined by the department to have
18 successfully implemented multitiered systems of supports and
19 reading intervention programs.

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

23 (d) Other information the department determines would be
24 useful to understanding the status of districts' implementation of
25 effective multitiered systems of supports and reading intervention
26 programs.

27 (3) The department shall provide the report described in

1 subsection (1) to the state budget director, the house and senate
2 subcommittees that oversee the department of education and school
3 aid budgets, and the house and senate fiscal agencies by September
4 30, 2019.

5 **LIBRARY OF MICHIGAN**

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

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

16 Sec. 803. It is the intent of the legislature that the Library
17 of Michigan and the component programs currently within the Library
18 of Michigan with the exception of the genealogical collections
19 shall be kept together in a state department.

20 Sec. 804. (1) The funds appropriated in part 1 for renaissance
21 zone reimbursements shall be used to reimburse public libraries
22 under section 12 of the Michigan renaissance zone act, 1996 PA 376,
23 MCL 125.2692, for taxes levied in 2018. The allocations shall be
24 made not later than 60 days after the department of treasury
25 certifies to the department and to the state budget director that
26 the department of treasury has received all necessary information

1 to properly determine the amounts due to each eligible recipient.

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

6 **MICHIGAN OFFICE OF GREAT START**

7 Sec. 1002. (1) From the funds appropriated in part 1 for child
8 development and care public assistance, provider reimbursement
9 rates are as follows:

10 (a) The reimbursement rates for child care center providers
11 for children 0 to 2-1/2 years are as follows:

12 (i) The reimbursement rate for child care center providers
13 with an empty star rating is \$4.00 per hour for each child.

14 (ii) The reimbursement rate for child care center providers
15 with a 1-star rating is \$4.00 per hour for each child.

16 (iii) The reimbursement rate for child care center providers
17 with a 2-star rating is \$4.25 per hour for each child.

18 (iv) The reimbursement rate for child care center providers
19 with a 3-star rating is \$4.75 per hour for each child.

20 (v) The reimbursement rate for child care center providers
21 with a 4-star rating is \$5.00 per hour for each child.

22 (vi) The reimbursement rate for child care center providers
23 with a 5-star rating is \$5.50 per hour for each child.

24 (b) The reimbursement rates for child care center providers
25 for children over 2-1/2 years are as follows:

26 (i) The reimbursement rate for child care center providers

1 with an empty star rating is \$2.75 per hour for each child.

2 (ii) The reimbursement rate for child care center providers
3 with a 1-star rating is \$2.75 per hour for each child.

4 (iii) The reimbursement rate for child care center providers
5 with a 2-star rating is \$3.00 per hour for each child.

6 (iv) The reimbursement rate for child care center providers
7 with a 3-star rating is \$3.50 per hour for each child.

8 (v) The reimbursement rate for child care center providers
9 with a 4-star rating is \$3.75 per hour for each child.

10 (vi) The reimbursement rate for child care center providers
11 with a 5-star rating is \$4.25 per hour for each child.

12 (c) The reimbursement rates for group home providers for
13 children 0 to 2-1/2 years are as follows:

14 (i) The reimbursement rate for group home providers with an
15 empty star rating is \$3.15 per hour for each child.

16 (ii) The reimbursement rate for group home providers with a 1-
17 star rating is \$3.15 per hour for each child.

18 (iii) The reimbursement rate for group home providers with a
19 2-star rating is \$3.40 per hour for each child.

20 (iv) The reimbursement rate for group home providers with a 3-
21 star rating is \$3.90 per hour for each child.

22 (v) The reimbursement rate for group home providers with a 4-
23 star rating is \$4.15 per hour for each child.

24 (vi) The reimbursement rate for group home providers with a 5-
25 star rating is \$4.65 per hour for each child.

26 (d) The reimbursement rates for group home providers for
27 children over 2-1/2 years are as follows:

1 (i) The reimbursement rate for group home providers with an
2 empty star rating is \$2.65 per hour for each child.

3 (ii) The reimbursement rate for group home providers with a 1-
4 star rating is \$2.65 per hour for each child.

5 (iii) The reimbursement rate for group home providers with a
6 2-star rating is \$2.90 per hour for each child.

7 (iv) The reimbursement rate for group home providers with a 3-
8 star rating is \$3.40 per hour for each child.

9 (v) The reimbursement rate for group home providers with a 4-
10 star rating is \$3.65 per hour for each child.

11 (vi) The reimbursement rate for group home providers with a 5-
12 star rating is \$4.15 per hour for each child.

13 (e) The reimbursement rates for registered family home
14 providers for children 0 to 2-1/2 years are as follows:

15 (i) The reimbursement rate for registered family home
16 providers with an empty star rating is \$3.15 per hour for each
17 child.

18 (ii) The reimbursement rate for registered family home
19 providers with a 1-star rating is \$3.15 per hour for each child.

20 (iii) The reimbursement rate for registered family home
21 providers with a 2-star rating is \$3.40 per hour for each child.

22 (iv) The reimbursement rate for registered family home
23 providers with a 3-star rating is \$3.90 per hour for each child.

24 (v) The reimbursement rate for registered family home
25 providers with a 4-star rating is \$4.15 per hour for each child.

26 (vi) The reimbursement rate for registered family home
27 providers with a 5-star rating is \$4.65 per hour for each child.

1 (f) The reimbursement rates for registered family home
2 providers for children over 2-1/2 years are as follows:

3 (i) The reimbursement rate for registered family home
4 providers with an empty star rating is \$2.65 per hour for each
5 child.

6 (ii) The reimbursement rate for registered family home
7 providers with a 1-star rating is \$2.65 per hour for each child.

8 (iii) The reimbursement rate for registered family home
9 providers with a 2-star rating is \$2.90 per hour for each child.

10 (iv) The reimbursement rate for registered family home
11 providers with a 3-star rating is \$3.40 per hour for each child.

12 (v) The reimbursement rate for registered family home
13 providers with a 4-star rating is \$3.65 per hour for each child.

14 (vi) The reimbursement rate for registered family home
15 providers with a 5-star rating is \$4.15 per hour for each child.

16 (g) The reimbursement rates for unlicensed providers for
17 children 0 to age 2-1/2 years are as follows:

18 (i) The reimbursement rate for unlicensed providers with a
19 tier 1 rating is \$1.60 per hour for each child.

20 (ii) The reimbursement rate for unlicensed providers with a
21 tier 2 rating is \$2.95 per hour for each child.

22 (h) The reimbursement rates for unlicensed providers for
23 children over 2-1/2 years are as follows:

24 (i) The reimbursement rate for unlicensed providers with a
25 tier 1 rating is \$1.60 per hour for each child.

26 (ii) The reimbursement rate for unlicensed providers with a
27 tier 2 rating is \$2.60 per hour for each child.

1 (2) The department shall ensure that the final provider
2 reimbursement rates determined under this section are published on
3 the department and great start to quality webpages.

4 Sec. 1003. (1) The department shall provide the house and
5 senate appropriations subcommittees on the department budget with
6 an annual report on all funding appropriated to the Early Childhood
7 Investment Corporation by this state during the previous fiscal
8 year. The report is due by February 15 and must contain at least
9 the following information:

10 (a) Total funding appropriated to the Early Childhood
11 Investment Corporation by the state during the previous fiscal
12 year.

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

14 (c) The grant recipients.

15 (d) The activities funded by each grant.

16 (e) An analysis of each grant recipient's success in
17 addressing the development of a comprehensive system of early
18 childhood services and supports.

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

22 Sec. 1004. From the funds appropriated in part 1 for the TEACH
23 scholarship program, the department shall ensure that \$5,000,000.00
24 is appropriated to the TEACH scholarship program. The program shall
25 give preference to the following providers:

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

1 (b) Providers that are seeking to increase their great start
2 to quality star rating and are only restricted from receiving the
3 increased rating because they lack employees with the proper
4 education level.

5 Sec. 1005. From the funds appropriated in part 1 for the child
6 development and care external support, the department shall work
7 with the department of licensing and regulatory affairs to provide
8 fingerprinting services and background checks of employees of child
9 care providers as required under the terms of the federal child
10 care and development block grant.

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

15 (a) Both the on-site and off-site activities that are intended
16 to improve child care provider quality and the number of times
17 those activities are performed by the licensing consultants.

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

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

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

27 (e) The types of activities that are intended to improve

1 licensing consultant performance and child care provider quality
2 and the number of times those activities are performed by the
3 managers and administrators.

4 (2) The progress reports shall be sent to the state budget
5 director, the house and senate subcommittees that oversee the
6 department of education, and the house and senate fiscal agencies
7 by April 1, 2019 and September 30, 2019.

8 Sec. 1008. From the amount appropriated in part 1 for office
9 of great start operations, the department shall work with the
10 department of health and human services to coordinate services
11 provided to families for home visits, reduce duplication of state
12 services and spending, and increase efficiencies including the home
13 visits funded under section 32p of the state school aid act of
14 1979, 1979 PA 94, MCL 388.1632p.

15 Sec. 1009. From the funds appropriated in part 1 for child
16 development and care public assistance, the income entrance
17 threshold for the child development and care program is set to 130%
18 of the federal poverty guidelines.

19 Sec. 1010. Within 10 days of the receipt of changes to the
20 federal child care and development program, the department shall
21 notify the house and senate chairpersons of the appropriations
22 subcommittees responsible for the department budget, the house and
23 senate fiscal agencies, and the state budget director. The
24 notification shall include, but is not limited to:

25 (a) Changes to the federal matching award amount, including
26 the amount of state resources necessary to draw down the total
27 matching award.

1 (b) Changes to the amount of child care and development block
2 grant that is awarded to this state.

3 (c) Any significant changes to the federal requirements on the
4 child development and care program, indicating any new requirements
5 that would require the appropriation of additional dollars.

6 Sec. 1011. (1) From the funds appropriated in part 1 for child
7 development and care public assistance, there is, subject to
8 subsection (4), allocated \$15,000,000.00 to implement a biweekly
9 block reimbursement rate schedule by December 1, 2018 through the
10 following block segments:

11 (a) The block segment for a biweekly block reimbursement rate
12 schedule for child care centers, group homes, and registered family
13 homes, for paid hours between 1 to 30 hours, shall be reimbursed at
14 the hourly reimbursement rate.

15 (b) The block segment for a biweekly block reimbursement rate
16 schedule for child care centers, group homes, and registered family
17 homes, for paid hours between 31 to 60 hours, shall be reimbursed
18 as 60 hours.

19 (c) The block segment for a biweekly block reimbursement rate
20 schedule for child care centers, group homes, and registered family
21 homes, for paid hours between 61 to 80 hours, shall be reimbursed
22 as 80 hours.

23 (d) The block segment for a biweekly block reimbursement rate
24 schedule for child care centers, group homes, and registered family
25 homes, for paid hours between 81 to 90 hours, shall be reimbursed
26 as 90 hours.

27 (e) The block segment for a biweekly block reimbursement rate

1 schedule for unlicensed providers shall be reimbursed at their
2 current hourly reimbursement rates.

3 (2) It is the intent of the legislature that the new biweekly
4 block reimbursement system reimburses providers based on the block
5 segment that is closest to the number of hours actually paid to the
6 provider.

7 (3) The department shall implement a biweekly block
8 reimbursement rate schedule for the child development and care
9 program and, before implementation, the department shall create a
10 detailed spending report for the biweekly block reimbursement rate
11 schedule that includes, but is not limited to, all of the
12 following:

13 (a) How the biweekly block reimbursement rate schedule will be
14 implemented throughout the state.

15 (b) The precise rates charged for the biweekly block
16 reimbursement rate schedule to each provider type and any
17 differentiation of rates charged by age groups.

18 (c) The overall projected costs for the biweekly block
19 reimbursement rate schedule for the fiscal years ending September
20 30, 2019, and September 30, 2020.

21 (4) Before funds described in this section may be expended,
22 the detailed spending report implemented by the department under
23 subsection (3) must be sent to the state budget director, the house
24 and senate subcommittees that oversee the department of education,
25 and the house and senate fiscal agencies.

26 **ONE-TIME APPROPRIATIONS**

1 Sec. 1101. (1) From the funds appropriated in part 1 for
2 drinking water declaration of emergency, the department shall
3 allocate funding to address the child care needs in a city in which
4 a declaration of emergency was issued because of drinking water
5 contamination. Funds shall be used to support the following
6 activities in the city:

7 (a) Pilot the expansion of the child development and care
8 eligibility to children ages 0 to 3 for 1/2-day child care services
9 by increasing the household income entrance threshold to 300% of
10 the federal poverty guidelines.

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

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

17 (3) Each month, the department shall create a report
18 concerning each city where there is a drinking water declaration of
19 emergency or where a drinking water declaration of emergency has
20 been lifted and the department continues to spend funds under this
21 section. The report shall include, but is not limited to, all of
22 the following:

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

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

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

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

7 (e) The number of children receiving referrals for additional
8 screenings, assessments, or services that are ages 0 to 3 in the
9 city served by the child development and care program.

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

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

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

19 (i) The number of child care providers that were provided
20 training on identifying the impacts of lead exposure, as well as
21 related developmental delays that are serving children ages 0 to 3
22 in the city participating in the child development and care
23 program.

24 (j) The types and number of communications with parents or
25 caretakers on the impact of developmental delays and available
26 services for children ages 0 to 3 in the city being served by the
27 child development and care program. The department shall create a

1 list of communication types that includes, but is not limited to,
2 all of the following: in person, telephone, letter, and electronic
3 mail.

4 (4) The report created under subsection (3) shall be sent to
5 the state budget director, the house and senate appropriations
6 subcommittees that oversee the department's budget, and the house
7 and senate fiscal agencies by the first of every month until the
8 department has spent all of the money appropriated in part 1 for a
9 drinking water declaration of emergency.

10 ARTICLE VII

11 DEPARTMENT OF ENVIRONMENTAL QUALITY

12 PART 1

13 LINE-ITEM APPROPRIATIONS

14 Sec. 101. There is appropriated for the department of
15 environmental quality for the fiscal year ending September 30,
16 2019, from the following funds:

17 **DEPARTMENT OF ENVIRONMENTAL QUALITY**

18 APPROPRIATION SUMMARY

19	Full-time equated unclassified positions	6.0	
20	Full-time equated classified positions	1,231.0	
21	GROSS APPROPRIATION.....		\$ 447,502,600
22	Interdepartmental grant revenues:		
23	Total interdepartmental grants and intradepartmental		
24	transfers		3,143,700
25	ADJUSTED GROSS APPROPRIATION.....		\$ 444,358,900

1	Federal revenues:	
2	Total federal revenues.....	160,225,400
3	Special revenue funds:	
4	Total private revenues.....	1,061,700
5	Total other state restricted revenues.....	209,325,300
6	State general fund/general purpose.....	\$ 73,746,500
7	FUND SOURCE SUMMARY	
8	Full-time equated unclassified positions	6.0
9	Full-time equated classified positions	1,231.0
10	GROSS APPROPRIATION.....	\$ 447,502,600
11	Interdepartmental grant revenues:	
12	IDG from department of state police.....	1,776,100
13	IDG from state transportation department.....	1,367,600
14	Total interdepartmental grants and intradepartmental	
15	transfers	3,143,700
16	ADJUSTED GROSS APPROPRIATION.....	\$ 444,358,900
17	Federal revenues:	
18	Federal funds.....	160,225,400
19	Total federal revenues.....	160,225,400
20	Special revenue funds:	
21	Private funds.....	1,061,700
22	Total private revenues.....	1,061,700
23	Air emissions fees.....	12,427,300
24	Aquatic nuisance control fund.....	931,400
25	Aquifer protection revolving fund.....	524,000
26	Campground fund.....	326,000
27	Clean Michigan initiative - clean water fund.....	3,417,100

1	Clean Michigan initiative - nonpoint source.....	2,000,000
2	Cleanup and redevelopment fund.....	19,939,400
3	Community pollution prevention fund.....	250,000
4	Drinking water declaration of emergency reserve fund..	100
5	Electronic waste recycling fund.....	334,500
6	Environmental education fund.....	171,300
7	Environmental pollution prevention fund.....	6,779,300
8	Environmental protection fund.....	2,476,700
9	Environmental response fund.....	3,782,600
10	Fees and collections.....	393,900
11	Financial instruments.....	9,489,100
12	Groundwater discharge permit fees.....	1,779,800
13	Infrastructure construction fund.....	51,400
14	Laboratory services fees.....	4,294,900
15	Land and water permit fees.....	3,306,700
16	Landfill maintenance trust fund.....	31,000
17	Lawsuit settlement proceeds fund.....	3,000,000
18	Medical waste emergency response fund.....	339,700
19	Metallic mining surveillance fee revenue.....	101,000
20	Mineral well regulatory fee revenue.....	223,100
21	Native copper mine fund.....	50,000
22	Nonferrous metallic mineral surveillance.....	367,300
23	NPDES fees.....	4,627,700
24	Oil and gas regulatory fund.....	5,242,400
25	Orphan well fund.....	2,424,600
26	Public swimming pool fund.....	662,600
27	Public utility assessments.....	417,000

1	Public water supply fees.....	5,012,000
2	Refined petroleum fund.....	42,085,200
3	Revitalization revolving loan fund.....	103,100
4	Revolving loan revenue bonds.....	15,000,000
5	Sand extraction fee revenue.....	92,900
6	Scrap tire regulatory fund.....	5,109,900
7	Septage waste contingency fund.....	3,400
8	Septage waste program fund.....	530,300
9	Settlement funds.....	426,100
10	Sewage sludge land application fees.....	1,006,800
11	Small business pollution prevention revolving loan	
12	fund	167,100
13	Soil erosion and sedimentation control training fund..	175,100
14	Solid waste management fund - staff account.....	5,208,300
15	Stormwater permit fees.....	3,078,000
16	Strategic water quality initiatives fund.....	17,211,900
17	Underground storage tank cleanup fund.....	20,028,700
18	Wastewater operator training fees.....	601,900
19	Water analysis fees.....	2,275,200
20	Water pollution control revolving fund.....	656,100
21	Water quality protection fund.....	100,000
22	Water use reporting fees.....	291,400
23	Total other state restricted revenues.....	209,325,300
24	State general fund/general purpose.....	\$ 73,746,500
25	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
26	Full-time equated unclassified positions	6.0
27	Full-time equated classified positions	83.0

1	Unclassified salaries--6.0 FTE positions.....	\$	792,200
2	Accounting service center.....		1,419,700
3	Administrative hearings officers.....		388,000
4	Central support services--39.0 FTE positions.....		8,159,000
5	Communications and community outreach--31.0 FTE		
6	positions		4,585,900
7	Environmental support projects.....		5,000,000
8	Executive direction--13.0 FTE positions.....		2,142,600
9	Facilities management.....		1,000,000
10	Property management.....		<u>7,458,300</u>
11	GROSS APPROPRIATION.....	\$	30,945,700
12	Appropriated from:		
13	Interdepartmental grant revenues:		
14	IDG from department of state police.....		61,100
15	Federal revenues:		
16	Federal funds.....		29,400
17	Special revenue funds:		
18	Private funds.....		364,000
19	Air emissions fees.....		1,508,500
20	Campground fund.....		15,600
21	Cleanup and redevelopment fund.....		1,589,500
22	Electronic waste recycling fund.....		15,300
23	Environmental education fund.....		171,300
24	Environmental pollution prevention fund.....		1,710,600
25	Environmental protection fund.....		323,800
26	Environmental response fund.....		529,800
27	Fees and collections.....		150,200

1	Financial instruments.....	7,326,100
2	Groundwater discharge permit fees.....	211,700
3	Laboratory services fees.....	157,800
4	Land and water permit fees.....	612,500
5	Lawsuit settlement proceeds fund.....	3,000,000
6	Medical waste emergency response fund.....	18,000
7	Metallic mining surveillance fee revenue.....	5,100
8	Mineral well regulatory fee revenue.....	9,000
9	Nonferrous metallic mineral surveillance.....	800
10	NPDES fees.....	276,100
11	Oil and gas regulatory fund.....	1,014,800
12	Orphan well fund.....	52,900
13	Public swimming pool fund.....	27,500
14	Public utility assessments.....	20,400
15	Public water supply fees.....	288,900
16	Refined petroleum fund.....	2,583,900
17	Sand extraction fee revenue.....	4,200
18	Scrap tire regulatory fund.....	158,800
19	Septage waste program fund.....	20,200
20	Settlement funds.....	426,100
21	Sewage sludge land application fees.....	121,600
22	Small business pollution prevention revolving loan	
23	fund	19,400
24	Soil erosion and sedimentation control training fund..	18,900
25	Solid waste management fund - staff account.....	331,800
26	Stormwater permit fees.....	264,700
27	Wastewater operator training fees.....	34,600

1	Water analysis fees.....		148,400
2	Water use reporting fees.....		24,700
3	State general fund/general purpose.....	\$	7,297,700
4	Sec. 103. GREAT LAKES RESTORATION INITIATIVE		
5	Great Lakes restoration initiative.....	\$	<u>6,714,100</u>
6	GROSS APPROPRIATION.....	\$	6,714,100
7	Appropriated from:		
8	Federal revenues:		
9	Federal funds.....		6,714,100
10	Special revenue funds:		
11	State general fund/general purpose.....	\$	0
12	Sec. 104. WATER RESOURCES DIVISION		
13	Full-time equated classified positions317.0		
14	Aquatic nuisance control program--6.0 FTE positions...	\$	931,400
15	Expedited water/wastewater permits--1.0 FTE position..		51,400
16	Federal - Great Lakes remedial action plan grants.....		583,800
17	Federal - nonpoint source water pollution grants.....		4,083,300
18	Fish contaminant monitoring.....		316,100
19	Groundwater discharge permit program--22.0 FTE		
20	positions		3,253,500
21	Land and water interface permit programs--82.0 FTE		
22	positions		11,848,200
23	Nonpoint source pollution prevention and control		
24	project program		2,000,000
25	NPDES nonstormwater program--83.0 FTE positions.....		13,245,000
26	Program direction and project assistance--27.0 FTE		
27	positions		3,113,700

1	Surface water--86.0 FTE positions.....	16,291,600
2	Technology advancements for water monitoring.....	500,000
3	Water quality and use initiative/general--5.0 FTE	
4	positions	1,498,300
5	Water quality protection grants.....	100,000
6	Water withdrawal assessment program--5.0 FTE positions	1,618,400
7	Wetland mitigation banking grants and loans.....	1,000,000
8	Wetlands program.....	<u>1,000,000</u>
9	GROSS APPROPRIATION.....	\$ 61,434,700
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	IDG from state transportation department.....	1,281,500
13	Federal revenues:	
14	Federal funds.....	20,490,200
15	Special revenue funds:	
16	Aquatic nuisance control fund.....	931,400
17	Aquifer protection revolving fund.....	524,000
18	Clean Michigan initiative - clean water fund.....	3,417,100
19	Clean Michigan initiative - nonpoint source.....	2,000,000
20	Environmental response fund.....	204,800
21	Groundwater discharge permit fees.....	1,472,500
22	Infrastructure construction fund.....	51,400
23	Land and water permit fees.....	2,347,000
24	NPDES fees.....	4,176,800
25	Refined petroleum fund.....	445,900
26	Sewage sludge land application fees.....	850,000
27	Soil erosion and sedimentation control training fund..	143,200

1	Stormwater permit fees.....	2,724,800
2	Strategic water quality initiatives fund.....	1,000,000
3	Wastewater operator training fees.....	288,700
4	Water pollution control revolving fund.....	143,500
5	Water quality protection fund.....	100,000
6	Water use reporting fees.....	250,300
7	State general fund/general purpose.....	\$ 18,591,600
8	Sec. 105. LAW ENFORCEMENT	
9	Full-time equated classified positions15.0	
10	Environmental investigations--15.0 FTE positions.....	\$ <u>3,004,900</u>
11	GROSS APPROPRIATION.....	\$ 3,004,900
12	Appropriated from:	
13	Federal revenues:	
14	Federal funds.....	574,800
15	Special revenue funds:	
16	Air emissions fees.....	57,700
17	Campground fund.....	2,100
18	Cleanup and redevelopment fund.....	190,400
19	Electronic waste recycling fund.....	1,600
20	Environmental pollution prevention fund.....	261,300
21	Environmental response fund.....	41,600
22	Fees and collections.....	4,100
23	Financial instruments.....	527,500
24	Groundwater discharge permit fees.....	18,900
25	Laboratory services fees.....	15,900
26	Land and water permit fees.....	78,800
27	Medical waste emergency response fund.....	2,400

1	Metallic mining surveillance fee revenue.....	700
2	Mineral well regulatory fee revenue.....	1,200
3	NPDES fees.....	32,400
4	Oil and gas regulatory fund.....	88,500
5	Orphan well fund.....	7,100
6	Public swimming pool fund.....	3,700
7	Public utility assessments.....	2,000
8	Public water supply fees.....	26,600
9	Refined petroleum fund.....	370,500
10	Sand extraction fee revenue.....	600
11	Scrap tire regulatory fund.....	29,500
12	Septage waste program fund.....	2,700
13	Sewage sludge land application fees.....	12,300
14	Small business pollution prevention revolving loan	
15	fund	2,600
16	Soil erosion and sedimentation control training fund..	2,600
17	Solid waste management fund - staff account.....	42,100
18	Stormwater permit fees.....	17,600
19	Wastewater operator training fees.....	4,600
20	Water analysis fees.....	18,300
21	Water use reporting fees.....	3,100
22	State general fund/general purpose.....	\$ 559,100
23	Sec. 106. AIR QUALITY DIVISION	
24	Full-time equated classified positions	187.0
25	Air quality programs--187.0 FTE positions.....	\$ <u>27,493,200</u>
26	GROSS APPROPRIATION.....	\$ 27,493,200
27	Appropriated from:	

1	Federal revenues:	
2	Federal funds.....	7,277,800
3	Special revenue funds:	
4	Air emissions fees.....	10,188,000
5	Fees and collections.....	205,100
6	Oil and gas regulatory fund.....	142,100
7	Public utility assessments.....	150,000
8	Refined petroleum fund.....	3,625,500
9	State general fund/general purpose.....	\$ 5,904,700
10	Sec. 107. RESOURCE MANAGEMENT DIVISION	
11	Full-time equated classified positions	319.0
12	Drinking water and environmental health--115.0 FTE	
13	positions	\$ 16,554,400
14	Drinking water program grants.....	830,000
15	Hazardous waste management program--45.0 FTE positions	6,600,700
16	Low-level radioactive waste authority--2.0 FTE	
17	positions	236,700
18	Medical waste program--2.0 FTE positions.....	309,300
19	Municipal assistance--29.0 FTE positions.....	4,881,200
20	Noncommunity water grants.....	1,905,700
21	Oil, gas and mineral services--57.0 FTE positions.....	10,804,700
22	Pollution prevention--7.0 FTE positions.....	2,095,700
23	Radiological protection program--12.0 FTE positions...	2,000,600
24	Recycling initiative--3.0 FTE positions.....	2,020,300
25	Scrap tire grants.....	3,500,000
26	Scrap tire regulatory program--10.0 FTE positions.....	1,357,300
27	Septage waste compliance grants.....	275,000

1	Solid waste management program--37.0 FTE positions....	5,159,600
2	Water state revolving funds.....	<u>120,000,000</u>
3	GROSS APPROPRIATION.....	\$ 178,531,200
4	Appropriated from:	
5	Interdepartmental grant revenues:	
6	IDG from department of state police.....	1,689,200
7	Federal revenues:	
8	Federal funds.....	117,388,600
9	Special revenue funds:	
10	Private funds.....	506,600
11	Campground fund.....	299,900
12	Cleanup and redevelopment fund.....	1,000,000
13	Community pollution prevention fund.....	250,000
14	Electronic waste recycling fund.....	311,100
15	Environmental pollution prevention fund.....	4,343,400
16	Fees and collections.....	34,500
17	Medical waste emergency response fund.....	309,300
18	Metallic mining surveillance fee revenue.....	92,500
19	Mineral well regulatory fee revenue.....	208,000
20	Native copper mine fund.....	50,000
21	Nonferrous metallic mineral surveillance.....	366,200
22	Oil and gas regulatory fund.....	3,667,100
23	Orphan well fund.....	2,335,100
24	Public swimming pool fund.....	616,300
25	Public utility assessments.....	236,700
26	Public water supply fees.....	4,231,200
27	Refined petroleum fund.....	709,900

1	Revolving loan revenue bonds.....	15,000,000
2	Sand extraction fee revenue.....	85,800
3	Scrap tire regulatory fund.....	4,857,300
4	Septage waste contingency fund.....	3,400
5	Septage waste program fund.....	496,100
6	Small business pollution prevention revolving loan	
7	fund	134,400
8	Solid waste management fund - staff account.....	4,661,500
9	Strategic water quality initiatives fund.....	1,211,900
10	Wastewater operator training fees.....	254,800
11	Water pollution control revolving fund.....	505,200
12	State general fund/general purpose.....	\$ 12,675,200
13	Sec. 108. REMEDIATION AND REDEVELOPMENT DIVISION	
14	Full-time equated classified positions	294.0
15	Contaminated site investigations, cleanup and	
16	revitalization--130.0 FTE positions	\$ 15,674,100
17	Emergency cleanup actions.....	1,000,000
18	Environmental cleanup and redevelopment program.....	15,000,000
19	Environmental cleanup support.....	1,840,000
20	Federal cleanup project management--40.0 FTE positions	7,052,700
21	Laboratory services--39.0 FTE positions.....	6,406,400
22	Lead remediation grants.....	2,000,000
23	Refined petroleum product cleanup program--85.0 FTE	
24	positions	34,680,000
25	Superfund cleanup.....	<u>1,000,000</u>
26	GROSS APPROPRIATION.....	\$ 84,653,200
27	Appropriated from:	

1	Federal revenues:	
2	Federal funds.....	6,412,500
3	Special revenue funds:	
4	Private funds.....	191,100
5	Cleanup and redevelopment fund.....	16,359,400
6	Environmental protection fund.....	2,065,500
7	Environmental response fund.....	2,839,100
8	Laboratory services fees.....	4,056,400
9	Landfill maintenance trust fund.....	31,000
10	Public water supply fees.....	315,800
11	Refined petroleum fund.....	32,619,700
12	Revitalization revolving loan fund.....	103,100
13	Strategic water quality initiatives fund.....	15,000,000
14	Water analysis fees.....	2,034,200
15	State general fund/general purpose.....	\$ 2,625,400
16	Sec. 109. UNDERGROUND STORAGE TANK AUTHORITY	
17	Full-time equated classified positions5.0	
18	Underground storage tank cleanup program--5.0 FTE	
19	positions	\$ <u>20,028,700</u>
20	GROSS APPROPRIATION.....	\$ 20,028,700
21	Appropriated from:	
22	Special revenue funds:	
23	Underground storage tank cleanup fund.....	20,028,700
24	State general fund/general purpose.....	\$ 0
25	Sec. 110. INFORMATION TECHNOLOGY	
26	Information technology services and projects.....	\$ <u>9,076,800</u>
27	GROSS APPROPRIATION.....	\$ 9,076,800

1	Appropriated from:	
2	Interdepartmental grant revenues:	
3	IDG from department of state police.....	25,800
4	IDG from state transportation department.....	86,100
5	Federal revenues:	
6	Federal funds.....	1,338,000
7	Special revenue funds:	
8	Air emissions fees.....	673,100
9	Campground fund.....	8,400
10	Cleanup and redevelopment fund.....	800,100
11	Electronic waste recycling fund.....	6,500
12	Environmental pollution prevention fund.....	464,000
13	Environmental protection fund.....	87,400
14	Environmental response fund.....	167,300
15	Financial instruments.....	1,635,500
16	Groundwater discharge permit fees.....	76,700
17	Laboratory services fees.....	64,800
18	Land and water permit fees.....	268,400
19	Medical waste emergency response fund.....	10,000
20	Metallic mining surveillance fee revenue.....	2,700
21	Mineral well regulatory fee revenue.....	4,900
22	Nonferrous metallic mineral surveillance.....	300
23	NPDES fees.....	142,400
24	Oil and gas regulatory fund.....	329,900
25	Orphan well fund.....	29,500
26	Public swimming pool fund.....	15,100
27	Public utility assessments.....	7,900

1	Public water supply fees.....	149,500
2	Refined petroleum fund.....	1,729,800
3	Sand extraction fee revenue.....	2,300
4	Scrap tire regulatory fund.....	64,300
5	Septage waste program fund.....	11,300
6	Sewage sludge land application fees.....	22,900
7	Small business pollution prevention revolving loan	
8	fund	10,700
9	Soil erosion and sedimentation control training fund..	10,400
10	Solid waste management fund - staff account.....	172,900
11	Stormwater permit fees.....	70,900
12	Wastewater operator training fees.....	19,200
13	Water analysis fees.....	74,300
14	Water pollution control revolving fund.....	7,400
15	Water use reporting fees.....	13,300
16	State general fund/general purpose.....	\$ 472,800
17	Sec. 111. ONE-TIME APPROPRIATIONS	
18	Full-time equated classified positions11.0	
19	Drinking water declaration of emergency.....	\$ 100
20	Environmental cleanup and redevelopment program	
21	(one-time)--11.0 FTE positions	25,000,000
22	Landfill research, design, and demonstration project..	120,000
23	Michigan geological survey.....	<u>500,000</u>
24	GROSS APPROPRIATION.....	\$ 25,620,100
25	Appropriated from:	
26	Special revenue funds:	
27	Drinking water declaration of emergency reserve fund..	100

1 State general fund/general purpose..... \$ 25,620,000

2 PART 2
 3 PROVISIONS CONCERNING APPROPRIATIONS
 4 FOR FISCAL YEAR 2018-2019

5 **GENERAL SECTIONS**

6 Sec. 201. Pursuant to section 30 of article IX of the state
 7 constitution of 1963, total state spending from state sources under
 8 part 1 for fiscal year 2018-2019 is \$283,071,800.00 and state
 9 spending from state sources to be paid to local units of government
 10 for fiscal year 2018-2019 is \$5,701,000.00. The itemized statement
 11 below identifies appropriations from which spending to local units
 12 of government will occur:

13 DEPARTMENT OF ENVIRONMENTAL QUALITY

14	Surface water.....	\$	160,000
15	Technology advancements for water monitoring.....		500,000
16	Drinking water program grants.....		600,000
17	Medical waste program.....		65,000
18	Noncommunity water grants.....		1,800,000
19	Pollution prevention.....		250,000
20	Recycling initiative.....		1,500,000
21	Scrap tire grants.....		500,000
22	Septage waste compliance grants.....		100,000
23	Emergency cleanup actions.....		106,000
24	Landfill research, design, and demonstration project..		<u>120,000</u>
25	TOTAL.....	\$	5,701,000

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

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

5 (a) "Department" means the department of environmental
6 quality.

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

8 (c) "FTE" means full-time equated.

9 (d) "IDG" means interdepartmental grant.

10 (e) "NPDES" means national pollution discharge elimination
11 system.

12 Sec. 204. The departments and agencies receiving
13 appropriations in part 1 shall use the internet to fulfill the
14 reporting requirements of this part. This requirement may include
15 transmission of reports via electronic mail to the recipients
16 identified for each reporting requirement, or it may include
17 placement of reports on an internet or intranet site.

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

1 Sec. 206. The director shall take all reasonable steps to
2 ensure businesses in deprived and depressed communities compete for
3 and perform contracts to provide services or supplies, or both. The
4 director shall strongly encourage firms with which the department
5 contracts to subcontract with certified businesses in depressed and
6 deprived communities for services, supplies, or both.

7 Sec. 207. The departments and agencies receiving
8 appropriations in part 1 shall prepare a report on out-of-state
9 travel expenses not later than January 1 of each year. The travel
10 report shall be a listing of all travel by classified and
11 unclassified employees outside this state in the immediately
12 preceding fiscal year that was funded in whole or in part with
13 funds appropriated in the department's budget. The report shall be
14 submitted to the house and senate appropriations committees, the
15 house and senate fiscal agencies, and the state budget director.
16 The report shall include the following information:

17 (a) The dates of each travel occurrence.

18 (b) The total transportation and related costs of each travel
19 occurrence, including the proportion funded with state general
20 fund/general purpose revenues, the proportion funded with state
21 restricted revenues, the proportion funded with federal revenues,
22 and the proportion funded with other revenues.

23 Sec. 208. Funds appropriated in part 1 shall not be used by a
24 principal executive department, state agency, or authority to hire
25 a person to provide legal services that are the responsibility of
26 the attorney general. This prohibition does not apply to legal
27 services for bonding activities and for those activities that the

1 attorney general authorizes.

2 Sec. 209. Not later than November 30, the state budget office
3 shall prepare and transmit a report that provides for estimates of
4 the total general fund/general purpose appropriation lapses at the
5 close of the prior fiscal year. This report shall summarize the
6 projected year-end general fund/general purpose appropriation
7 lapses by major departmental program or program areas. The report
8 shall be transmitted to the chairpersons of the senate and house
9 appropriations committees and the senate and 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 \$30,000,000.00 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 \$5,000,000.00 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 \$100,000.00 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 \$500,000.00 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 for each department or agency:

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 subcommittee 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, 2018 and September 30, 2019.

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 agency'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, 2019 are estimated at \$33,567,400.00. From this amount, total
7 agency appropriations for pension-related legacy costs are
8 estimated at \$15,475,100.00. Total agency appropriations for
9 retiree health care legacy costs are estimated at \$18,092,300.00.

10 Sec. 216. (1) The department shall report all of the following
11 information relative to allocations made from appropriations for
12 the environmental cleanup and redevelopment program, state cleanup,
13 emergency actions, superfund cleanup, the revitalization revolving
14 loan program, the brownfield grants and loans program, the leaking
15 underground storage tank cleanup program, the contaminated lake and
16 river sediments cleanup program, the refined petroleum product
17 cleanup program, and the environmental protection bond projects
18 under section 19508(7) of the natural resources and environmental
19 protection act, 1994 PA 451, MCL 324.19508, to the state budget
20 director, the senate and house appropriations subcommittees on
21 environmental quality, and the senate and house fiscal agencies:

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

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

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

27 (d) The estimated date that site closure activities will be

1 completed.

2 (e) The amount of the allocation, or the anticipated financing
3 for the site.

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

6 (g) The number of brownfield projects that were successfully
7 redeveloped.

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

10 (a) The status of all state-owned facilities that are on the
11 list compiled under part 201 of the natural resources and
12 environmental protection act, 1994 PA 451, MCL 324.20101 to
13 324.20142.

14 (b) The report shall include the total amount of funds
15 expended during the fiscal year and the total amount of funds
16 awaiting expenditure.

17 (c) The total amount of bonds issued for the environmental
18 protection bond program pursuant to part 193 of the natural
19 resources and environmental protection act, 1994 PA 451, MCL
20 324.19301 to 324.19306, and bonds issued pursuant to the clean
21 Michigan initiative act, 1998 PA 284, MCL 324.95101 to 324.95108.

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

24 Sec. 217. (1) The department may expend amounts remaining from
25 the current and prior fiscal year appropriations to meet funding
26 needs of legislatively approved sites for the environmental cleanup
27 and redevelopment program, the refined petroleum product cleanup

1 program, brownfield grants and loans, waterfront grants, and the
2 environmental bond site reclamation program.

3 (2) Unexpended and unencumbered amounts remaining from
4 appropriations from the environmental protection bond fund
5 contained in 2003 PA 173, 2005 PA 109, 2006 PA 343, 2011 PA 63, and
6 2012 PA 236 are appropriated for expenditure for any site listed in
7 this part and part 1 and any site listed in the public acts
8 referenced in this section.

9 (3) Unexpended and unencumbered amounts remaining from
10 appropriations from the clean Michigan initiative fund - response
11 activities contained in 2000 PA 52, 2004 PA 309, 2005 PA 11, 2006
12 PA 343, 2007 PA 121, 2011 PA 63, 2013 PA 59, 2014 PA 252, 2015 PA
13 84, 2016 PA 268, and 2017 PA 107 are appropriated for expenditure
14 for any site listed in this part and part 1 and any site listed in
15 the public acts referenced in this section.

16 (4) Unexpended and unencumbered amounts remaining from
17 appropriations from the refined petroleum fund activities contained
18 in 2007 PA 121, 2008 PA 247, 2009 PA 118, 2010 PA 189, 2011 PA 63,
19 2012 PA 200, 2013 PA 59, 2014 PA 252, 2015 PA 84, 2016 PA 268, and
20 2017 PA 107 are appropriated for expenditure for any site listed in
21 this part and part 1 and any site listed in the public acts
22 referenced in this section.

23 (5) Unexpended and unencumbered amounts remaining from the
24 appropriations from the strategic water quality initiatives fund
25 contained in 2011 PA 50, 2011 PA 63, 2012 PA 200, 2013 PA 59, 2014
26 PA 252, 2015 PA 84, 2016 PA 268, and 2017 PA 107 are appropriated
27 for expenditure for any site listed in this part and part 1 and any

1 site listed in the public acts referenced in this section.

2 Sec. 219. Unexpended settlement revenues at the end of the
3 fiscal year may be carried forward into the settlement fund in the
4 succeeding fiscal year up to a maximum carryforward of
5 \$2,500,000.00.

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

9 Sec. 221. (1) Funds appropriated in part 1 shall not be used
10 by the department to promulgate a rule that will apply to a small
11 business and that will have a disproportionate economic impact on
12 small businesses because of the size of those businesses if the
13 department fails to reduce the disproportionate economic impact of
14 the rule on small businesses as provided under section 40 of the
15 administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

16 (2) As used in this section:

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

19 (b) "Small business" means that term as defined under section
20 7a of the administrative procedures act of 1969, 1969 PA 306, MCL
21 24.207a.

22 Sec. 235. The department shall prepare an annual report to the
23 legislature by March 31 that details all of the following for each
24 of the allocations from the clean Michigan initiative bond fund as
25 described in section 19607(1)(a) to (i) of the natural resources
26 and environmental protection act, 1994 PA 451, MCL 324.19607:

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

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

3 (c) The estimated remaining cost of all projects funded in
4 each category.

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

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

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

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

15 (b) The purpose for each expenditure.

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

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

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

21 Sec. 237. From the funds appropriated in part 1, the
22 department shall be responsible for the necessary and reasonable
23 attorney fees and costs incurred by private and independent legal
24 counsel chosen by current and former classified and unclassified
25 department employees in the defense of the department employees
26 named as a party in any state or federal lawsuits or investigations
27 related to the city of Flint municipal water system.

1 Sec. 238. From funds appropriated in part 1, the department
2 shall post the following on the department's publicly accessible
3 website:

4 (a) By November 1, a report listing each fee the department
5 assessed during the previous fiscal year. The report shall include
6 the dollar amount of each fee, the amount of revenue that was
7 projected to be received from each fee at the beginning of the
8 previous fiscal year, and the actual revenue received for each fee.
9 If the actual revenue for a particular fee is not available by
10 November 1, the department may use an unaudited or estimated
11 figure, and indicate it as such in the report.

12 (b) By November 1, a report listing all fees currently
13 assessed by the department. The report shall include the dollar
14 amount of each fee, projected revenue for each fee, and the program
15 areas within the department that each fee will support. The report
16 shall also list the fund into which each fee is deposited. By May
17 1, the department shall update this report with year-to-date
18 revenue for each fee.

19 (c) By November 1, a report listing all federal and state fund
20 sources utilized by the department during the previous fiscal year.
21 The report shall include the amount of revenue that was projected
22 to be received from each fund source at the beginning of that
23 fiscal year, the current balance of each fund source, and the
24 actual revenue received for each fund source during that fiscal
25 year. If actual revenue for a particular fund or the actual balance
26 of a particular fund is not available by November 1, the department
27 may use an unaudited or estimated figure, and indicate it as such

1 in the report.

2 (d) By November 1, a report listing the federal and state fund
3 sources that will be utilized by the department during the current
4 fiscal year. The report shall contain the following for each fund
5 source: an estimate of revenue that will be collected during the
6 fiscal year, the balance of the fund source at the beginning of the
7 fiscal year, and the program areas within the department that each
8 fund source will support. If the actual fund balance is not
9 available on November 1, the department may use an unaudited or
10 estimated figure, and indicate it as such in the report. By May 1,
11 the department shall update this report with year-to-date figures
12 for each item in the report, and include year-to-date revenue for
13 each fund source.

14 (e) Any audits conducted on department programs or funds.

15 **REMEDICATION AND REDEVELOPMENT DIVISION**

16 Sec. 301. Revenues remaining in the laboratory services fees
17 fund at the end of the fiscal year shall carry forward into the
18 succeeding fiscal year.

19 Sec. 302. The unexpended funds appropriated in part 1 for
20 emergency cleanup actions are considered work project
21 appropriations and any unencumbered or unallotted funds shall not
22 lapse at the end of the fiscal year and shall be available for
23 expenditures for projects under this section until the projects
24 have been completed. The following is in compliance with section
25 451a(1) of the management and budget act, 1984 PA 431, MCL
26 18.1451a:

1 (a) The purpose of the project to be carried forward is to
2 provide contaminated site cleanup.

3 (b) The project will be accomplished by contract.

4 (c) The total estimated cost of the project is \$3,000,000.00.

5 (d) The tentative completion date is September 30, 2023.

6 Sec. 303. Effective October 1, 2018, surplus funds not to
7 exceed \$1,000,000.00 in the cleanup and redevelopment trust fund
8 are appropriated to the environmental protection fund created in
9 section 503a of the natural resources and environmental protection
10 act, 1994 PA 451, MCL 324.503a.

11 Sec. 304. Effective October 1, 2018, surplus funds not to
12 exceed \$1,000,000.00 in the community pollution prevention fund
13 created in section 3f of 1976 IL 1, MCL 445.573f, are appropriated
14 to the environmental protection fund created in section 503a of the
15 natural resources and environmental protection act, 1994 PA 451,
16 MCL 324.503a.

17 Sec. 305. It is the intent of the legislature to repay the
18 refined petroleum fund for the \$70,000,000.00 that was transferred
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, as part of the resolution for the fiscal year 2006-
22 2007 budget.

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

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

5 (a) A list of sites the department intends to work on during
6 the current fiscal year, including the fiscal year the project
7 began.

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

10 (c) A list of sites the department closed during the previous
11 fiscal year.

12 Sec. 307. The unexpended funds appropriated in part 1 for the
13 environmental cleanup and redevelopment program are designated as a
14 work project appropriation, and any unencumbered or unallotted
15 funds shall not lapse at the end of the fiscal year and shall be
16 available for expenditures for projects under this section until
17 the projects have been completed. The following is in compliance
18 with section 451a of the management and budget act, 1984 PA 431,
19 MCL 18.1451a:

20 (a) The purpose of the project is to provide contaminated site
21 cleanup.

22 (b) The project will be accomplished by contract.

23 (c) The total estimated cost of the project is \$15,000,000.00.

24 (d) The tentative completion date is September 30, 2023.

25 Sec. 308. The unexpended funds appropriated in part 1 for the
26 refined petroleum product cleanup program are designated as a work
27 project appropriation, and any unencumbered or unallotted funds

1 shall not lapse at the end of the fiscal year and shall be
2 available for expenditures for projects under this section until
3 the projects have been completed. The following is in compliance
4 with section 451a of the management and budget act, 1984 PA 431,
5 MCL 18.1451a:

6 (a) The purpose of the project is to provide contaminated site
7 cleanup.

8 (b) The project will be accomplished by contract.

9 (c) The total estimated cost of the project is \$34,680,000.00.

10 (d) The tentative completion date is September 30, 2023.

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

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

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

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

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

25 Sec. 313. From the funds appropriated in part 1 for the vapor
26 intrusion program, the department shall investigate sites to
27 determine whether chemical vapors have migrated from the original

1 location of exposure. The purpose of this program is to evaluate,
2 investigate, and mitigate sites statewide where vapor intrusion
3 issues are or may be present.

4 Sec. 315. From the funds appropriated in part 1 for lead
5 remediation grants, the department shall distribute grant awards
6 for the remediation and redevelopment of sites contaminated by lead
7 paint. The department shall prioritize sites affecting families
8 with children.

9 Sec. 316. From the funds appropriated in part 1 for
10 environmental cleanup and redevelopment program (one-time), the
11 department shall perform remediation and redevelopment actions at
12 contaminated sites in accordance with part 201 of the natural
13 resources and environmental protection act, 1994 PA 451, MCL
14 324.20101 to 324.20142.

15 **WATER RESOURCES DIVISION**

16 Sec. 405. If a certified health department does not exist in a
17 city, county, or district or does not fulfill its responsibilities
18 under part 117 of the natural resources and environmental
19 protection act, 1994 PA 451, MCL 324.11701 to 324.11720, then the
20 department may spend funds appropriated in part 1 under the septage
21 waste compliance program in accordance with section 11716 of the
22 natural resources and environmental protection act, 1994 PA 451,
23 MCL 324.11716.

24 Sec. 410. From the funds appropriated in part 1, the
25 department shall compile a report on the status of the
26 implementation plan for the western Lake Erie basin collaborative

1 agreement. In an effort to learn more about the presence and timing
2 of harmful algal blooms, the report shall contain all of the
3 following:

4 (a) An estimated cost of removal of total phosphorus per pound
5 at the 4 major wastewater treatment plants.

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

7 (c) A description of the work that has commenced on the issue
8 of dissolved reactive phosphorus, the expected objectives and
9 outcomes of that work, and a list of the parties involved in that
10 effort.

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

13 Sec. 412. The unexpended funds appropriated in part 1 for the
14 aquifer protection program are designated as a work project
15 appropriation, and any unencumbered or unallotted funds shall not
16 lapse at the end of the fiscal year and shall be available for
17 expenditures for projects under this section until the project has
18 been completed. The following is in compliance with section 451a of
19 the management and budget act, 1984 PA 431, MCL 18.1451a:

20 (a) The purpose of the project is to provide support for
21 aquifer disputes and their resolution.

22 (b) The project will be accomplished by contract.

23 (c) The total estimated cost of the project is \$524,000.00.

24 (d) The tentative completion date is September 30, 2023.

25 Sec. 413. From funds appropriated in part 1 for surface water,
26 \$150,000.00 is allocated to the continuation of the department's
27 contract for the cooperative lakes monitoring program to ensure the

1 continued operation of the program.

2 **RESOURCE MANAGEMENT DIVISION**

3 Sec. 604. From the funds appropriated in part 1, the
4 department will host training sessions to public water supply
5 owners and operators to provide technical assistance on the lead
6 and copper rule (LCR) of the safe drinking water act and contact
7 100% of public water supplies that are subject to the lead and
8 copper rule with information on current LCR requirements including
9 any modifications to Michigan's LCR and associated guidance and
10 policies. The purpose of the program is to ensure that water is in
11 accordance with the safe drinking water act, 1976 PA 399, MCL
12 325.1001 to 325.1023.

13 **UNDERGROUND STORAGE TANK AUTHORITY**

14 Sec. 701. The unexpended funds appropriated in part 1 for the
15 underground storage tank cleanup program are designated as a work
16 project appropriation, and any unencumbered or unallotted funds
17 shall not lapse at the end of the fiscal year and shall be
18 available for expenditures for projects under this section until
19 the projects have been completed. The following is in compliance
20 with section 451a(1) of the management and budget act, 1984 PA 431,
21 MCL 18.1451a:

22 (a) The purpose of the project is to provide contaminated site
23 cleanup.

24 (b) The project will be accomplished by contract.

25 (c) The total estimated cost of the project is \$20,000,000.00.

1 (d) The tentative completion date is September 30, 2023.

2 **ONE-TIME APPROPRIATIONS**

3 Sec. 801. Funds in part 1 for the landfill research, design,
4 and demonstration project shall be made available as a grant to a
5 county with a population of over 140,000 that owns a landfill and
6 has received a state revolving fund loan to install a septage
7 bioreactor as part of a research, design, and demonstration
8 project. The grant shall be for the purpose of continuing the
9 research, design, and demonstration project at that landfill.

10 ARTICLE VIII

11 GENERAL GOVERNMENT

12 PART 1

13 LINE-ITEM APPROPRIATIONS

14 Sec. 101. There is appropriated for the legislature, the
15 executive, the department of attorney general, the department of
16 state, the department of treasury, the department of technology,
17 management, and budget, the department of civil rights, the
18 department of talent and economic development, and certain state
19 purposes related thereto for the fiscal year ending September 30,
20 2019, from the following funds:

21 **TOTAL GENERAL GOVERNMENT**

22 APPROPRIATION SUMMARY

23 Full-time equated unclassified positions50.0
24 Full-time equated classified positions8,734.7

1	GROSS APPROPRIATION.....	\$ 5,003,361,400
2	Interdepartmental grant revenues:	
3	Total interdepartmental grants and intradepartmental	
4	transfers	821,066,200
5	ADJUSTED GROSS APPROPRIATION.....	\$ 4,182,295,200
6	Federal revenues:	
7	Total federal revenues.....	808,698,700
8	Special revenue funds:	
9	Total local revenues.....	15,977,300
10	Total private revenues.....	6,247,400
11	Total other state restricted revenues.....	2,276,925,900
12	State general fund/general purpose.....	\$ 1,074,445,900

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

14 **(1) APPROPRIATION SUMMARY**

15	Full-time equated unclassified positions	6.0
16	Full-time equated classified positions	531.0
17	GROSS APPROPRIATION.....	\$ 103,648,900
18	Interdepartmental grant revenues:	
19	Total interdepartmental grants and intradepartmental	
20	transfers	30,386,400
21	ADJUSTED GROSS APPROPRIATION.....	\$ 73,262,500
22	Federal revenues:	
23	Total federal revenues.....	9,628,500
24	Special revenue funds:	
25	Total local revenues.....	0
26	Total private revenues.....	0

1	Total other state restricted revenues.....	22,427,200
2	State general fund/general purpose.....	\$ 41,206,800
3	(2) ATTORNEY GENERAL OPERATIONS	
4	Full-time equated unclassified positions6.0	
5	Full-time equated classified positions531.0	
6	Attorney general.....	\$ 112,500
7	Unclassified positions--5.0 FTE positions.....	792,100
8	Attorney general operations--486.0 FTE positions.....	90,505,200
9	Child support enforcement--25.0 FTE positions.....	3,578,300
10	Prosecuting attorneys coordinating council--12.0 FTE	
11	positions	2,186,800
12	Public safety initiative--1.0 FTE position.....	906,200
13	Sexual assault law enforcement--5.0 FTE positions.....	1,720,200
14	Ok2Say--2.0 FTE positions.....	<u>1,470,000</u>
15	GROSS APPROPRIATION.....	\$ 101,271,300
16	Appropriated from:	
17	Interdepartmental grant revenues:	
18	IDG from MDOC.....	677,900
19	IDG from MDE.....	608,900
20	IDG from MDEQ.....	2,051,400
21	IDG from MDHHS, health policy.....	211,300
22	IDG from MDHHS, human services.....	6,069,800
23	IDG from MDHHS, medical services administration.....	705,000
24	IDG from MDHHS, WIC.....	156,700
25	IDG from MDIFS, financial and insurance services.....	1,230,700
26	IDG from MDLARA, fireworks safety fund.....	85,300
27	IDG from MDLARA, health professions.....	3,108,500

1	IDG from MDLARA, licensing and regulation fees.....	344,100
2	IDG from MDLARA, Michigan occupational safety and	
3	health administration	107,700
4	IDG from MDLARA, remonumentation fees.....	108,600
5	IDG from MDLARA, securities fees.....	193,500
6	IDG from MDLARA, unlicensed builders.....	1,087,100
7	IDG from MDMVA.....	169,100
8	IDG from MDOS, children's protection registry.....	45,000
9	IDG from MDOT, comprehensive transportation fund.....	205,600
10	IDG from MDOT, state aeronautics fund.....	181,500
11	IDG from MDOT, state trunkline fund.....	2,476,400
12	IDG from MDSP.....	262,900
13	IDG from MDTED, workforce development agency.....	91,300
14	IDG from MDTMB.....	474,300
15	IDG from MDTMB, civil service commission.....	313,100
16	IDG from MDTMB, risk management revolving fund.....	1,499,700
17	IDG from Michigan state housing development authority.	695,000
18	IDG from treasury.....	7,042,400
19	IDG from MDTED, Michigan strategic fund.....	183,600
20	Federal revenues:	
21	DAG, state administrative match grant/food stamps.....	137,000
22	Federal funds.....	3,209,700
23	HHS, medical assistance, medigant.....	390,700
24	HHS-OS, state Medicaid fraud control units.....	5,769,900
25	National criminal history improvement program.....	121,200
26	Special revenue funds:	
27	Antitrust enforcement collections.....	778,600

1	Attorney general's operations fund.....	767,000
2	Auto repair facilities fees.....	335,800
3	Franchise fees.....	389,900
4	Game and fish protection fund.....	766,300
5	Human trafficking commission fund.....	390,000
6	Lawsuit settlement proceeds fund.....	2,602,700
7	Liquor purchase revolving fund.....	1,494,700
8	Marihuana regulatory fund.....	507,200
9	Michigan merit award trust fund.....	506,700
10	Michigan employment security act - administrative fund	2,298,000
11	Michigan state waterways fund.....	142,200
12	Mobile home code fund.....	255,400
13	Prisoner reimbursement.....	636,500
14	Prosecuting attorneys training fees.....	414,200
15	Public utility assessments.....	2,123,400
16	Real estate enforcement fund.....	100,700
17	Reinstatement fees.....	263,200
18	Retirement funds.....	1,073,100
19	Second injury fund.....	833,800
20	Self-insurers security fund.....	577,900
21	Silicosis and dust disease fund.....	228,200
22	State building authority revenue.....	124,300
23	State casino gaming fund.....	1,907,700
24	State lottery fund.....	353,500
25	Student safety fund.....	470,000
26	Utility consumer representation fund.....	1,009,100
27	Worker's compensation administrative revolving fund...	377,100

1	State general fund/general purpose.....	\$	39,529,200
2	(3) INFORMATION TECHNOLOGY		
3	Information technology services and projects.....	\$	<u>1,577,600</u>
4	GROSS APPROPRIATION.....	\$	1,577,600
5	Appropriated from:		
6	State general fund/general purpose.....	\$	1,577,600
7	(4) ONE-TIME APPROPRIATIONS		
8	Prosecuting attorneys coordinating council - juvenile		
9	life without parole	\$	700,000
10	Prosecuting attorneys coordinating council - forensic		
11	interviewing		<u>100,000</u>
12	GROSS APPROPRIATION.....	\$	800,000
13	Appropriated from:		
14	Special revenue funds:		
15	Lawsuit settlement proceeds fund.....		700,000
16	State general fund/general purpose.....	\$	100,000
17	Sec. 103. DEPARTMENT OF CIVIL RIGHTS		
18	(1) APPROPRIATION SUMMARY		
19	Full-time equated unclassified positions	6.0	
20	Full-time equated classified positions	110.0	
21	GROSS APPROPRIATION.....	\$	16,201,100
22	Interdepartmental grant revenues:		
23	Total interdepartmental grants and intradepartmental		
24	transfers		299,100
25	ADJUSTED GROSS APPROPRIATION.....	\$	15,902,000
26	Federal revenues:		

1	Total federal revenues.....	2,802,700
2	Special revenue funds:	
3	Total local revenues.....	0
4	Total private revenues.....	18,700
5	Total other state restricted revenues.....	58,500
6	State general fund/general purpose.....	\$ 13,022,100
7	(2) CIVIL RIGHTS OPERATIONS	
8	Full-time equated unclassified positions6.0	
9	Full-time equated classified positions110.0	
10	Unclassified positions--6.0 FTE positions.....	\$ 693,700
11	Civil rights operations--104.0 FTE positions.....	14,068,600
12	Division on deaf, deafblind, and hard of hearing--6.0	
13	FTE positions	<u>715,600</u>
14	GROSS APPROPRIATION.....	\$ 15,477,900
15	Appropriated from:	
16	Interdepartmental grant revenues:	
17	IDG from DTMB.....	299,100
18	Federal revenues:	
19	EEOC, state and local antidiscrimination agency	
20	contracts	1,228,500
21	HUD, grant.....	1,559,200
22	Special revenue funds:	
23	Private revenues.....	18,700
24	State restricted indirect funds.....	58,500
25	State general fund/general purpose.....	\$ 12,313,900
26	(3) INFORMATION TECHNOLOGY	
27	Information technology services and projects.....	<u>\$ 723,200</u>

1	GROSS APPROPRIATION.....	\$	723,200
2	Appropriated from:		
3	Federal revenues:		
4	EEOC, state and local antidiscrimination agency		
5	contracts		15,000
6	State general fund/general purpose.....	\$	708,200
7	Sec. 104. EXECUTIVE OFFICE		
8	(1) APPROPRIATION SUMMARY		
9	Full-time equated unclassified positions		10.0
10	Full-time equated classified positions		79.2
11	GROSS APPROPRIATION.....	\$	6,980,100
12	Interdepartmental grant revenues:		
13	Total interdepartmental grants and intradepartmental		
14	transfers		0
15	ADJUSTED GROSS APPROPRIATION.....	\$	6,980,100
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.....	\$	6,980,100
23	(2) EXECUTIVE OFFICE OPERATIONS		
24	Full-time equated unclassified positions		10.0
25	Full-time equated classified positions		79.2
26	Governor.....	\$	159,300

1	Lieutenant governor.....	111,600
2	Unclassified positions--8.0 FTE positions.....	1,333,500
3	Executive office--79.2 FTE positions.....	<u>5,375,700</u>
4	GROSS APPROPRIATION.....	\$ 6,980,100
5	Appropriated from:	
6	State general fund/general purpose.....	\$ 6,980,100
7	Sec. 105. LEGISLATURE	
8	(1) APPROPRIATION SUMMARY	
9	GROSS APPROPRIATION.....	\$ 183,050,500
10	Interdepartmental grant revenues:	
11	Total interdepartmental grants and intradepartmental	
12	transfers	5,823,400
13	ADJUSTED GROSS APPROPRIATION.....	\$ 177,227,100
14	Federal revenues:	
15	Total federal revenues.....	0
16	Special revenue funds:	
17	Total local revenues.....	0
18	Total private revenues.....	400,000
19	Total other state restricted revenues.....	6,403,100
20	State general fund/general purpose.....	\$ 170,424,000
21	(2) LEGISLATURE	
22	Senate.....	\$ 37,210,700
23	Senate automated data processing.....	2,678,000
24	Senate fiscal agency.....	3,971,000
25	House of representatives.....	57,066,900
26	House automated data processing.....	2,678,000

1	House fiscal agency.....		<u>3,971,000</u>
2	GROSS APPROPRIATION.....	\$	107,575,600
3	Appropriated from:		
4	State general fund/general purpose.....	\$	107,575,600
5	(3) LEGISLATIVE COUNCIL		
6	Legislative corrections ombudsman.....	\$	987,200
7	Legislative council.....		12,781,900
8	Legislative service bureau automated data processing..		1,740,700
9	Michigan veterans facility ombudsman.....		309,000
10	National association dues.....		454,700
11	Worker's compensation.....		<u>151,400</u>
12	GROSS APPROPRIATION.....	\$	16,424,900
13	Appropriated from:		
14	Special revenue funds:		
15	Private - gifts and bequests revenues.....		400,000
16	State general fund/general purpose.....	\$	16,024,900
17	(4) LEGISLATIVE RETIREMENT SYSTEM		
18	General nonretirement expenses.....	\$	<u>5,202,200</u>
19	GROSS APPROPRIATION.....	\$	5,202,200
20	Appropriated from:		
21	Special revenue funds:		
22	Court fees.....		1,201,300
23	State general fund/general purpose.....	\$	4,000,900
24	(5) PROPERTY MANAGEMENT		
25	Binsfeld Office Building.....	\$	8,270,900
26	Cora Anderson building.....		<u>12,122,600</u>
27	GROSS APPROPRIATION.....	\$	20,393,500

1	Appropriated from:		
2	State general fund/general purpose.....	\$	20,393,500
3	(6) STATE CAPITOL HISTORIC SITE		
4	Bond/lease obligations.....	\$	100
5	General operations.....		4,573,200
6	Restoration, renewal, and maintenance.....		<u>3,193,000</u>
7	GROSS APPROPRIATION.....	\$	7,766,300
8	Appropriated from:		
9	Special revenue funds:		
10	Capitol historic site fund.....		3,193,000
11	State general fund/general purpose.....	\$	4,573,300
12	(7) OFFICE OF THE AUDITOR GENERAL		
13	Unclassified positions.....	\$	346,000
14	Field operations.....		<u>24,592,000</u>
15	GROSS APPROPRIATION.....	\$	24,938,000
16	Appropriated from:		
17	Interdepartmental grant revenues:		
18	IDG from MDHHS, human services.....		31,200
19	IDG from MDLARA, liquor purchase revolving fund.....		76,800
20	IDG from MDLARA, self-insurers security fund.....		81,600
21	IDG from MDMVA, Michigan veterans facility authority..		50,000
22	IDG from MDOT, comprehensive transportation fund.....		39,800
23	IDG from MDOT, Michigan transportation fund.....		322,100
24	IDG from MDOT, state aeronautics fund.....		31,000
25	IDG from MDOT, state trunkline fund.....		748,200
26	IDG, legislative retirement system.....		29,800
27	IDG, single audit act.....		2,781,200

1	IDG, commercial mobile radio system emergency	
2	telephone fund	37,500
3	IDG, contract audit administration fees.....	51,000
4	IDG, deferred compensation funds.....	61,200
5	IDG, Michigan finance authority.....	337,400
6	IDG, Michigan economic development corporation.....	98,200
7	IDG, Michigan education trust fund.....	72,200
8	IDG, Michigan justice training commission fund.....	41,700
9	IDG, Michigan strategic fund.....	172,500
10	IDG, office of retirement services.....	700,000
11	IDG, other restricted funding sources.....	60,000
12	Special revenue funds:	
13	21st century jobs trust fund.....	98,200
14	Brownfield development fund.....	28,700
15	Clean Michigan initiative implementation bond fund....	55,600
16	Game and fish protection fund.....	32,000
17	MDTMB, civil service commission.....	169,500
18	Michigan state housing development authority fees.....	115,800
19	Michigan veterans' trust fund.....	36,200
20	Motor transport revolving fund.....	7,500
21	Office services revolving fund.....	10,200
22	State disbursement unit, office of child support.....	58,500
23	State services fee fund.....	1,385,100
24	Waterways fund.....	11,500
25	State general fund/general purpose.....	\$ 17,105,800
26	(8) ONE-TIME APPROPRIATIONS	
27	Legislative information technology systems design	

1	project	\$	<u>750,000</u>
2	GROSS APPROPRIATION.....	\$	750,000
3	Appropriated from:		
4	State general fund/general purpose.....	\$	750,000
5	Sec. 106. DEPARTMENT OF STATE		
6	(1) APPROPRIATION SUMMARY		
7	Full-time equated unclassified positions	6.0	
8	Full-time equated classified positions	1,586.0	
9	GROSS APPROPRIATION.....	\$	246,662,800
10	Interdepartmental grant revenues:		
11	Total interdepartmental grants and intradepartmental		
12	transfers		20,000,000
13	ADJUSTED GROSS APPROPRIATION.....	\$	226,662,800
14	Federal revenues:		
15	Total federal revenues.....		1,460,000
16	Special revenue funds:		
17	Total local revenues.....		0
18	Total private revenues.....		50,100
19	Total other state restricted revenues.....		206,686,400
20	State general fund/general purpose.....	\$	18,466,300
21	(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT		
22	Full-time equated unclassified positions	6.0	
23	Full-time equated classified positions	140.0	
24	Secretary of state.....	\$	112,500
25	Unclassified positions--5.0 FTE positions.....		660,700
26	Executive direction--30.0 FTE positions.....		4,662,000

1	Operations--110.0 FTE positions.....	25,651,100
2	Property management.....	10,028,700
3	Worker's compensation.....	<u>248,200</u>
4	GROSS APPROPRIATION.....	\$ 41,363,200
5	Appropriated from:	
6	Special revenue funds:	
7	Abandoned vehicle fees.....	239,800
8	Auto repair facilities fees.....	133,000
9	Children's protection registry fund.....	270,700
10	Driver fees.....	2,497,000
11	Driver improvement course fund.....	308,200
12	Enhanced driver license and enhanced official state	
13	personal identification card fund	945,000
14	Parking ticket court fines.....	440,800
15	Personal identification card fees.....	289,800
16	Reinstatement fees - operator licenses.....	791,700
17	Scrap tire fund.....	78,600
18	Transportation administration collection fund.....	30,674,000
19	State general fund/general purpose.....	\$ 4,694,600
20	(3) LEGAL SERVICES	
21	Full-time equated classified positions94.0	
22	Operations--94.0 FTE positions.....	\$ <u>15,132,600</u>
23	GROSS APPROPRIATION.....	\$ 15,132,600
24	Appropriated from:	
25	Special revenue funds:	
26	Auto repair facilities fees.....	2,941,100
27	Driver fees.....	2,145,000

1	Enhanced driver license and enhanced official state		
2	personal identification card fund		544,700
3	Reinstatement fees - operator licenses.....		959,400
4	Transportation administration collection fund.....		5,518,700
5	Vehicle theft prevention fees.....		1,089,200
6	State general fund/general purpose.....	\$	1,934,500
7	(4) CUSTOMER DELIVERY SERVICES		
8	Full-time equated classified positions	1,307.0	
9	Branch operations--925.0 FTE positions.....	\$	89,279,000
10	Central operations--380.0 FTE positions.....		52,665,800
11	Motorcycle safety education administration--2.0 FTE		
12	positions		339,300
13	Motorcycle safety education grants.....		1,800,000
14	Organ donor program.....		<u>129,100</u>
15	GROSS APPROPRIATION.....	\$	144,213,200
16	Appropriated from:		
17	Interdepartmental grant revenues:		
18	IDG from MDOT, Michigan transportation fund.....		20,000,000
19	Federal revenues:		
20	DOT.....		860,000
21	OHSP.....		600,000
22	Special revenue funds:		
23	Private funds.....		100
24	Thomas Daley gift of life fund.....		50,000
25	Abandoned vehicle fees.....		450,900
26	Auto repair facilities fees.....		901,900
27	Child support clearance fees.....		363,600

1	Driver education provider and instructor fund.....	75,000
2	Driver fees.....	24,616,300
3	Driver improvement course fund.....	1,227,600
4	Enhanced driver license and enhanced official state	
5	personal identification card fund	9,513,500
6	Expedient service fees.....	2,943,500
7	Marine safety fund.....	1,548,300
8	Michigan state police auto theft fund.....	123,700
9	Mobile home commission fees.....	507,500
10	Motorcycle safety fund.....	1,839,300
11	Off-road vehicle title fees.....	170,700
12	Parking ticket court fines.....	1,639,600
13	Personal identification card fees.....	2,373,900
14	Recreation passport fee revenue.....	1,000,000
15	Reinstatement fees - operator licenses.....	2,357,300
16	Snowmobile registration fee revenue.....	390,000
17	State lottery fund.....	1,015,800
18	Transportation administration collection fund.....	65,684,600
19	Vehicle theft prevention fees.....	786,000
20	State general fund/general purpose.....	\$ 3,174,100
21	(5) ELECTION REGULATION	
22	Full-time equated classified positions45.0	
23	County clerk education and training fund.....	\$ 100,000
24	Election administration and services--45.0 FTE	
25	positions	7,297,100
26	Fees to local units.....	<u>109,800</u>
27	GROSS APPROPRIATION.....	\$ 7,506,900

1	Appropriated from:	
2	Special revenue funds:	
3	Notary education and training fund.....	100,000
4	Notary fee fund.....	343,500
5	State general fund/general purpose.....	\$ 7,063,400

6 **(6) INFORMATION TECHNOLOGY**

7	Information technology services and projects.....	\$ <u>38,446,900</u>
8	GROSS APPROPRIATION.....	\$ 38,446,900

9	Appropriated from:	
10	Special revenue funds:	
11	Administrative order processing fee.....	11,700
12	Auto repair facilities fees.....	129,000
13	Driver fees.....	785,700
14	Enhanced driver license and enhanced official state	
15	personal identification card fund	344,300
16	Expedient service fees.....	1,082,800
17	Parking ticket court fines.....	88,800
18	Personal identification card fees.....	172,900
19	Reinstatement fees - operator licenses.....	591,000
20	Transportation administration collection fund.....	33,460,400
21	Vehicle theft prevention fees.....	180,600
22	State general fund/general purpose.....	\$ 1,599,700

23 **Sec. 107. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND**
 24 **BUDGET**

25 **(1) APPROPRIATION SUMMARY**

26 Full-time equated unclassified positions6.0

1	Full-time equated classified positions	3,116.0	
2	GROSS APPROPRIATION.....		\$ 1,347,108,600
3	Interdepartmental grant revenues:		
4	Total interdepartmental grants and intradepartmental		
5	transfers		751,777,000
6	ADJUSTED GROSS APPROPRIATION.....		\$ 595,331,600
7	Federal revenues:		
8	Total federal revenues.....		5,033,700
9	Special revenue funds:		
10	Total local revenues.....		2,341,600
11	Total private revenues.....		129,400
12	Total other state restricted revenues.....		114,037,400
13	State general fund/general purpose.....		\$ 473,789,500
14	(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT		
15	Full-time equated unclassified positions	6.0	
16	Full-time equated classified positions	846.5	
17	Unclassified positions--6.0 FTE positions.....		\$ 905,100
18	Administrative services--139.5 FTE positions.....		18,368,400
19	Budget and financial management--203.0 FTE positions..		39,361,600
20	Building operation services--255.0 FTE positions.....		93,090,500
21	Bureau of labor market information and strategies--		
22	44.0 FTE positions		5,837,500
23	Business support services--104.0 FTE positions.....		12,759,800
24	Design and construction services--40.0 FTE positions..		6,603,300
25	Executive operations--12.0 FTE positions.....		2,427,700
26	Motor vehicle fleet--35.0 FTE positions.....		74,377,800
27	Office of the state employer--14.0 FTE positions.....		1,725,600

1	Property management.....	7,991,600
2	Legislative retirement.....	<u>12,400,000</u>
3	GROSS APPROPRIATION.....	\$ 275,848,900
4	Appropriated from:	
5	Interdepartmental grant revenues:	
6	IDG from accounting service centers user charges.....	3,969,800
7	IDG from building occupancy and parking charges.....	95,118,600
8	IDG from MDHHS, community health.....	494,200
9	IDG from MDHHS, human services.....	227,000
10	IDG from MDLARA.....	100,000
11	IDG from motor transport fund.....	74,377,800
12	IDG from technology user fees.....	9,999,800
13	IDG from user fees.....	6,697,300
14	Federal revenues:	
15	Federal funds.....	5,033,700
16	Special revenue funds:	
17	Local - MPSCS subscriber and maintenance fees.....	58,600
18	Local funds.....	35,000
19	Health management funds.....	412,700
20	MAIN user charges.....	2,176,000
21	Other agency charges.....	1,221,200
22	Private funds.....	129,400
23	Special revenue, internal service, and pension trust	
24	funds	16,479,400
25	State restricted indirect funds.....	2,866,300
26	State general fund/general purpose.....	\$ 56,452,100
27	(3) TECHNOLOGY SERVICES	

1	Full-time equated classified positions	1,629.5	
2	Education services--33.0 FTE positions.....		\$ 4,207,400
3	General services--354.5 FTE positions.....		116,405,200
4	Health and human services--656.5 FTE positions.....		318,723,300
5	Public protection--162.5 FTE positions.....		59,775,900
6	Resources services--154.5 FTE positions.....		20,934,300
7	Transportation services--99.5 FTE positions.....		35,113,500
8	Enterprise identity management--17.0 FTE positions....		9,775,000
9	Information technology investment fund.....		35,000,000
10	Homeland security initiative/cyber security--25.0 FTE		
11	positions		14,731,300
12	Michigan public safety communication system--127.0 FTE		
13	positions		<u>40,404,100</u>
14	GROSS APPROPRIATION.....		\$ 655,070,000
15	Appropriated from:		
16	Interdepartmental grant revenues:		
17	IDG from technology user fees.....		555,159,600
18	Special revenue funds:		
19	Local - MPSCS subscriber and maintenance fees.....		2,248,000
20	State general fund/general purpose.....		\$ 97,662,400
21	(4) STATEWIDE APPROPRIATIONS		
22	Professional development fund - NERE.....		\$ 200,000
23	Professional development fund - UAW.....		<u>700,000</u>
24	GROSS APPROPRIATION.....		\$ 900,000
25	Appropriated from:		
26	Interdepartmental grant revenues:		
27	IDG from employer contributions.....		900,000

1	State general fund/general purpose.....	\$	0
2	(5) SPECIAL PROGRAMS		
3	Full-time equated classified positions	181.0	
4	Office of children's ombudsman--14.0 FTE positions....	\$	1,860,900
5	Property management executive/legislative.....		1,195,900
6	Public private partnership.....		1,500,000
7	Regional prosperity grants.....		4,000,000
8	Retirement services--167.0 FTE positions.....		<u>29,529,300</u>
9	GROSS APPROPRIATION.....	\$	38,086,100
10	Appropriated from:		
11	Special revenue funds:		
12	Deferred compensation.....		2,800,000
13	Pension trust funds.....		21,412,500
14	Public private partnership investment fund.....		1,500,000
15	State general fund/general purpose.....	\$	12,373,600
16	(6) STATE BUILDING AUTHORITY RENT		
17	State building authority rent - state agencies.....	\$	49,665,800
18	State building authority rent - department of		
19	corrections		21,029,900
20	State building authority rent - universities.....		144,995,300
21	State building authority rent - community colleges....		<u>30,879,600</u>
22	GROSS APPROPRIATION.....	\$	246,570,600
23	Appropriated from:		
24	State general fund/general purpose.....	\$	246,570,600
25	(7) CIVIL SERVICE COMMISSION		
26	Full-time equated classified positions	459.0	
27	Agency services--74.0 FTE positions.....	\$	13,345,100

1	Employee benefits--25.0 FTE positions.....	7,683,200
2	Executive direction--40.0 FTE positions.....	9,518,800
3	Human resources operations--320.0 FTE positions.....	39,013,800
4	Information technology services and projects.....	<u>3,484,700</u>
5	GROSS APPROPRIATION.....	\$ 73,045,600
6	Appropriated from:	
7	Special revenue funds:	
8	State restricted funds 1%.....	29,510,400
9	State restricted indirect funds.....	8,839,600
10	State sponsored group insurance.....	10,742,800
11	State general fund/general purpose.....	\$ 23,952,800
12	(8) CAPITAL OUTLAY	
13	Major special maintenance, remodeling, and addition	
14	for state agencies	\$ 3,800,000
15	Enterprisewide special maintenance for state	
16	facilities	<u>26,000,000</u>
17	GROSS APPROPRIATION.....	\$ 29,800,000
18	Appropriated from:	
19	Interdepartmental grant revenues:	
20	IDG from building occupancy charges.....	3,800,000
21	State general fund/general purpose.....	\$ 26,000,000
22	(9) INFORMATION TECHNOLOGY	
23	Information technology services and projects.....	\$ <u>27,777,200</u>
24	GROSS APPROPRIATION.....	\$ 27,777,200
25	Appropriated from:	
26	Interdepartmental grant revenues:	
27	IDG from building occupancy and parking charges.....	723,200

1	IDG from user fees.....		209,700
2	Special revenue funds:		
3	Deferred compensation.....		2,600
4	MAIN user charges.....		2,516,700
5	Pension trust funds.....		10,266,700
6	Special revenue, internal service, and pension trust		
7	funds		2,706,500
8	State restricted indirect funds.....		583,900
9	State general fund/general purpose.....	\$	10,767,900
10	(10) ONE-TIME APPROPRIATIONS		
11	Drinking water declaration of emergency.....	\$	100
12	Census-related services.....		100
13	Office of retirement services actuarial analyses.....		<u>10,000</u>
14	GROSS APPROPRIATION.....	\$	10,200
15	Appropriated from:		
16	Special revenue funds:		
17	Drinking water declaration of emergency reserve fund..		100
18	State general fund/general purpose.....	\$	10,100
19	Sec. 108. DEPARTMENT OF TREASURY		
20	(1) APPROPRIATION SUMMARY		
21	Full-time equated unclassified positions	10.0	
22	Full-time equated classified positions	1,862.5	
23	GROSS APPROPRIATION.....	\$	1,984,413,800
24	Interdepartmental grant revenues:		
25	Total interdepartmental grants and intradepartmental		
26	transfers		12,780,300

1	ADJUSTED GROSS APPROPRIATION.....	\$ 1,971,633,500
2	Federal revenues:	
3	Total federal revenues.....	27,128,000
4	Special revenue funds:	
5	Total local revenues.....	13,135,700
6	Total private revenues.....	27,500
7	Total other state restricted revenues.....	1,721,881,000
8	State general fund/general purpose.....	\$ 209,461,300
9	(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT	
10	Full-time equated unclassified positions10.0	
11	Full-time equated classified positions433.5	
12	Unclassified positions--10.0 FTE positions.....	\$ 1,045,800
13	Department services--75.0 FTE positions.....	9,142,500
14	Executive direction and operations--64.5 FTE positions	9,567,000
15	Office of accounting services--29.0 FTE positions.....	4,116,000
16	Office of collections--197.0 FTE positions.....	28,019,800
17	Office of financial services--40.0 FTE positions.....	4,883,200
18	Property management.....	7,019,700
19	Unclaimed property--28.0 FTE positions.....	4,898,100
20	Worker's compensation.....	<u>144,500</u>
21	GROSS APPROPRIATION.....	\$ 68,836,600
22	Appropriated from:	
23	IDG, data/collection services fees.....	336,600
24	IDG from accounting service center user charges.....	537,500
25	IDG from MDHHS, title IV-D.....	791,400
26	IDG, levy/warrant cost assessment fees.....	3,663,600
27	IDG, state agency collection fees.....	4,421,700

1	Federal revenues:	
2	DED-OPSE, federal lenders allowance.....	21,000
3	DED-OPSE, higher education act of 1965 insured loans..	47,300
4	Special revenue funds:	
5	Delinquent tax collection revenue.....	35,493,000
6	Escheats revenue.....	4,898,100
7	Garnishment fees.....	2,684,400
8	Justice system fund.....	433,100
9	Marihuana regulatory fund.....	190,000
10	State lottery fund.....	298,400
11	State restricted indirect funds.....	278,600
12	State services fee fund.....	339,300
13	Treasury fees.....	47,200
14	State general fund/general purpose.....	\$ 14,355,400
15	(3) LOCAL GOVERNMENT PROGRAMS	
16	Full-time equated classified positions103.0	
17	Local finance--18.0 FTE positions.....	\$ 2,658,900
18	Property tax assessor training--1.0 FTE position.....	1,043,100
19	Supervision of the general property tax law--84.0 FTE	
20	positions	<u>18,894,600</u>
21	GROSS APPROPRIATION.....	\$ 22,596,600
22	Appropriated from:	
23	Special revenue funds:	
24	Local - assessor training fees.....	1,043,100
25	Local - audit charges.....	835,500
26	Local - equalization study chargebacks.....	40,000
27	Local - revenue from local government.....	100,000

1	Delinquent tax collection revenue.....	1,548,400
2	Land reutilization fund.....	2,052,000
3	Municipal finance fees.....	554,600
4	State general fund/general purpose.....	\$ 16,423,000
5	(4) TAX PROGRAMS	
6	Full-time equated classified positions734.0	
7	Bottle act implementation.....	\$ 250,000
8	Health insurance claims fund program--13.0 FTE	
9	positions	2,110,500
10	Home heating assistance.....	3,093,900
11	Office of revenue and tax analysis--9.0 FTE positions.	1,818,600
12	Tax and economic policy--43.0 FTE positions.....	7,948,900
13	Tax compliance--318.0 FTE positions.....	45,501,600
14	Tax processing--340.0 FTE positions.....	39,185,700
15	Tobacco tax enforcement--11.0 FTE positions.....	<u>1,534,700</u>
16	GROSS APPROPRIATION.....	\$ 101,443,900
17	Appropriated from:	
18	Interdepartmental grant revenues:	
19	IDG from MDOT, Michigan transportation fund.....	2,344,900
20	IDG from MDOT, state aeronautics fund.....	72,200
21	Federal revenues:	
22	HHS-SSA, low-income energy assistance.....	3,093,900
23	Special revenue funds:	
24	Bottle deposit fund.....	250,000
25	Brownfield development fund.....	214,300
26	Delinquent tax collection revenue.....	70,255,000
27	Health insurance claims fund.....	2,110,500

1	Marihuana regulatory fund.....	721,400
2	Michigan state waterways fund.....	107,100
3	Tobacco tax revenue.....	4,137,800
4	State general fund/general purpose.....	\$ 18,136,800
5	(5) FINANCIAL PROGRAMS	
6	Full-time equated classified positions	178.0
7	Common cash and debt management--11.0 FTE positions... \$	1,701,600
8	Dual enrollment payments.....	2,007,600
9	Investments--81.0 FTE positions.....	21,180,600
10	John R. Justice grant program.....	288,100
11	Michigan finance authority - bond finance--64.0 FTE	
12	positions	26,097,700
13	Student financial assistance programs--22.0 FTE	
14	positions	<u>2,742,800</u>
15	GROSS APPROPRIATION.....	\$ 54,018,400
16	Appropriated from:	
17	Interdepartmental grant revenues:	
18	IDG, fiscal agent service fees.....	212,400
19	Federal revenues:	
20	DED-OPSE, federal lenders allowance.....	3,741,800
21	DED-OPSE, higher education act of 1965, insured loans.	19,308,100
22	Federal - John R. Justice grant.....	288,100
23	Special revenue funds:	
24	Defined contribution administrative fee revenue.....	300,000
25	Michigan finance authority bond and loan program	
26	revenue	3,047,800
27	Michigan merit award trust fund.....	1,187,300

1	Retirement funds.....		18,644,700
2	School bond fees.....		872,600
3	Treasury fees.....		2,457,200
4	State general fund/general purpose.....	\$	3,958,400
5	(6) DEBT SERVICE		
6	Clean Michigan initiative.....	\$	62,251,000
7	Great Lakes water quality bond.....		22,865,000
8	Quality of life bond.....		<u>21,964,000</u>
9	GROSS APPROPRIATION.....	\$	107,080,000
10	Appropriated from:		
11	State general fund/general purpose.....	\$	107,080,000
12	(7) GRANTS		
13	Convention facility development distribution.....	\$	105,356,300
14	Emergency 911 payments.....		48,800,000
15	Forensic science commission.....		100
16	Health and safety fund grants.....		1,500,000
17	Medical marihuana excise fund grants.....		10,890,000
18	Senior citizen cooperative housing tax exemption		
19	program		<u>10,521,100</u>
20	GROSS APPROPRIATION.....	\$	177,067,500
21	Appropriated from:		
22	Special revenue funds:		
23	Convention facility development fund.....		105,356,300
24	Emergency 911 fund.....		48,800,000
25	Health and safety fund.....		1,500,000
26	Medical marihuana excise fund.....		10,890,000
27	State general fund/general purpose.....	\$	10,521,200

1	(8) BUREAU OF STATE LOTTERY		
2	Full-time equated classified positions	196.0	
3	Lottery information technology services and projects..	\$	5,287,000
4	Lottery operations--196.0 FTE positions.....		<u>26,678,200</u>
5	GROSS APPROPRIATION.....	\$	31,965,200
6	Appropriated from:		
7	Special revenue funds:		
8	State lottery fund.....		31,965,200
9	State general fund/general purpose.....	\$	0
10	(9) CASINO GAMING		
11	Full-time equated classified positions	143.0	
12	Casino gaming control operations--133.0 FTE positions..	\$	26,604,600
13	Gaming information technology services and projects...		2,556,400
14	Horse racing--10.0 FTE positions.....		2,052,100
15	Michigan gaming control board.....		<u>50,000</u>
16	GROSS APPROPRIATION.....	\$	31,263,100
17	Appropriated from:		
18	Special revenue funds:		
19	Casino gambling agreements.....		963,500
20	Equine development fund.....		2,176,300
21	Laboratory fees.....		705,400
22	State services fee fund.....		27,417,900
23	State general fund/general purpose.....	\$	0
24	(10) PAYMENTS IN LIEU OF TAXES		
25	Commercial forest reserve.....	\$	3,368,100
26	Purchased lands.....		8,677,900
27	Swamp and tax reverted lands.....		<u>15,305,600</u>

1	GROSS APPROPRIATION.....	\$	27,351,600
2	Appropriated from:		
3	Special revenue funds:		
4	Private funds.....		27,500
5	Game and fish protection fund.....		3,007,400
6	Michigan natural resources trust fund.....		2,064,700
7	Michigan state waterways fund.....		260,800
8	State general fund/general purpose.....	\$	21,991,200
9	(11) REVENUE SHARING		
10	City, village, and township revenue sharing.....	\$	243,040,000
11	Constitutional state general revenue sharing grants...		835,333,800
12	County incentive program.....		43,218,800
13	County revenue sharing payments.....		177,196,700
14	Financially distressed cities, villages, or townships.		<u>2,500,000</u>
15	GROSS APPROPRIATION.....	\$	1,301,289,300
16	Appropriated from:		
17	Special revenue funds:		
18	Sales tax.....		1,301,289,300
19	State general fund/general purpose.....	\$	0
20	(12) STATE BUILDING AUTHORITY		
21	Full-time equated classified positions3.0		
22	State building authority--3.0 FTE positions.....	\$	<u>740,000</u>
23	GROSS APPROPRIATION.....	\$	740,000
24	Appropriated from:		
25	Special revenue funds:		
26	State building authority revenue.....		740,000
27	State general fund/general purpose.....	\$	0

1	(13) CITY INCOME TAX ADMINISTRATION PROGRAM	
2	Full-time equated classified positions72.0	
3	City income tax administration program--72.0 FTE	
4	positions	\$ <u>9,887,900</u>
5	GROSS APPROPRIATION.....	\$ 9,887,900
6	Appropriated from:	
7	Special revenue funds:	
8	Local - city income tax fund.....	9,887,900
9	State general fund/general purpose.....	\$ 0
10	(14) INFORMATION TECHNOLOGY	
11	Treasury operations information technology services	
12	and projects	\$ <u>36,207,600</u>
13	GROSS APPROPRIATION.....	\$ 36,207,600
14	Appropriated from:	
15	Interdepartmental grant revenues:	
16	IDG from MDOT, Michigan transportation fund.....	400,000
17	Federal revenues:	
18	DED-OPSE, federal lender allowance.....	627,800
19	Special revenue funds:	
20	Local - city income tax fund.....	1,229,200
21	Delinquent tax collection revenue.....	17,588,500
22	Retirement funds.....	787,400
23	Tobacco tax revenue.....	129,400
24	State general fund/general purpose.....	\$ 15,445,300
25	(15) ONE-TIME APPROPRIATIONS	
26	Beat the streets.....	\$ 100,000
27	City, village, and township revenue sharing.....	5,916,000

1	Supplemental county revenue sharing.....	1,000,000
2	Courageous cadets.....	50,000
3	Drinking water declaration of emergency.....	100
4	Financial data analytic tool reimbursement.....	500,000
5	Supplemental city, village, and township revenue	
6	sharing	6,200,000
7	Urban search and rescue.....	<u>900,000</u>
8	GROSS APPROPRIATION.....	\$ 14,666,100
9	Appropriated from:	
10	Special revenue funds:	
11	Drinking water declaration of emergency reserve fund..	100
12	Sales tax.....	13,116,000
13	State general fund/general purpose.....	\$ 1,550,000
14	Sec. 109. DEPARTMENT OF TALENT AND ECONOMIC	
15	DEVELOPMENT	
16	(1) APPROPRIATION SUMMARY	
17	Full-time equated unclassified positions	6.0
18	Full-time equated classified positions	1,450.0
19	GROSS APPROPRIATION.....	\$ 1,115,295,600
20	Interdepartmental grant revenues:	
21	Total interdepartmental grants and intradepartmental	
22	transfers	0
23	ADJUSTED GROSS APPROPRIATION.....	\$ 1,115,295,600
24	Federal revenues:	
25	Total federal revenues.....	762,645,800
26	Special revenue funds:	

1	Total local revenues.....	500,000
2	Total private revenues.....	5,621,700
3	Total other state restricted revenues.....	205,432,300
4	State general fund/general purpose.....	\$ 141,095,800
5	(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT	
6	Full-time equated unclassified positions6.0	
7	Full-time equated classified positions15.0	
8	Unclassified positions--6.0 FTE positions.....	\$ 1,108,500
9	Executive direction and operations--15.0 FTE positions	<u>3,903,500</u>
10	GROSS APPROPRIATION.....	\$ 5,012,000
11	Appropriated from:	
12	Federal revenues:	
13	DOL-ETA, unemployment insurance.....	1,448,500
14	DOL, federal funds.....	369,100
15	Federal funds.....	2,500,000
16	Special revenue funds:	
17	Michigan state housing development authority fees and	
18	charges	495,900
19	State general fund/general purpose.....	\$ 198,500
20	(3) MICHIGAN STRATEGIC FUND	
21	Full-time equated classified positions157.0	
22	Administrative services--37.0 FTE positions.....	\$ 6,418,300
23	Arts and cultural program.....	10,150,000
24	Business attraction and community revitalization.....	105,379,900
25	Community college skilled trades equipment program	
26	debt service	4,600,000
27	Community development block grants.....	47,000,000

1	Entrepreneurship ecosystem.....	16,400,000
2	Facility for rare isotope beams.....	7,300,000
3	Job creation services--120.0 FTE positions.....	22,518,900
4	Pure Michigan.....	<u>36,000,000</u>
5	GROSS APPROPRIATION.....	\$ 255,767,100
6	Appropriated from:	
7	Federal revenues:	
8	DOL, federal funds.....	2,825,800
9	DOL-ETA, unemployment insurance.....	287,000
10	HUD-CPD community development block grant.....	49,773,300
11	NFAH-NEA, promotion of the arts, partnership	
12	agreements	1,050,000
13	Special revenue funds:	
14	Private - special project advances.....	250,000
15	Private - Michigan council for the arts fund.....	100,000
16	21st century jobs trust fund.....	75,000,000
17	Contingent fund, penalty and interest account.....	4,600,000
18	Land bank fast track fund.....	150,000
19	Michigan film promotion fund.....	402,200
20	Michigan state housing development authority fees and	
21	charges	4,699,100
22	State general fund/general purpose.....	\$ 116,629,700
23	(4) TALENT INVESTMENT AGENCY	
24	Full-time equated classified positions	979.0
25	At-risk youth grants.....	\$ 3,000,000
26	Community ventures.....	4,000,000
27	Executive direction--14.0 FTE positions.....	3,498,500

1	Information technology services and projects - TIA....	22,610,700
2	Going pro.....	27,918,800
3	Unemployment insurance agency--760.0 FTE positions....	137,836,900
4	Workforce development programs.....	381,556,600
5	Workforce program administration--205.0 FTE positions.	<u>34,645,800</u>
6	GROSS APPROPRIATION.....	\$ 615,067,300
7	Appropriated from:	
8	Federal revenues:	
9	DAG, employment and training.....	4,000,400
10	DED-OESE, GEAR-UP.....	4,730,700
11	DED-OVAE, adult education.....	20,000,000
12	DED-OVAE, basic grants to states.....	19,000,000
13	DOL, federal funds.....	108,732,800
14	DOL-ETA, unemployment insurance.....	138,940,600
15	DOL-ETA, workforce investment act.....	173,988,600
16	Federal funds.....	3,440,200
17	Social security act, temporary assistance to needy	
18	families	63,698,800
19	Special revenue funds:	
20	Local revenues.....	500,000
21	Private funds.....	5,271,700
22	Contingent fund, penalty and interest account.....	67,169,500
23	Defaulted loan collection fees.....	153,700
24	State general fund/general purpose.....	\$ 5,440,300
25	(5) LAND BANK FAST TRACK AUTHORITY	
26	Full-time equated classified positions9.0	
27	Land bank fast track authority--9.0 FTE positions.....	<u>\$ 4,125,700</u>

1	GROSS APPROPRIATION.....	\$	4,125,700
2	Appropriated from:		
3	Federal revenues:		
4	Federal revenues.....		1,000,000
5	Special revenue funds:		
6	Land bank fast track fund.....		148,400
7	State general fund/general purpose.....	\$	2,977,300
8	(6) MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY		
9	Full-time equated classified positions290.0		
10	Housing and rental assistance--290.0 FTE positions....	\$	45,043,500
11	Lighthouse preservation program.....		307,500
12	Michigan state housing development authority		
13	technology services and projects		3,625,100
14	Payments on behalf of tenants.....		166,860,000
15	Property management.....		<u>3,637,300</u>
16	GROSS APPROPRIATION.....	\$	219,473,400
17	Appropriated from:		
18	Federal revenues:		
19	HUD, lower income housing assistance.....		166,860,000
20	Special revenue funds:		
21	Michigan lighthouse preservation program.....		307,500
22	Michigan state housing development authority fees and		
23	charges		52,305,900
24	State general fund/general purpose.....	\$	0
25	(7) ONE-TIME APPROPRIATIONS		
26	Arts and cultural program.....	\$	1,000,000
27	Drinking water declaration of emergency.....		100

1	Entrepreneurship ecosystem.....		2,500,000
2	Going pro.....		10,000,000
3	MSF - grants.....		1,350,000
4	Project rising tide.....		<u>1,000,000</u>
5	GROSS APPROPRIATION.....	\$	15,850,100
6	Appropriated from:		
7	Special revenue funds:		
8	Drinking water declaration of emergency reserve fund..		100
9	State general fund/general purpose.....	\$	15,850,000

10 PART 2
 11 PROVISIONS CONCERNING APPROPRIATIONS
 12 FOR FISCAL YEAR 2018-2019

13 **GENERAL SECTIONS**

14 Sec. 201. (1) Pursuant to section 30 of article IX of the
 15 state constitution of 1963, total state spending from state sources
 16 under part 1 for fiscal year 2018-2019 is \$3,351,371,800.00 and
 17 state spending from state sources to be paid to local units of
 18 government for fiscal year 2018-2019 is \$1,572,099,200.00. The
 19 itemized statement below identifies appropriations from which
 20 spending to local units of government will occur:

21 DEPARTMENT OF STATE

22	Fees to local units.....	\$	109,800
23	Motorcycle safety grants.....		<u>1,019,200</u>
24	Subtotal.....	\$	1,129,000

25 DEPARTMENT OF TREASURY

1	Airport parking distribution pursuant to section 909..	\$	24,601,900
2	City, village, and township revenue sharing.....		248,956,000
3	Constitutional state general revenue sharing grants...		835,333,800
4	Convention facility development fund distribution.....		105,356,300
5	County incentive program.....		43,218,800
6	County revenue sharing payments.....		177,196,700
7	Emergency 9-1-1 payments.....		48,800,000
8	Financial data analytic tool reimbursement.....		500,000
9	Financially distressed cities, villages, or townships.		2,500,000
10	Health and safety fund grants.....		1,500,000
11	Medical marihuana excise fund grants.....		6,534,000
12	Payments in lieu of taxes.....		27,351,600
13	Senior citizen cooperative housing tax exemption.....		10,521,100
14	Supplemental city, village, and township		
15	revenue sharing		6,200,000
16	Supplemental county revenue sharing.....	\$	<u>1,000,000</u>
17	Subtotal.....	\$	1,539,570,200
18	DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT		
19	Going pro.....	\$	20,100,000
20	Welfare-to-work programs.....		<u>11,300,000</u>
21	Subtotal.....	\$	<u>31,400,000</u>
22	TOTAL GENERAL GOVERNMENT.....	\$	1,572,099,200

23 (2) Pursuant to section 30 of article IX of the state
24 constitution of 1963, total state spending from state sources for
25 fiscal year 2018-2019 is estimated at \$32,826,746,600.00 in the
26 2018-2019 appropriations acts and total state spending from state
27 sources paid to local units of government for fiscal year 2018-2019

1 is estimated at \$18,481,357,200.00. The state-local proportion is
2 estimated at 56.3% of total state spending from state sources.

3 (3) If payments to local units of government and state
4 spending from state sources for fiscal year 2018-2019 are different
5 than the amounts estimated in subsection (2), the state budget
6 director shall report the payments to local units of government and
7 state spending from state sources that were made for fiscal year
8 2018-2019 to the senate and house of representatives standing
9 committees on appropriations within 30 days after the final book-
10 closing for fiscal year 2018-2019.

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) "ATM" means automated teller machine.

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

18 (c) "DAG" means the United States Department of Agriculture.

19 (d) "DED" means the United States Department of Education.

20 (e) "DED-OESE" means the DED Office of Elementary and
21 Secondary Education.

22 (f) "DED-OPSE" means the DED Office of Postsecondary
23 Education.

24 (g) "DED-OVAE" means the DED Office of Vocational and Adult
25 Education.

26 (h) "DOE-OEERE" means the United States Department of Energy,
27 Office of Energy Efficiency and Renewable Energy.

- 1 (i) "DOL" means the United States Department of Labor.
- 2 (j) "DOL-ETA" means the United States Department of Labor,
3 Employment and Training Administration.
- 4 (k) "EEOC" means the United States Equal Employment
5 Opportunity Commission.
- 6 (l) "FTE" means full-time equated.
- 7 (m) "Fund" means the Michigan strategic fund.
- 8 (n) "GEAR-UP" means gaining early awareness and readiness for
9 undergraduate programs.
- 10 (o) "GED" means a general educational development certificate.
- 11 (p) "GF/GP" means general fund/general purpose.
- 12 (q) "HHS" means the United States Department of Health and
13 Human Services.
- 14 (r) "HHS-OS" means the HHS Office of the Secretary.
- 15 (s) "HHS-SSA" means the HHS Social Security Administration.
- 16 (t) "HUD" means the United States Department of Housing and
17 Urban Development.
- 18 (u) "HUD-CPD" means the United States Department of Housing
19 and Urban Development - Community Planning and Development.
- 20 (v) "IDG" means interdepartmental grant.
- 21 (w) "JCOS" means the joint capital outlay subcommittee.
- 22 (x) "MAIN" means the Michigan administrative information
23 network.
- 24 (y) "MCL" means the Michigan Compiled Laws.
- 25 (z) "MDE" means the Michigan department of education.
- 26 (aa) "MDEQ" means the Michigan department of environmental
27 quality.

1 (bb) "MDHHS" means the Michigan department of health and human
2 services.

3 (cc) "MDLARA" means the Michigan department of licensing and
4 regulatory affairs.

5 (dd) "MDMVA" means the Michigan department of military and
6 veterans affairs.

7 (ee) "MDOT" means the Michigan department of transportation.

8 (ff) "MDSP" means the Michigan department of state police.

9 (gg) "MDTMB" means the Michigan department of technology,
10 management, and budget.

11 (hh) "MEDC" means the Michigan economic development
12 corporation, which is the public body corporate created under
13 section 28 of article VII of the state constitution of 1963 and the
14 urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to
15 124.512, by contractual interlocal agreement effective April 5,
16 1999, between local participating economic development corporations
17 formed under the economic development corporations act, 1974 PA
18 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund.

19 (ii) "MEGA" means the Michigan economic growth authority.

20 (jj) "MFA" means the Michigan finance authority.

21 (kk) "MPE" means the Michigan public employees.

22 (ll) "MSF" means the Michigan strategic fund.

23 (mm) "MSHDA" means the Michigan state housing development
24 authority.

25 (nn) "NERE" means nonexclusively represented employees.

26 (oo) "NFAH-NEA" means the National Foundation of the Arts and
27 the Humanities - National Endowment for the Arts.

1 (pp) "PA" means public act.

2 (qq) "PATH" means Partnership. Accountability. Training. Hope.

3 (rr) "RFP" means a request for a proposal.

4 (ss) "SEIU" means Service Employees International Union.

5 (tt) "SIGMA" means statewide integrated governmental
6 management applications.

7 (uu) "WDA" means the workforce development agency.

8 (vv) "WIC" means women, infants, and children.

9 Sec. 204. The departments and agencies receiving
10 appropriations in part 1 shall use the internet to fulfill the
11 reporting requirements of this part. This requirement may include
12 transmission of reports via electronic mail to the recipients
13 identified for each reporting requirement, or it may include
14 placement of reports on an internet or intranet site.

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

25 Sec. 206. The director of each department and agency receiving
26 appropriations in part 1 shall take all reasonable steps to ensure
27 businesses in deprived and depressed communities compete for and

1 perform contracts to provide services or supplies, or both. Each
2 director shall strongly encourage firms with which the department
3 contracts to subcontract with certified businesses in depressed and
4 deprived communities for services, supplies, or both.

5 Sec. 207. The departments and agencies receiving
6 appropriations in part 1 shall prepare a report on out-of-state
7 travel expenses not later than January 1 of each year. The travel
8 report shall be a listing of all travel by classified and
9 unclassified employees outside this state in the immediately
10 preceding fiscal year that was funded in whole or in part with
11 funds appropriated in the department's budget. The report shall be
12 submitted to the house and senate standing committees on
13 appropriations, the chairpersons of the relevant appropriations
14 subcommittees, the house and senate fiscal agencies, and the state
15 budget director. The report shall include the following
16 information:

17 (a) The dates of each travel occurrence.

18 (b) The total transportation and related costs of each travel
19 occurrence, including the proportion funded with state GF/GP
20 revenues, the proportion funded with state restricted revenues, the
21 proportion funded with federal revenues, and the proportion funded
22 with other revenues.

23 Sec. 208. Funds appropriated in part 1 shall not be used by a
24 principal executive department, state agency, or authority to hire
25 a person to provide legal services that are the responsibility of
26 the attorney general. This prohibition does not apply to legal
27 services for bonding activities and for those outside legal

1 services that the attorney general authorizes.

2 Sec. 209. Not later than November 30, the state budget office
 3 shall prepare and transmit a report that provides for estimates of
 4 the total GF/GP appropriation lapses at the close of the prior
 5 fiscal year. This report shall summarize the projected year-end
 6 GF/GP appropriation lapses by major departmental program or program
 7 areas. The report shall be transmitted to the chairpersons of the
 8 senate and house appropriations committees and the senate and house
 9 fiscal agencies.

10 Sec. 210. (1) Pursuant to section 352 of the management and
 11 budget act, 1984 PA 431, MCL 18.1352, which provides for a transfer
 12 of state general fund revenue into or out of the countercyclical
 13 budget and economic stabilization fund, the calculations required
 14 by section 352 of the management and budget act, 1984 PA 431, MCL
 15 18.1352, are determined as follows:

	<u>2017</u>	<u>2018</u>	<u>2019</u>
17 Michigan personal income (millions).	\$450,847	\$469,332	\$489,982
18 less: transfer payments.....	<u>94,836</u>	<u>97,871</u>	<u>101,966</u>
19 Subtotal	\$356,011	\$371,461	\$388,016
20 Divided by: Detroit Consumer Price			
21 Index for 12 months ending June 30	2.249	2.297	2.342
22 Equals: real adjusted Michigan			
23 personal income.....	\$158,331	\$161,706	\$165,686
24 Percentage change.....	N/A	2.1%	2.5%
25 Growth rate in excess of 2%?.....	N/A	0.1%	0.5%
26 Equals: countercyclical budget and			
27 economic stabilization fund pay-in			

1	calculation for the fiscal year ending			
2	September 30, 2019 (millions).....	N/A	\$13.6	\$47.9
3	Growth rate less than 0%?.....	N/A	NO	
4	Equals: countercyclical budget and			
5	economic stabilization fund pay-out			
6	calculation for the fiscal year ending			
7	September 30, 2018 (millions).....	N/A		\$0.0

8 (2) Notwithstanding subsection (1), there is appropriated for
9 the fiscal year ending September 30, 2019, from GF/GP revenue for
10 deposit into the countercyclical budget and economic stabilization
11 fund the sum of \$0.00.

12 Sec. 211. The departments and agencies receiving
13 appropriations in part 1 shall cooperate with the department of
14 technology, management, and budget to maintain a searchable website
15 that is updated at least quarterly and that is accessible by the
16 public at no cost that includes, but is not limited to, all of the
17 following for each department or agency:

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

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

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

23 (d) The number of active department employees by job
24 classification.

25 (e) Job specifications and wage rates.

26 Sec. 212. Within 14 days after the release of the executive
27 budget recommendation, the departments and agencies receiving

1 appropriations in part 1 shall cooperate with the state budget
2 director to provide the chairs of the senate and house of
3 representatives standing committees on appropriations, the chairs
4 of the senate and house of representatives standing committees on
5 appropriations subcommittees on general government, and the senate
6 and house fiscal agencies with an annual report on estimated state
7 restricted fund balances, state restricted fund projected revenues,
8 and state restricted fund expenditures for the fiscal years ending
9 September 30, 2018 and September 30, 2019.

10 Sec. 213. The departments and agencies receiving
11 appropriations in part 1 shall maintain, on a publicly accessible
12 website, a department or agency scorecard that identifies, tracks,
13 and regularly updates key metrics that are used to monitor and
14 improve the department's or agency's performance.

15 Sec. 215. Funds appropriated in part 1 shall not be used by
16 this state, a department, an agency, or an authority of this state
17 to purchase an ownership interest in a casino enterprise or a
18 gambling operation as those terms are defined in the Michigan
19 gaming control and revenue act, 1996 IL 1, MCL 432.201 to 432.226.

20 Sec. 216. The departments and agencies receiving
21 appropriations in part 1 shall receive and retain copies of all
22 reports funded from appropriations in part 1. Federal and state
23 guidelines for short-term and long-term retention of records shall
24 be followed. The department may electronically retain copies of
25 reports unless otherwise required by federal and state guidelines.

26 Sec. 217. General fund appropriations in part 1 shall not be
27 expended for items in cases where federal funding or private grant

1 funding is available for the same expenditures.

2 Sec. 218. A department or state agency shall not take
3 disciplinary action against an employee for communicating with a
4 member of the legislature or his or her staff.

5 Sec. 221. Each department and agency shall report no later
6 than April 1 on each specific policy change made to implement a
7 public act affecting the department that took effect during the
8 prior calendar year to the senate and house of representatives
9 standing committees on appropriations subcommittees on general
10 government, the joint committee on administrative rules, and the
11 senate and house fiscal agencies.

12 Sec. 229. (1) If the office of the auditor general has
13 identified an initiative or made a recommendation that is related
14 to savings and efficiencies in an audit report for an executive
15 branch department or agency, the department or agency shall report
16 within 6 months of the release of the audit on their efforts and
17 progress made toward achieving the savings and efficiencies
18 identified in the audit report. The report shall be submitted to
19 the chairs of the senate and house of representatives standing
20 committees on appropriations, the chairs of the senate and house of
21 representatives standing committees with jurisdiction over matters
22 relating to the department that is audited, and the senate and
23 house fiscal agencies.

24 (2) If the office of the auditor general does not receive the
25 required report regarding initiatives related to savings and
26 efficiencies within the 6-month time frame, the office of the
27 auditor general may charge noncompliant executive branch

1 departments and agencies for the cost of performing a subsequent
2 audit to ensure that the initiatives related to savings and
3 efficiencies have been implemented.

4 Sec. 235. By April 1, the state budget director shall submit a
5 report to the senate and house appropriations committees, the
6 chairpersons of the relevant appropriations subcommittees, and the
7 senate and house fiscal agencies. The report shall recommend a
8 contingency plan for each federal funding source included in the
9 state budget of \$10,000,000.00 or more in the event that the
10 federal government reduces funding to the state through that source
11 by 10% or greater.

12 Sec. 240. (1) Concurrently with the submission of the fiscal
13 year 2019-2020 executive budget recommendations, the state budget
14 office shall provide the senate and house appropriations
15 committees, the chairpersons of the relevant appropriations
16 subcommittees, the senate and house fiscal agencies, and the policy
17 offices a report that lists each new program or program enhancement
18 for which funds in excess of \$500,000.00 are appropriated in part 1
19 of each departmental appropriation act.

20 (2) By July 1, 2019, the state budget director and the chairs
21 of the senate and house appropriations committees shall identify
22 new programs or program enhancements identified under subsection
23 (1) for measurement using program-specific metrics, in addition to
24 the metrics required under section 447 of the management and budget
25 act, 1984 PA 431, MCL 18.1447.

26 (3) By September 30, 2020, the state budget office shall
27 provide a report on the specific metrics and the progress in

1 meeting the estimated performance for each program identified under
2 subsection (2) to the senate and house appropriations committees,
3 the senate and house appropriations subcommittees on each state
4 department, and the senate and house fiscal agencies and policy
5 offices. It is the intent of the legislature that the governor
6 consider the estimated performance of the new program or program
7 enhancement as the basis for any increase in funds appropriated
8 from the prior year.

9 **DEPARTMENT OF ATTORNEY GENERAL**

10 Sec. 301. (1) In addition to the funds appropriated in part 1,
11 there is appropriated an amount not to exceed \$1,500,000.00 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 \$1,500,000.00 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 \$100,000.00 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,

1 MCL 18.1393.

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

8 Sec. 302. (1) The attorney general shall perform all legal
9 services, including representation before courts and administrative
10 agencies rendering legal opinions and providing legal advice to a
11 principal executive department or state agency. A principal
12 executive department or state agency shall not employ or enter into
13 a contract with any other person for services described in this
14 section.

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

20 (3) The attorney general shall perform the duties specified in
21 1846 RS 12, MCL 14.28 to 14.35, and 1919 PA 232, MCL 14.101 to
22 14.102, and as otherwise provided by law.

23 Sec. 303. The attorney general may sell copies of the biennial
24 report in excess of the 350 copies that the attorney general may
25 distribute on a gratis basis. Gratis copies shall not be provided
26 to members of the legislature. Electronic copies of biennial
27 reports shall be made available on the department of attorney

1 general's website. The attorney general shall sell copies of the
2 report at not less than the actual cost of the report and shall
3 deposit the money received into the general fund.

4 Sec. 304. The department of attorney general is responsible
5 for the legal representation for state of Michigan state employee
6 worker's disability compensation cases. The risk management
7 revolving fund revenue appropriation in part 1 is to be satisfied
8 by billings from the department of attorney general for the actual
9 costs of legal representation, including salaries and support
10 costs.

11 Sec. 305. In addition to the funds appropriated in part 1, not
12 more than \$400,000.00 shall be reimbursed per fiscal year for food
13 stamp fraud cases heard by the third circuit court of Wayne County
14 that were initiated by the department of attorney general pursuant
15 to the existing contract between the department of health and human
16 services, the Prosecuting Attorneys Association of Michigan, and
17 the department of attorney general. The source of this funding is
18 money earned by the department of attorney general under the
19 agreement after the allowance for reimbursement to the department
20 of attorney general for costs associated with the prosecution of
21 food stamp fraud cases. It is recognized that the federal funds are
22 earned by the department of attorney general for its documented
23 progress on the prosecution of food stamp fraud cases according to
24 the United States Department of Agriculture regulations and that,
25 once earned by this state, the funds become state funds.

26 Sec. 306. Any proceeds from a lawsuit initiated by or
27 settlement agreement entered into on behalf of this state against a

1 manufacturer of tobacco products by the attorney general are state
2 funds and are subject to appropriation as provided by law.

3 Sec. 307. (1) In addition to the antitrust revenues in part 1,
4 antitrust, securities fraud, consumer protection or class action
5 enforcement revenues, or attorney fees recovered by the department,
6 not to exceed \$250,000.00, are appropriated to the department for
7 antitrust, securities fraud, and consumer protection or class
8 action enforcement cases.

9 (2) Any unexpended funds from antitrust, securities fraud, or
10 consumer protection or class action enforcement revenues at the end
11 of the fiscal year, including antitrust funds in part 1, may be
12 carried forward for expenditure in the following fiscal year up to
13 the maximum authorization of \$250,000.00. The total amount of carry
14 forward funds shall not exceed a total of \$250,000.00.

15 (3) The attorney general's office shall make available upon
16 request information detailing the amount of revenue from subsection
17 (1) recovered by the attorney general, including a description of
18 the source of the revenue and the carryforward amount.

19 Sec. 308. (1) In addition to the funds appropriated in part 1,
20 there is appropriated up to \$1,000,000.00 from litigation expense
21 reimbursements awarded to the state.

22 (2) The funds may be expended for the payment of court
23 judgments, settlements, arbitration awards or other administrative
24 and litigation decisions, attorney fees, and litigation costs,
25 assessed against the office of the governor, the department of the
26 attorney general, the governor, or the attorney general when acting
27 in an official capacity as the named party in litigation against

1 the state. The funds may also be expended for the payment of state
2 costs incurred under section 16 of chapter X of the code of
3 criminal procedure, 1927 PA 175, MCL 770.16.

4 (3) Unexpended funds at the end of the fiscal year may be
5 carried forward for expenditure in the following year, up to a
6 maximum authorization of \$250,000.00.

7 Sec. 309. (1) From the prisoner reimbursement funds
8 appropriated in part 1, the department may spend up to \$636,500.00
9 on activities related to the state correctional facility
10 reimbursement act, 1935 PA 253, MCL 800.401 to 800.406. In addition
11 to the funds appropriated in part 1, if the department collects in
12 excess of \$1,131,000.00 in gross annual prisoner reimbursement
13 receipts provided to the general fund, the excess, up to a maximum
14 of \$1,000,000.00, is appropriated to the department of attorney
15 general and may be spent on the representation of the department of
16 corrections and its officers, employees, and agents, including, but
17 not limited to, the defense of litigation against the state, its
18 departments, officers, employees, or agents in civil actions filed
19 by prisoners.

20 (2) The attorney general's office shall make available upon
21 request information on the dollar amount of prisoner reimbursements
22 collected from subsection (1) as well as descriptions of all
23 expenditures made from the reimbursements, including what
24 activities related to the state correctional facility reimbursement
25 act, 1935 PA 253, MCL 800.401 to 800.406, funds were spent on.

26 Sec. 310. (1) For the purposes of providing title IV-D child
27 support enforcement funding, the attorney general shall maintain a

1 cooperative agreement with the department of health and human
2 services, as the state IV-D agency, for federal IV-D funding to
3 support the child support enforcement activities within the office
4 of the attorney general.

5 (2) The attorney general or his or her designee shall, to the
6 extent allowable under federal law, have access to any information
7 used by the state to locate parents who fail to pay court-ordered
8 child support.

9 Sec. 312. The department of attorney general shall not receive
10 and expend funds in addition to those authorized in part 1 for
11 legal services provided specifically to other state departments or
12 agencies except for costs for expert witnesses, court costs, or
13 other nonsalary litigation expenses associated with a pending legal
14 action.

15 Sec. 314. (1) From the lawsuit settlement proceeds fund
16 appropriated in part 1, the department may spend the funds for the
17 costs of all associated expenses related to the declaration of
18 emergency due to drinking water contamination up to \$2,600,000.00.

19 (2) The attorney general's office must submit a quarterly
20 report to the house and senate standing committees on
21 appropriations, the house and senate appropriations subcommittees
22 on general government, the senate and house fiscal agencies, and
23 the state budget director, detailing how funds in subsection (1)
24 and all other currently and previously budgeted funds associated
25 with legal costs pertaining to the Flint water declaration of
26 emergency were expended. The report must itemize expenditures by
27 case, purpose, hourly rate of retained attorney, and department

1 involved.

2 (3) As a condition of receiving funds appropriated in part 1,
3 the attorney general must not retain the services of an outside
4 counsel associated with the declaration of emergency due to
5 drinking water contamination at an hourly rate of more than \$250.00
6 unless all reporting requirements under subsection (2) are
7 satisfied.

8 Sec. 314a. (1) From the lawsuit settlement proceeds fund
9 appropriated in part 1 for one-time appropriations for juvenile
10 life without parole, the prosecuting attorneys coordinating council
11 shall allocate \$700,000.00 for investigations, crime victim rights,
12 prosecutions, and appeals for retroactive juvenile life without
13 parole cases.

14 (2) The prosecuting attorneys coordinating council shall
15 submit a detailed expenditure report to the house and senate
16 appropriations subcommittees on general government and the
17 judiciary, the senate and house fiscal agencies, and the state
18 budget director by September 30 detailing how the funds provided in
19 subsection (1) were expended.

20 Sec. 315. Total authorized appropriations from all sources
21 under part 1 for legacy costs for the fiscal year ending September
22 30, 2019 are \$18,049,500.00. From this amount, total agency
23 appropriations for pension-related legacy costs are estimated at
24 \$8,321,100.00. Total agency appropriations for retiree health care
25 legacy costs are estimated at \$9,728,400.00.

26 Sec. 316. (1) From the funds appropriated in part 1 for sexual
27 assault law enforcement efforts, the department shall use the funds

1 for testing of backlogged sexual assault kits across this state.
2 The funding provided in part 1 shall be distributed in the
3 following order of priority:

4 (a) To eliminate all county sexual assault kit backlogs across
5 this state.

6 (b) To assist local prosecutors with investigations and
7 prosecutions of viable cases.

8 (c) To provide victim services.

9 (2) The department of the attorney general shall provide a
10 report by February 1. The report shall include the following
11 information:

12 (a) The number of sexual assault kits across this state that
13 remain untested as of January 31.

14 (b) A detailed work plan outlining the department's action
15 plan to eliminate all outstanding sexual assault kits and the time
16 frame for completion of testing of all untested sexual assault
17 kits.

18 (c) A detailed work and spending plan outlining anticipated
19 litigation action and expenditures resulting from findings of the
20 sexual assault kit testing. The report shall be submitted to the
21 state budget office, the senate and house fiscal agencies, and the
22 senate and house of representatives standing committees on
23 appropriations subcommittees on general government.

24 (3) Any funds remaining after the department has met the
25 obligations required under subsection (1) may be used for the
26 purpose of retesting any previously tested sexual assault kits
27 across this state using currently available DNA testing. Funds only

1 may be used for DNA testing on previously tested kits that were not
2 tested for DNA. If there are remaining untested sexual assault kits
3 on January 31, 2019, funds appropriated in part 1 shall only be
4 used for the testing of those kits.

5 Sec. 316a. The department of attorney general shall develop
6 the address confidentiality program within the department and allow
7 an individual to participate if he or she is a victim of domestic
8 violence, stalking, human trafficking, or sexual assault, or at
9 risk of physical harm if his or her address is disclosed. This
10 section does not take effect unless Senate Bill No. 655 of the 99th
11 Legislature is enacted into law.

12 Sec. 317. (1) The department of attorney general shall report
13 all legal costs and associated expenses related to the declaration
14 of emergency due to drinking water contamination, and the
15 investigations and any resulting prosecutions, for publication in
16 the Flint water emergency-financial and activities tracking and
17 reporting document that is posted by the state budget director on
18 the public website, michigan.gov/flintwater. The tracking and
19 reporting documents shall include the budget line item source for
20 each expenditure.

21 (2) At the conclusion of all attorney general investigations
22 related to the declaration of emergency due to drinking water
23 contamination, all materials related to any investigations shall be
24 preserved pursuant to applicable document retention policies.

25 Sec. 318. From the one-time funds appropriated in part 1 for
26 forensic interviewing, the prosecuting attorneys coordinating
27 council shall spend the funds to provide the necessary additional

1 forensic interviewing trainings to meet the excess demand for the
2 trainings. Funds shall be limited for use by child advocacy centers
3 and local prosecutors to complete their trainings.

4 Sec. 319. From the funds appropriated in part 1, the attorney
5 general shall provide a quarterly report on the wrongful
6 imprisonment compensation fund to the chairpersons of the
7 appropriations subcommittees on general government, the senate and
8 house fiscal agencies, and the state budget director. The report
9 shall include at least the following:

10 (a) All payments made from the wrongful imprisonment fund in
11 the previous quarter, including if the payment is part of a new
12 settlement or part of an installment plan.

13 (b) Any settlements that have been decided, but have yet to
14 receive a payment.

15 (c) The number of known cases seeking a settlement, but do not
16 have a final judgment, and the dollar amount of each potential
17 payment for these known cases.

18 (d) The balance of the wrongful imprisonment fund at the end
19 of the previous quarter.

20 **DEPARTMENT OF CIVIL RIGHTS**

21 Sec. 401. (1) In addition to the funds appropriated in part 1,
22 there is appropriated an amount not to exceed \$2,000,000.00 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 \$750,000.00 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. 402. (1) In addition to the appropriations contained in
8 part 1, the department of civil rights may receive and expend funds
9 from local or private sources for all of the following purposes:

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

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

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

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

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

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

22 (g) Staffing costs for all activities included in this
23 subsection.

24 (2) The department of civil rights shall annually report to
25 the state budget director, the senate and house of representatives
26 standing committees on appropriations, the chairpersons of the
27 relevant appropriations subcommittees, and the senate and house

1 fiscal agencies the amount of funds received and expended for
2 purposes authorized under this section.

3 Sec. 403. The department of civil rights may contract with
4 local units of government to review equal employment opportunity
5 compliance of potential contractors and may charge for and expend
6 amounts received from local units of government for the purpose of
7 developing and providing these contractual services.

8 Sec. 404. (1) The department of civil rights shall prepare and
9 transmit a detailed report that includes, but is not limited to,
10 the following information for the most recent fiscal year:

11 (a) A detailed description of the department operations.

12 (b) A detailed description of all subunits within the
13 department, including FTE positions associated with each subunit,
14 responsibilities of each subunit, and all revenues and expenditures
15 for each subunit.

16 (c) The number of complaints by type of complaint.

17 (d) The average cost of, and time expended, investigating
18 complaints.

19 (e) The percentage of complaints that are meritorious and
20 worthy of investigation or settlement and the percentage of
21 complaints that have no merit.

22 (f) A listing of amounts awarded to claimants.

23 (g) Expenditures associated with complaint investigation and
24 enforcement.

25 (h) A listing of complaint investigations closed per FTE
26 position for each of the past 5 years.

27 (i) A listing of complaint evaluations completed per FTE

1 position for each of the past 5 years.

2 (j) Productivity projections for the current fiscal year,
3 including investigations closed per FTE, complaint evaluations
4 completed per FTE, and average time expended investigating
5 complaints.

6 (k) Revenues and expenditures associated with section 403 of
7 this part by local unit.

8 (2) The report required under subsection (1) shall be posted
9 online and transmitted electronically not later than November 30 to
10 the state budget director, the chairpersons of the senate and house
11 of representatives standing committees on appropriations, the
12 senate and house appropriations subcommittees on general
13 government, and the senate and house fiscal agencies.

14 Sec. 405. The department of civil rights shall notify the
15 office of the state budget, senate and house of representatives
16 standing committees on appropriations, the chairpersons of the
17 appropriations subcommittees on general government, and senate and
18 house fiscal agencies prior to submitting a report or complaint to
19 the United States Commission on Civil Rights or other federal
20 departments.

21 Sec. 410. Total authorized appropriations from all sources
22 under part 1 for legacy costs for the fiscal year ending September
23 30, 2019 are \$2,558,000.00. From this amount, total agency
24 appropriations for pension-related legacy costs are estimated at
25 \$1,179,300.00. Total agency appropriations for retiree health care
26 legacy costs are estimated at \$1,378,700.00.

1 LEGISLATURE

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

5 Sec. 601. (1) Funds appropriated in part 1 to an entity within
6 the legislative branch shall not be expended or transferred to
7 another account without written approval of the authorized agent of
8 the legislative entity. If the authorized agent of the legislative
9 entity notifies the state budget director of its approval of an
10 expenditure or transfer before the year-end book-closing date for
11 that legislative entity, the state budget director shall
12 immediately make the expenditure or transfer. The authorized
13 legislative entity agency shall be designated by the speaker of the
14 house of representatives for house entities, the senate majority
15 leader for senate entities, and the legislative council for
16 legislative council entities.

17 (2) Funds appropriated within the legislative branch, to a
18 legislative council component, shall not be expended by any agency
19 or other subgroup included in that component without the approval
20 of the legislative council.

21 Sec. 602. The senate may charge rent and assess charges for
22 utility costs. The amounts received for rent charges and utility
23 assessments are appropriated to the senate for the renovation,
24 operation, and maintenance of the Binsfeld Office Building.

25 Sec. 603. (1) From the appropriation contained in part 1 for
26 national association dues, the first \$34,800.00 shall be paid to
27 the National Conference of Commissioners of Uniform State Laws. The

1 remaining funds shall be distributed accordingly by the legislative
2 council.

3 (2) If any funds remain after all required dues payments have
4 been made as specified in subsection (1), the Legislative Council
5 may approve the use of up to \$10,000.00 to pay for the registration
6 fees of any state employees who serve as board members to any of
7 the national associations receiving state funds for annual dues to
8 attend that national association's annual conference. If any of the
9 \$10,000.00 remains after national board member's registration fees
10 are paid, the remaining funds may be used to pay for the
11 registration fees for any other state employees to attend the
12 annual conference of any of the national associations receiving
13 state funds for annual dues as prescribed in subsection (1).

14 Sec. 604. (1) The appropriation in part 1 to the Michigan
15 state capitol historic site includes funds to operate the
16 legislative parking facilities in the capitol area. The Michigan
17 state capitol commission shall establish rules regarding the
18 operation of the legislative parking facilities.

19 (2) The Michigan state capitol commission shall collect a fee
20 from state employees and the general public using certain
21 legislative parking facilities. The revenues received from the
22 parking fees are appropriated upon receipt and shall be allocated
23 by the Michigan state capitol commission.

24 Sec. 605. The unexpended funds appropriated in part 1 for the
25 legislative council are designated as a work project appropriation,
26 and any unencumbered or unallotted funds shall not lapse at the end
27 of the fiscal year and shall be available for expenditures for

1 projects under this section until the projects have been completed.
2 The following is in compliance with section 451a of the management
3 and budget act, 1984 PA 431, MCL 18.1451a:

4 (a) The purpose of the project is publication of the Michigan
5 manual.

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 \$3,000,000.00.

9 (d) The tentative completion date is September 30, 2023.

10 Sec. 606. The unexpended funds appropriated in part 1 for
11 property management are designated as a work project appropriation,
12 and any unencumbered or unallotted funds shall not lapse at the end
13 of the fiscal year and shall be available for expenditures for
14 projects under this section until the projects have been completed.
15 The following is in compliance with section 451a of the management
16 and budget act, 1984 PA 431, MCL 18.1451a:

17 (a) The purpose of the project is to purchase equipment and
18 services for building maintenance in order to ensure a safe and
19 productive work environment.

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

22 (c) The total estimated cost of the project is \$2,000,000.00.

23 (d) The tentative completion date is September 30, 2023.

24 Sec. 607. The unexpended funds appropriated in part 1 for
25 automated data processing are designated as a work project
26 appropriation, and any unencumbered or unallotted funds shall not
27 lapse at the end of the fiscal year and shall be available for

1 expenditures for projects 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 purchase equipment,
5 software, and services in order to support and implement data
6 processing requirements and technology improvements.

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

9 (c) The total estimated cost of the project is \$3,000,000.00.

10 (d) The tentative completion date is September 30, 2023.

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, 2019 are \$29,587,600.00. From this amount, total agency
21 appropriations for pension-related legacy costs are estimated at
22 \$13,640,400.00. Total agency appropriations for retiree health care
23 legacy costs are estimated at \$15,947,200.00.

24 Sec. 616. The unexpended funds appropriated in part 1 for the
25 legislative IT design special project are designated as a work
26 project appropriation, and any unencumbered or unallotted funds
27 shall not lapse at the end of the fiscal year and shall be

1 available for expenditures for projects under this section until
2 the projects have been completed. The following is in compliance
3 with section 451a of the management and budget act, 1984 PA 431,
4 MCL 18.1451a:

5 (a) The purpose of the project is for the continued design,
6 development, implementation, operation, and administration of the
7 legislative computer system.

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

10 (c) The total estimated cost of the project is \$12,750,000.00.

11 (d) The tentative completion date is September 30, 2023.

12 (e) Funds described in this section shall not be expended
13 without written approval of the senate majority leader or his or
14 her designee, the speaker of the house of representatives or his or
15 her designee, and the legislative council administrator or his or
16 her designee.

17 **LEGISLATIVE AUDITOR GENERAL**

18 Sec. 620. Pursuant to section 53 of article IV of the state
19 constitution of 1963, the auditor general shall conduct audits of
20 the judicial branch. The audits may include the supreme court and
21 its administrative units, the court of appeals, and trial courts.

22 Sec. 621. (1) The auditor general shall take all reasonable
23 steps to ensure that certified minority- and women-owned and
24 operated accounting firms, and accounting firms owned and operated
25 by persons with disabilities participate in the audits of the
26 books, accounts, and financial affairs of each principal executive

1 department, branch, institution, agency, and office of this state.

2 (2) The auditor general shall strongly encourage firms with
3 which the auditor general contracts to perform audits of the
4 principal executive departments and state agencies to subcontract
5 with certified minority- and women-owned and operated accounting
6 firms, and accounting firms owned and operated by persons with
7 disabilities.

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

16 Sec. 622. From the funds appropriated in part 1 to the
17 legislative auditor general, the auditor general's salary and the
18 salaries of the remaining 2.0 FTE unclassified positions shall be
19 set by the speaker of the house of representatives, the senate
20 majority leader, the house of representatives minority leader, and
21 the senate minority leader.

22 Sec. 623. Any audits, reviews, or investigations requested of
23 the auditor general by the legislature or by legislative
24 leadership, legislative committees, or individual legislators shall
25 include an estimate of the additional costs involved and, when
26 those costs exceed \$50,000.00, should provide supplemental funding.
27 The auditor general shall determine whether to perform those

1 activities in keeping with Operations Manual Policy No. 2-26, which
2 describes the office of the auditor general's policy on responding
3 to legislative requests.

4 Sec. 624. If the auditor general conducts a subsequent audit
5 pursuant to section 229 of this part, the auditor general may
6 charge fees and collect revenues in excess of appropriations in
7 part 1 not to exceed the cost of any audit conducted pursuant to
8 section 229 of this part. Any revenues and fees collected pursuant
9 to this section are appropriated for expenditure for all expenses
10 associated with an audit conducted pursuant to section 229 of this
11 part.

12 DEPARTMENT OF STATE

13 Sec. 701. (1) In addition to the funds appropriated in part 1,
14 there is appropriated an amount not to exceed \$2,000,000.00 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 \$7,500,000.00 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 \$50,000.00 for local

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

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

11 Sec. 703. From the funds appropriated in part 1, the
12 department of state shall sell copies of records including, but not
13 limited to, records of motor vehicles, off-road vehicles,
14 snowmobiles, watercraft, mobile homes, personal identification
15 cardholders, drivers, and boat operators and shall charge \$11.00
16 per record sold only as authorized in section 208b of the Michigan
17 vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222,
18 MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the
19 natural resources and environmental protection act, 1994 PA 451,
20 MCL 324.80130, 324.80315, 324.81114, and 324.82156. The revenue
21 received from the sale of records shall be credited to the
22 transportation administration collection fund created under section
23 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b. The
24 department of state shall provide quarterly reports to the
25 legislature, the chairpersons of the relevant appropriations
26 subcommittees, and the senate and house fiscal agencies. The report
27 shall be provided within 15 days of the close of the quarter and

1 shall include the number of records sold and the revenues
2 collected.

3 Sec. 704. From the funds appropriated in part 1, the secretary
4 of state may enter into agreements with the department of
5 corrections for the manufacture of vehicle registration plates 15
6 months before the registration year in which the registration
7 plates will be used.

8 Sec. 705. (1) The department of state may accept gifts,
9 donations, contributions, and grants of money and other property
10 from any private or public source to underwrite, in whole or in
11 part, the cost of a departmental publication that is prepared and
12 disseminated under the Michigan vehicle code, 1949 PA 300, MCL
13 257.1 to 257.923. A private or public funding source may receive
14 written recognition in the publication and may furnish a traffic
15 safety message, subject to departmental approval, for inclusion in
16 the publication. The department may reject a gift, donation,
17 contribution, or grant. The department may furnish copies of a
18 publication underwritten, in whole or in part, by a private source
19 to the underwriter at no charge.

20 (2) The department of state may sell and accept paid
21 advertising for placement in a departmental publication that is
22 prepared and disseminated under the Michigan vehicle code, 1949 PA
23 300, MCL 257.1 to 257.923. The department may charge and receive a
24 fee for any advertisement appearing in a departmental publication
25 and shall review and approve the content of each advertisement. The
26 department may refuse to accept advertising from any person or
27 organization. The department may furnish a reasonable number of

1 copies of a publication to an advertiser at no charge.

2 (3) Pending expenditure, the funds received under this section
3 shall be deposited in the Michigan department of state publications
4 fund created by section 211 of the Michigan vehicle code, 1949 PA
5 300, MCL 257.211. Funds given, donated, or contributed to the
6 department from a private source are appropriated and allocated for
7 the purpose for which the revenue is furnished. Funds granted to
8 the department from a public source are allocated and may be
9 expended upon receipt. The department shall not accept a gift,
10 donation, contribution, or grant if receipt is conditioned upon a
11 commitment of state funding at a future date. Revenue received from
12 the sale of advertising is appropriated and may be expended upon
13 receipt.

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

17 (5) On March 1 of each year, the department of state shall
18 file a report with the senate and house of representatives standing
19 committees on appropriations, the chairpersons of the relevant
20 appropriations subcommittees, the senate and house fiscal agencies,
21 and the state budget director. The report shall include all of the
22 following information:

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

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

1 (c) A listing of any gift, donation, contribution, or grant of
2 property other than funding received by the department under this
3 section for the prior year.

4 (d) The total revenue received from the sale of paid
5 advertising accepted under this section and a statement of the
6 total number of advertising transactions.

7 (6) In addition to copies delivered without charge as the
8 secretary of state considers necessary, the department of state may
9 sell copies of manuals and other publications regarding the sale,
10 ownership, or operation or regulation of motor vehicles, with
11 amendments, at prices to be established by the secretary of state.
12 As used in this subsection, the term "manuals and other
13 publications" includes videos and proprietary electronic
14 publications. All funds received from sales of these manuals and
15 other publications shall be credited to the Michigan department of
16 state publications fund.

17 Sec. 707. Funds collected by the department of state under
18 section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211,
19 are appropriated for all expenses necessary to provide for the
20 costs of the publication. Funds are allotted for expenditure when
21 they are received by the department of treasury and shall not lapse
22 to the general fund at the end of the fiscal year.

23 Sec. 708. From the funds appropriated in part 1, the
24 department of state shall use available balances at the end of the
25 state fiscal year to provide payment to the department of state
26 police in the amount of \$332,000.00 for the services provided by
27 the traffic accident records program as first appropriated in 1990

1 PA 196 and 1990 PA 208.

2 Sec. 709. From the funds appropriated in part 1, the
3 department of state may restrict funds from miscellaneous revenue
4 to cover cash shortages created from normal branch office
5 operations. This amount shall not exceed \$50,000.00 of the total
6 funds available in miscellaneous revenue.

7 Sec. 711. Collector plate and fund-raising registration plate
8 revenues collected by the department of state are appropriated and
9 allotted for distribution to the recipient university or public or
10 private agency overseeing a state-sponsored goal when received.
11 Distributions shall occur on a quarterly basis or as otherwise
12 authorized by law. Any revenues remaining at the end of the fiscal
13 year shall not lapse to the general fund but shall remain available
14 for distribution to the university or agency in the next fiscal
15 year.

16 Sec. 712. The department of state may produce and sell copies
17 of a training video designed to inform registered automotive repair
18 facilities of their obligations under Michigan law. The price shall
19 not exceed the cost of production and distribution. The money
20 received from the sale of training videos shall revert to the
21 department of state and be placed in the auto repair facility
22 account.

23 Sec. 713. (1) The department of state, in collaboration with
24 the gift of life transplantation society or its successor federally
25 designated organ procurement organization, may develop and
26 administer a public information campaign concerning the Michigan
27 organ donor program.

1 (2) The department of state may solicit funds from any private
2 or public source to underwrite, in whole or in part, the public
3 information campaign authorized by this section. The department may
4 accept gifts, donations, contributions, and grants of money and
5 other property from private and public sources for this purpose. A
6 private or public funding source underwriting the public
7 information campaign, in whole or in substantial part, shall
8 receive sponsorship credit for its financial backing.

9 (3) Funds received under this section, including grants from
10 state and federal agencies, shall not lapse to the general fund at
11 the end of the fiscal year but shall remain available for
12 expenditure for the purposes described in this section.

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

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

24 (6) In addition to the appropriations in part 1, the
25 department of state may receive and expend funds from the organ and
26 tissue donation education fund for administrative expenses.

27 (7) The department must submit a report to the house and

1 senate appropriations subcommittees on general government, the
2 senate and house fiscal agencies, and the state budget director by
3 March 1 that provides the amount of revenue collected by the
4 department of state authorized under this section, the purpose of
5 each expenditure, and the amount of revenue carried forward.

6 Sec. 714. (1) Except as otherwise provided under subsection
7 (2), at least 180 days before closing a branch office or
8 consolidating a branch office and at least 60 days before
9 relocating a branch office, the department of state shall inform
10 members of the senate and house of representatives standing
11 committees on appropriations and legislators who represent affected
12 areas regarding the details of the proposal. The information
13 provided shall be in written form and include all analyses done
14 regarding criteria for changes in the location of branch offices,
15 including, but not limited to, branch transactions, revenue, and
16 the impact on citizens of the affected area. The impact on citizens
17 shall include information regarding additional distance to branch
18 office locations resulting from the plan. The written notice
19 provided by the department of state shall also include detailed
20 estimates of costs and savings that will result from the overall
21 changes made to the branch office structure and the same level of
22 detail regarding costs for new leased facilities and expansions of
23 current leased space.

24 (2) If the consolidation of a branch office is with another
25 branch office that is located within the same local unit of
26 government or the relocation of a branch office is to another
27 location that is located within the same local unit of government,

1 the department of state is not required to provide the notification
2 or written information described in subsection (1).

3 (3) As used in this section, "local unit of government" means
4 a city, village, township, or county.

5 Sec. 715. (1) Any service assessment collected by the
6 department of state from the user of a credit or debit card under
7 section 3 of 1995 PA 144, MCL 11.23, may be used by the department
8 for necessary expenses related to that service and may be remitted
9 to a credit or debit card company, bank, or other financial
10 institution.

11 (2) The service assessment imposed by the department of state
12 for credit and debit card services may be based either on a
13 percentage of each individual credit or debit card transaction, or
14 on a flat rate per transaction, or both, scaled to the amount of
15 the transaction. However, the department shall not charge any
16 amount for a service assessment which exceeds the costs billable to
17 the department for service assessments.

18 (3) If there is a balance of service assessments received from
19 credit and debit card services remaining on September 30, the
20 balance may be carried forward to the following fiscal year and
21 appropriated for the same purpose.

22 (4) As used in this section, "service assessment" means and
23 includes costs associated with service fees imposed by credit and
24 debit card companies and processing fees imposed by banks and other
25 financial institutions.

26 Sec. 717. (1) The department of state may accept nonmonetary
27 gifts, donations, or contributions of property from any private or

1 public source to support, in whole or in part, the operation of a
2 departmental function relating to licensing, regulation, or safety.
3 The department may recognize a private or public contributor for
4 making the contribution. The department may reject a gift,
5 donation, or contribution.

6 (2) The department of state shall not accept a gift, donation,
7 or contribution under subsection (1) if receipt of the gift,
8 donation, or contribution is conditioned upon a commitment of
9 future state funding.

10 (3) On March 1 of each year, the department of state shall
11 file a report with the senate and house of representatives standing
12 committees on appropriations, the chairpersons of the relevant
13 appropriations subcommittees, the senate and house fiscal agencies,
14 and the state budget director. The report shall list any gift,
15 donation, or contribution received by the department under
16 subsection (1) for the prior calendar year.

17 Sec. 718. From the funds appropriated in part 1 to the
18 department of state, branch operations, the department shall
19 maintain a full service secretary of state branch office in Buena
20 Vista Township.

21 Sec. 719. From the funds appropriated in part 1 for election
22 administration and services, the department of state shall make
23 available at least 1 voting machine to at least 1 high school per
24 regional prosperity region for the purpose of allowing pupils to
25 familiarize themselves with the voting procedure through a
26 simulated election to be determined by the high schools receiving a
27 voting machine. The voting machines shall be made available to the

1 selected high schools at no cost to the high school or school
2 district in which the high school is located.

3 Sec. 720. (1) The department of state must develop a plan to
4 implement enhanced postelection audit procedures to ensure accurate
5 reporting processes and accurate counting of cast election ballots.
6 The plan shall recommend best practices for the conduct of
7 postelection audits by the Michigan bureau of elections and county
8 election offices. The recommendations shall include instructions
9 for manual audits of paper ballots to verify tabulated results.

10 (2) The plan must be completed by July 1 and distributed to
11 the house and senate appropriations subcommittees on general
12 government and the house and senate fiscal agencies.

13 Sec. 722. (1) From the funds appropriated in part 1 for
14 information technology services and projects, the department of
15 state shall continue implementation of a legacy modernization
16 project. The purpose of this project is modernization of the entire
17 system and removal of existing programs from the legacy mainframes.

18 (2) The department of state shall provide a report on the
19 status of the legacy modernization project that includes, but is
20 not limited to, itemization of all expenditures made on behalf of
21 the project, anticipated completion date of the project, time frame
22 of each phase of the project, the cost of the project, the number
23 of employees assigned to implement each phase of the project, the
24 contracts entered into for the project, anticipated overall cost of
25 the project, and any other information the department considers
26 necessary. The plan shall be distributed to the senate and house of
27 representatives standing committees on appropriations subcommittees

1 on general government, as well as the senate and house fiscal
2 agencies, and the state budget director by January 1.

3 Sec. 725. Total authorized appropriations from all sources
4 under part 1 for legacy costs for the fiscal year ending September
5 30, 2019 are estimated at \$30,655,900.00. From this amount, total
6 agency appropriations for pension-related legacy costs are
7 estimated at \$14,132,900.00. Total agency appropriations for
8 retiree health care legacy costs are estimated at \$16,523,000.00.

9 **DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET**

10 Sec. 801. (1) In addition to the funds appropriated in part 1,
11 there is appropriated an amount not to exceed \$4,000,000.00 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 \$8,000,000.00 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 \$150,000.00 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,

1 MCL 18.1393.

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

8 Sec. 802. Proceeds in excess of necessary costs incurred in
9 the conduct of transfers or auctions of state surplus, salvage, or
10 scrap property made pursuant to section 267 of the management and
11 budget act, 1984 PA 431, MCL 18.1267, are appropriated to the
12 department to offset costs incurred in the acquisition and
13 distribution of federal surplus property. The MDTMB shall provide
14 consolidated internet auction services through the state's
15 contractors for all local units of government.

16 Sec. 803. (1) The MDTMB may receive and expend funds in
17 addition to those authorized by part 1 for maintenance and
18 operation services provided specifically to other principal
19 executive departments or state agencies, the legislative branch,
20 the judicial branch, or private tenants, or provided in connection
21 with facilities transferred to the operational jurisdiction of the
22 department.

23 (2) The MDTMB may receive and expend funds in addition to
24 those authorized by part 1 for real estate, architectural, design,
25 and engineering services provided specifically to other principal
26 executive departments or state agencies, the legislative branch,
27 the judicial branch, or private tenants.

1 (3) The MDTMB may receive and expend funds in addition to
2 those authorized in part 1 for mail pickup and delivery services
3 provided specifically to other principal executive departments and
4 state agencies, the legislative branch, or the judicial branch.

5 (4) The MDTMB may receive and expend funds in addition to
6 those authorized in part 1 for purchasing services provided
7 specifically to other principal executive departments and state
8 agencies, the legislative branch, or the judicial branch.

9 Sec. 804. (1) Financing in part 1 for statewide appropriations
10 shall be funded by assessments against longevity and insurance
11 appropriations throughout state government in a manner prescribed
12 by the department. Funds shall be used as specified in joint
13 labor/management agreements or through the coordinated compensation
14 hearings process. Any deposits made under this subsection and any
15 unencumbered funds are restricted revenues, may be carried over
16 into the succeeding fiscal years, and are appropriated.

17 (2) In addition to the funds appropriated in part 1 for
18 statewide appropriations, the MDTMB may receive and expend funds in
19 such additional amounts as may be specified in joint
20 labor/management agreements or through the coordinated compensation
21 hearings process in the same manner and subject to the same
22 conditions as prescribed in subsection (1).

23 Sec. 805. To the extent a specific appropriation is required
24 for a detailed source of financing included in part 1 for the MDTMB
25 appropriations financed from special revenue and internal service
26 and pension trust funds, or SIGMA user charges, the specific
27 amounts are appropriated within the special revenue internal

1 service and pension trust funds in portions not to exceed the
2 aggregate amount appropriated in part 1.

3 Sec. 806. In addition to the funds appropriated in part 1 to
4 the MDTMB, the MDTMB may receive and expend funds from other
5 principal executive departments and state agencies to implement
6 administrative leave bank transfer provisions as may be specified
7 in joint labor/management agreements. The amounts may also be
8 transferred to other principal executive departments and state
9 agencies under the joint agreement and any amounts transferred
10 under the joint agreement are authorized for receipt and
11 expenditure by the receiving principal executive department or
12 state agency. Any amounts received by the MDTMB under this section
13 and intended, under the joint labor/management agreements, to be
14 available for use beyond the close of the fiscal year and any
15 unencumbered funds may be carried over into the succeeding fiscal
16 year.

17 Sec. 807. Financing in part 1 for SIGMA shall be funded by
18 proportionate charges assessed against the respective state funds
19 benefiting from this project in the amounts determined by the
20 department.

21 Sec. 808. (1) Deposits against the interdepartmental grant
22 from building occupancy and parking charges appropriated in part 1
23 shall be collected, in part, from state agencies, the legislative
24 branch, and the judicial branch based on estimated costs associated
25 with maintenance and operation of buildings managed by the
26 department. To the extent excess revenues are collected due to
27 estimates of building occupancy charges exceeding actual costs, the

1 excess revenues may be carried forward into succeeding fiscal years
2 for the purpose of returning funds to state agencies.

3 (2) Appropriations in part 1 to the MDTMB, for management and
4 budget services from building occupancy charges and parking
5 charges, may be increased to return excess revenue collected to
6 state agencies.

7 Sec. 809. On a quarterly basis, the MDTMB shall notify the
8 chairpersons of the senate and house of representatives standing
9 committees on appropriations, the chairpersons of the senate and
10 house of representatives standing committees on appropriations
11 subcommittees on general government, the house and senate fiscal
12 agencies, and the state budget director on any revisions either
13 individually or in the aggregate that increase or decrease current
14 contracts by more than \$500,000.00 for computer software
15 development, hardware acquisition, or quality assurance.

16 Sec. 810. The MDTMB shall maintain an internet website that
17 contains notice of all invitations for bids and requests for
18 proposals over \$50,000.00 issued by the department or by any state
19 agency operating under delegated authority. This information must
20 appear on the first page of each department or state agency
21 dashboard. The MDTMB shall not accept an invitation for bid or
22 request for proposal in less than 14 days after the notice is made
23 available on the internet website, except in situations where it
24 would be in the best interest of the state and documented by the
25 MDTMB. In addition to the requirements of this section, the MDTMB
26 may advertise the invitations for bids and requests for proposals
27 in any manner the MDTMB determines appropriate, in order to give

1 the greatest number of individuals and businesses the opportunity
2 to make bids or requests for proposals.

3 Sec. 811. The MDTMB may receive and expend funds from the
4 Vietnam veterans memorial monument fund as provided in the Michigan
5 Vietnam veterans memorial act, 1988 PA 234, MCL 35.1051 to 35.1057.
6 Funds are appropriated and allocated when received and may be
7 expended upon receipt.

8 Sec. 812. The Michigan veterans' memorial park commission may
9 receive and expend money from any source, public or private,
10 including, but not limited to, gifts, grants, donations of money,
11 and government appropriations, for the purposes described in
12 Executive Order No. 2001-10. Funds are appropriated and allocated
13 when received and may be expended upon receipt. Any deposits made
14 under this section and unencumbered funds are restricted revenues
15 and may be carried over into succeeding fiscal years.

16 Sec. 813. (1) Funds in part 1 for motor vehicle fleet are
17 appropriated to the MDTMB for administration and for the
18 acquisition, lease, operation, maintenance, repair, replacement,
19 and disposal of state motor vehicles.

20 (2) The appropriation in part 1 for motor vehicle fleet shall
21 be funded by revenue from rates charged to principal executive
22 departments and agencies for utilizing vehicle travel services
23 provided by the MDTMB. Revenue in excess of the amount appropriated
24 in part 1 from the motor transport fund and any unencumbered funds
25 are restricted revenues and may be carried over into the succeeding
26 fiscal year.

27 (3) Pursuant to the MDTMB's authority under sections 213 and

1 215 of the management and budget act, 1984 PA 431, MCL 18.1213 and
2 18.1215, the MDTMB shall maintain a plan regarding the operation of
3 the motor vehicle fleet. The plan shall include the number of
4 vehicles assigned to, or authorized for use by, state departments
5 and agencies, efforts to reduce travel expenditures, the number of
6 cars in the motor vehicle fleet, the number of miles driven by
7 fleet vehicles, and the number of gallons of fuel consumed by fleet
8 vehicles. The plan shall include a calculation of the amount of
9 state motor vehicle fuel taxes that would have been incurred by
10 fleet vehicles if fleet vehicles were required by law to pay motor
11 fuel taxes. The plan shall include a description of fleet garage
12 operations, the goods sold and services provided by the fleet
13 garage, the cost to operate the fleet garage, the number of fleet
14 garage locations, and the number of employees assigned to each
15 fleet garage. The plan may be adjusted during the fiscal year based
16 on needs and cost savings to achieve the maximum value and
17 efficiency from the state motor fleet. Within 60 days after the
18 close of the fiscal year, the MDTMB shall provide a report to the
19 senate and house of representatives standing committees on
20 appropriations, the chairpersons of the relevant appropriations
21 subcommittees, the senate and house fiscal agencies, and the state
22 budget director detailing the current plan and changes made to the
23 plan during the fiscal year. The plan shall also be posted on the
24 department website.

25 (4) The MDTMB may charge state agencies for fuel cost
26 increases that exceed \$3.04 per gallon of unleaded gasoline. The
27 MDTMB shall notify state agencies, in writing or by electronic

1 mail, at least 30 days before implementing additional charges for
2 fuel cost increases. Revenues received from these charges are
3 appropriated upon receipt.

4 (5) The state budget director, upon notification to the senate
5 and house of representatives standing committees on appropriations,
6 may adjust spending authorization and the IDG from motor transport
7 fund in the MDTMB in order to ensure that the appropriations for
8 motor vehicle fleet in the MDTMB budget equal the expenditures for
9 motor vehicle fleet in the budgets for all executive branch
10 agencies.

11 Sec. 814. The MDTMB shall develop a plan regarding the use of
12 the funds appropriated in part 1 for the information technology
13 investment fund. The plan shall include, but not be limited to, a
14 description of proposed information technology investment projects,
15 the time frame for completion of the information technology
16 investment projects, the proposed cost of the information
17 technology investment projects, the number of employees assigned to
18 implement each information technology investment project, the
19 contracts entered into for each information technology investment
20 project, and any other information the MDTMB deems necessary. The
21 plan shall be distributed to the senate and house of
22 representatives standing committees on appropriations subcommittees
23 on general government, as well as the senate and house fiscal
24 agencies, and the state budget director on a quarterly basis. The
25 submitted plan shall also include anticipated spending reductions
26 or overages for each of the proposed information technology
27 investment projects. The MDTMB shall notify 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 director when a project funded under an
4 information technology investment project line item in part 1 is
5 expected to require a transfer of dollars from another project in
6 excess of \$500,000.00.

7 Sec. 814a. The funds appropriated in part 1 for information
8 technology investment fund shall be used for the modernization of
9 state information technology systems, improvement of the state's
10 cyber security framework, and to achieve efficiencies.

11 Sec. 816. An RFP issued for the purpose of privatization shall
12 include all factors used in evaluating and determining price.

13 Sec. 818. In addition to the funds appropriated in part 1, the
14 MDTMB may receive and expend money from the Michigan law
15 enforcement officers memorial monument fund as provided in the
16 Michigan law enforcement officers memorial act, 2004 PA 177, MCL
17 28.781 to 28.787.

18 Sec. 820. The MDTMB shall make available to the public a list
19 of all parcels of real property owned by the state that are
20 available for purchase. The list shall be posted on the internet
21 through the MDTMB's website.

22 Sec. 822. The MDTMB shall compile a report by January 1
23 pertaining to the salaries of unclassified employees, as well as
24 gubernatorial appointees, within all state departments and
25 agencies. The report shall enumerate each unclassified employee and
26 gubernatorial appointee and his or her annual salary individually.
27 The report shall be distributed to the chairs of the senate and

1 house of representatives standing committees on appropriations
2 subcommittees on general government, as well as the senate and
3 house fiscal agencies and be made available electronically.

4 Sec. 822b. (1) A public-private partnership investment fund is
5 created in the MDTMB. Subject to subsections (2) and (3), public-
6 private partnership investments shall include, but are not limited
7 to, all of the following:

8 (a) Capital asset improvements including buildings, land, or
9 structures.

10 (b) Energy resource exploration, extraction, generation, and
11 sales.

12 (c) Financial and investment incentive opportunities.

13 (d) Infrastructure construction, maintenance, and operation.

14 (e) Public-private sector joint ventures that provide economic
15 benefit to an area or to the state.

16 (2) Public-private investments shall not include projects,
17 consultant expenses, staff effort, or any other activity related to
18 the development, financing, construction, operation, or
19 implementation of the Detroit River International Crossing or any
20 successor project unless the project is approved by the legislature
21 and signed into law.

22 (3) The state budget director shall determine whether or not a
23 specific public-private partnership investment opportunity
24 qualifies for funding under subsection (1).

25 (4) Investment development revenue, including a portion of the
26 proceeds from the sale of any public-private partnership investment
27 designated in subsection (1), shall be deposited into the fund

1 created in subsection (1) and shall be available for
2 administration, development, financing, marketing, and operating
3 expenditures associated with public-private partnerships, unless
4 otherwise provided by law. Public-private partnership investments
5 authorized in subsection (1) are authorized for public or private
6 operation or sale consistent with state law. Expenditures from the
7 fund are authorized for investment purposes as designated in
8 subsection (1) to enhance the marketable value of each investment.
9 The unencumbered balance remaining in the fund at the end of the
10 fiscal year may be carried forward for appropriation in future
11 years.

12 (5) An annual report shall be transmitted to the senate and
13 house of representatives standing committees on appropriations, the
14 chairpersons of the relevant appropriations subcommittees, the
15 senate and house fiscal agencies, and the state budget office not
16 later than December 31 of each year. This report shall detail both
17 of the following:

18 (a) The revenue and expenditure activity in the fund for the
19 preceding fiscal year.

20 (b) Public-private partnership investments as identified under
21 subsection (1).

22 (6) The MDTMB shall monitor the revenue deposited in the
23 public-private partnership investment fund created in subsection
24 (1). If the revenue in the fund is insufficient to pay the amount
25 appropriated in part 1 for public-private partnership investment,
26 then the MDTMB shall propose a legislative transfer to fund the
27 line from the appropriations in part 1.

1 Sec. 822c. The funds appropriated in part 1 shall not be used
2 to support any staff effort, projects, consultant expenses, or any
3 other activity related to the development, financing, construction,
4 operation, or implementation of the Detroit River International
5 Crossing or any successor project unless the project is approved by
6 the legislature and signed into law.

7 Sec. 822d. By December 31, the MDTMB shall provide a report to
8 the senate and house appropriations subcommittees on general
9 government and the senate and house fiscal agencies that identifies
10 fee and rate schedules to be used by state departments and agencies
11 for services, including information technology, provided by the
12 MDTMB during fiscal year 2018-2019. The report shall also identify
13 changes from fees and rates charged in fiscal year 2017-2018 and
14 include an explanation of the factors that justify each fee and
15 rate increase.

16 Sec. 822e. Total authorized appropriations from all sources
17 under part 1 for legacy costs for the fiscal year ending September
18 30, 2019 are estimated at \$85,199,900.00. From this amount, total
19 agency appropriations for pension-related legacy costs are
20 estimated at \$39,278,600.00. Total agency appropriations for
21 retiree health care legacy costs are estimated at \$45,921,300.00.

22 Sec. 822f. (1) The funds appropriated in part 1 for the
23 regional prosperity initiative are to be used as competitive grants
24 to eligible regional planning organizations qualifying for funding
25 as a regional prosperity collaborative, a regional prosperity
26 council, or a regional prosperity board. A regional planning
27 organization may not qualify for funding under more than 1 category

1 in the same state fiscal year. As used in this section:

2 (a) "Eligible regional planning organization" means any of the
3 following:

4 (i) An existing regional planning commission created pursuant
5 to 1945 PA 281, MCL 125.11 to 125.25.

6 (ii) An existing regional economic development commission
7 created pursuant to 1966 PA 46, MCL 125.1231 to 125.1237.

8 (iii) An existing metropolitan area council formed pursuant to
9 the metropolitan councils act, 1989 PA 292, MCL 124.651 to 124.729.

10 (iv) A Michigan metropolitan planning organization established
11 pursuant to the moving ahead for progress in the 21st century act,
12 Public Law 112-141.

13 (b) "Freedom of Information Act" means the freedom of
14 information act, 5 USC 552.

15 (c) "Open meetings act" means the open meetings act, 1976 PA
16 267, MCL 15.261 to 15.275.

17 (d) "Regional prosperity board" means a regional body that has
18 a singular governing board with representation from private,
19 public, and nonprofit entities engaged in joint decision-making
20 practices for the purpose of creating or maintaining a phase three:
21 regional prosperity plan.

22 (e) "Regional prosperity collaborative" means any committee
23 developed by a regional planning organization or a metropolitan
24 planning organization that serves to bring organizational
25 representation together from private, public, and nonprofit
26 entities within a region for the purpose of creating or maintaining
27 a phase one: regional prosperity plan.

1 (f) "Regional prosperity council" means a regional body with
2 representation from private, public, and nonprofit entities with
3 shared administrative services and an executive governing entity,
4 as demonstrated by a formal local agreement or agreements for the
5 purpose of creating or maintaining a phase two: regional prosperity
6 plan.

7 (2) Regional planning organizations may qualify to receive not
8 more than \$45,000.00 of incentive-based funding as a regional
9 prosperity collaborative subject to meeting all of the following
10 requirements:

11 (a) The regional prosperity collaborative has created a phase
12 one: regional prosperity plan, as follows:

13 (i) The regional prosperity collaborative must include
14 regional representatives from adult education, workforce
15 development, community development, economic development,
16 transportation, and higher education organizations.

17 (ii) The plan is required, at a minimum, to include a 5-year
18 plan focused on economic growth and vitality for the region, as
19 well as a performance dashboard and measurable annual goals to
20 support the 5-year plan.

21 (iii) The 5-year plan shall address regional strategies
22 related to adult education, workforce development, economic
23 development, transportation, higher education, and business
24 development.

25 (iv) The regional prosperity collaborative shall adopt the
26 plan by a minimum 2/3 majority vote of its members.

27 (b) The regional prosperity collaborative adheres to

1 accountability and transparency measures required in the open
2 meetings act and the freedom of information act.

3 (c) The regional prosperity collaborative convenes monthly
4 meetings, open to the public, to consider and discuss issues
5 leading to a common vision of economic prosperity for the region,
6 including, but not limited to, community development, economic
7 development, talent, and infrastructure opportunities.

8 (d) The regional prosperity collaborative makes available on
9 the grant recipient's publicly accessible internet site pertinent
10 documents, including, but not limited to, monthly meeting agendas,
11 minutes of monthly meetings, voting records, and the regional
12 prosperity plan and performance dashboard.

13 (e) The regional prosperity collaborative keeps a status
14 report detailing the spending associated with previous regional
15 prosperity initiative grants. Organizations that have successfully
16 received grant awards in previous fiscal years shall be required to
17 make available to the MDTMB and on a publicly accessible internet
18 site information regarding the use of those grant dollars.

19 (3) Regional planning organizations eligible to receive a
20 payment as a regional prosperity collaborative under subsection (2)
21 may qualify to receive a one-time grant of not more than \$70,000.00
22 to produce a plan to transform the regional prosperity
23 collaborative into a regional prosperity council or regional
24 prosperity board, including necessary local formal agreements, to
25 make recommendations that eliminate duplicative efforts and
26 administrative functions, and to leverage resources through
27 cooperation, collaboration, and consolidations of organizations or

1 programs throughout the region. Plans produced to transform the
2 regional prosperity collaborative into a regional prosperity
3 council or regional prosperity board shall be made available on the
4 grant recipient's publicly accessible internet site. The regional
5 prosperity collaborative may apply instead to use up to \$70,000.00
6 of the one-time grant for integrated asset management under
7 guidance from the Michigan infrastructure council in the Michigan
8 department of treasury. The regional prosperity collaborative may
9 not apply for funds under both the transformation grant and the
10 integrated asset management grant.

11 (4) Regional planning organizations may qualify to receive not
12 more than \$340,000.00 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 MDTMB and on a publicly accessible internet site
9 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 one-time grant of not more than \$70,000.00 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. The regional prosperity council may apply
24 instead to use up to \$70,000.00 of the one-time grant for
25 integrated asset management under guidance from the Michigan
26 infrastructure council in the Michigan department of treasury. The
27 regional prosperity council may not apply for funds under both the

1 transformation grant and the integrated asset management grant.

2 (6) Regional planning organizations may qualify to receive not
3 more than \$445,000.00 of incentive-based funding as a regional
4 prosperity board subject to meeting all of the following
5 requirements:

6 (a) The regional prosperity board has been formed and, at a
7 minimum, must demonstrate the consolidation of a regional
8 metropolitan planning organization, where one exists, state
9 designated regional planning agency boards, workforce development
10 boards, and federally designated regional economic development
11 districts within a region.

12 (b) The regional prosperity board has created a phase three:
13 regional prosperity plan, as follows:

14 (i) The regional prosperity board shall create a regional
15 services recommendations report prioritizing the list of state-
16 funded services and programs provided to the region, and
17 recommendations for state-regional partnerships to support the
18 adopted regional prosperity plan.

19 (ii) The plan is required to include a status report of the
20 approved 10-year plan for the creation of an updated regional
21 prosperity plan.

22 (iii) The regional prosperity board shall adopt the plan by a
23 minimum 2/3 vote of its members.

24 (c) The regional prosperity board adheres to accountability
25 and transparency measures required in the open meetings act and the
26 freedom of information act.

27 (d) The regional prosperity board convenes monthly meetings,

1 open to the public, to consider and discuss issues leading to a
2 common vision of economic prosperity for the region, including, but
3 not limited to, community development, economic development,
4 talent, and infrastructure opportunities.

5 (e) The regional prosperity board makes available on the grant
6 recipient's publicly accessible internet site pertinent documents,
7 including, but not limited to, monthly meeting agendas, minutes of
8 monthly meetings, voting records, and the regional prosperity plan
9 and performance dashboard. The regional prosperity board may apply
10 instead to use up to \$70,000.00 of the one-time grant for
11 integrated asset management under guidance from the Michigan
12 infrastructure council in the Michigan department of treasury. The
13 regional prosperity board may not apply for funds under both the
14 transformation grant and the integrated asset management grant.

15 (7) Regional planning organizations eligible to receive a
16 payment as a regional prosperity board under subsection (6) may
17 qualify to receive not more than \$125,000.00, to implement the
18 prioritized regional prosperity plan projects.

19 (8) Regional planning organizations eligible to receive a
20 payment as a regional prosperity collaborative, board, or council
21 may partner with other eligible regional planning organizations to
22 submit joint applications. In the instance of a joint application,
23 1 regional planning organization shall be utilized as the overall
24 applicant. The MDTMB may award a joint application award of no
25 greater than the sum of potential application dollars which would
26 have otherwise been available through individual applications.

27 (9) The MDTMB shall develop an application process and method

1 of grant distribution for the regional prosperity initiative.
2 Funding applications from regional planning organizations shall be
3 due to the MDTMB by November 26, 2018. The MDTMB shall notify
4 regional planning organizations of grant application status by
5 December 31, 2018. The MDTMB shall ensure that processes are
6 established to verify that qualifying regional planning
7 organizations meet the requirements under subsections (2), (3),
8 (4), (5), (6), and (7), as applicable.

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

17 (a) The purpose of the projects is to provide incentive-based
18 grants to recipients under this section.

19 (b) The projects will be accomplished by grants to qualified
20 regional planning organizations.

21 (c) The total estimated cost of all projects is \$3,970,000.00.

22 (d) The estimated completion date is September 30, 2023.

23 (11) The department may dedicate 0.3 FTEs with \$30,000.00 to
24 manage the evaluation of the regional prosperity initiative,
25 departmental implementation of the regional prosperity initiative,
26 and grant management.

27 Sec. 822g. The MDTMB shall report quarterly to the senate and

1 house of representatives standing committees on appropriations, the
2 senate and house appropriations subcommittees on general
3 government, and the senate and house fiscal agencies on legal
4 service fund expenditures. The report shall itemize expenditures by
5 case, purpose, and department involved and shall include
6 expenditures related to all previously appropriated funds.

7 Sec. 822m. (1) From the funds appropriated in part 1, the
8 MDTMB shall establish a system that collaborates with other
9 departments to keep track of the performance of vendors in
10 fulfilling contract obligations. The performance of these vendors
11 shall be recorded and used as a factor to determine future
12 contracts awarded in the procurement process.

13 (2) By March 15 the MDTMB shall provide a complete listing of
14 all state departments and agencies that have not complied with the
15 requirements of this section by March 1. The report listing
16 noncompliant state departments and agencies shall be submitted no
17 later than March 15 to the chairpersons of the subcommittees on
18 general government, the senate and house fiscal agencies, and the
19 state budget director.

20 Sec. 822n. From the funds appropriated in part 1, beginning on
21 October 1, the MDTMB shall ensure that all new requests for
22 proposals that are publicly displayed on the webpage include the
23 proposal's corresponding department and agency for the purpose of
24 searching for requests for proposals by department and agency.

25 Sec. 822o. By November 1, 2018, the MDTMB shall work
26 cooperatively with the department of health and human services to
27 identify a location for the new Northern Satellite Psychiatric

1 Facility capital outlay project approved for planning authorization
2 in article II of 2017 PA 107. If a location has not been identified
3 by November 1, 2018, the department of technology, management, and
4 budget shall provide a status report on potential locations, a
5 reasoning why a location has not been identified, and the progress
6 toward completing the new Northern Satellite Psychiatric Facility
7 capital outlay project approved for planning authorization in
8 article II of 2017 PA 107. The report shall be provided to the
9 state budget office, the house and senate standing committees on
10 appropriations, the joint capital outlay subcommittee, and the
11 house and senate fiscal agencies.

12 **INFORMATION TECHNOLOGY**

13 Sec. 823. (1) The MDTMB may sell and accept paid advertising
14 for placement on any state website under its jurisdiction. The
15 MDTMB shall review and approve the content of each advertisement.
16 The MDTMB may refuse to accept advertising from any person or
17 organization or require modification to advertisements based upon
18 criteria determined by the MDTMB. Revenue received under this
19 subsection shall be used for operating costs of the MDTMB and for
20 future technology enhancements to state of Michigan e-government
21 initiatives. Funds received under this subsection shall be limited
22 to \$250,000.00. Any funds in excess of \$250,000.00 shall be
23 deposited in the state general fund.

24 (2) The MDTMB may accept gifts, donations, contributions,
25 bequests, and grants of money from any public or private source to
26 assist with the underwriting or sponsorship of state webpages or

1 services offered on those webpages. A private or public funding
2 source may receive recognition in the webpage. The MDTMB may reject
3 any gift, donation, contribution, bequest, or grant.

4 (3) Funds accepted by the MDTMB under subsection (1) or (2)
5 are appropriated and allotted when received and may be expended
6 upon approval of the state budget director. The state budget office
7 shall notify the senate and house of representatives standing
8 committees on appropriations subcommittees on general government
9 and the senate and house fiscal agencies within 10 days after the
10 approval is given. The MDTMB shall provide a report to the senate
11 and house of representatives appropriations subcommittees on
12 general government and senate and house fiscal agencies that
13 details the funds accepted for the prior fiscal year by November 1.

14 Sec. 824. The MDTMB may enter into agreements to supply
15 spatial information and technical services to other principal
16 executive departments, state agencies, local units of government,
17 and other organizations. The MDTMB may receive and expend funds in
18 addition to those authorized in part 1 for providing information
19 and technical services, publications, maps, and other products. The
20 MDTMB may expend amounts received for salaries, supplies, and
21 equipment necessary to provide informational products and technical
22 services. Prior to December 1 of each year, the MDTMB shall provide
23 a report to the senate and house of representatives standing
24 committees on appropriations subcommittees on general government
25 and the state budget office detailing the sources of funding and
26 expenditures made under this section.

27 Sec. 825. The legislature shall have access to all historical

1 and current data contained within SIGMA, or its predecessor,
2 pertaining to state departments. State departments shall have
3 access to all historical and current data contained within SIGMA or
4 its predecessor.

5 Sec. 826. When used in this part and part 1, "information
6 technology services" means services involving all aspects of
7 managing and processing information, including, but not limited to,
8 all of the following:

9 (a) Application and mobile development and maintenance.

10 (b) Desktop computer support and management.

11 (c) Cyber security.

12 (d) Social media.

13 (e) Mainframe computer support and management.

14 (f) Server support and management.

15 (g) Local area network support and management, including, but
16 not limited to, wired and wireless network build-out, support, and
17 management.

18 (h) Information technology project management.

19 (i) Information technology planning and budget management.

20 (j) Telecommunication services, infrastructure, and support.

21 Sec. 827. (1) Funds appropriated in part 1 for the Michigan
22 public safety communications system shall be expended upon approval
23 of an expenditure plan by the state budget director.

24 (2) The MDTMB shall assess all subscribers of the Michigan
25 public safety communications system reasonable access and
26 maintenance fees and shall deposit the fees in the Michigan public
27 safety communications systems fees fund.

1 (3) All money received by the MDTMB under this section shall
2 be expended for the support and maintenance of the Michigan public
3 safety communications system.

4 Sec. 827a. From the funds appropriated in part 1 for the
5 Michigan public safety communications system, up to \$2,000,000.00
6 of the funds shall be used to pay the outstanding unpaid invoices
7 for local agencies billed by the Michigan public safety
8 communications system that are dated at least 3 years prior to the
9 current fiscal year. Any unpaid invoices for local agencies that
10 are dated after September 30, 2015 are not eligible for payment
11 under this section and must be paid in full by the local entity
12 before receiving payments under this section.

13 Sec. 828. The MDTMB shall submit a report for the immediately
14 preceding fiscal year ending September 30 to the senate and house
15 of representatives standing committees on appropriations
16 subcommittees on general government and the senate and house fiscal
17 agencies by March 1. The report shall include the following:

18 (a) The total amount of funding appropriated for information
19 technology services and projects, by funding source, for all
20 principal executive departments and agencies.

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

23 Sec. 829. The MDTMB shall provide a report that analyzes and
24 makes recommendations on the life-cycle of information technology
25 hardware and software. The report shall be submitted to the senate
26 and house of representatives standing committees on appropriations
27 subcommittees on general government and the senate and house fiscal

1 agencies by March 1.

2 Sec. 830. (1) The department of technology, management, and
3 budget, enterprise portfolio management office (EPMO), must provide
4 a report on a quarterly basis providing key information on all
5 executive branch department and enterprisewide information
6 technology projects. The report must be submitted to the senate and
7 house appropriations subcommittees on general government, the
8 senate and house fiscal agencies, and the state budget director as
9 well as being posted online.

10 (2) The report must contain the following information, as
11 applicable, for each active information technology project and each
12 completed information technology project closed within the 2-year
13 period immediately preceding the quarterly due date of the report:

14 (a) The client department, agency, or organization for which
15 the project is being undertaken.

16 (b) The active or completed status.

17 (c) For active projects, the number of days the current
18 approved completion date differs from the initial planned
19 completion date.

20 (d) For active projects, the dollar amount the current
21 approved budget differs from the initial planned budget.

22 (e) For completed projects, the number of days the actual
23 completion date differed from the initial planned completion date.

24 (f) For completed projects, the dollar amount the actual cost
25 differed from the initial planned budget.

26 (g) The project name.

27 (h) The purpose and high-level description.

1 (i) Whether the project is managed by EPMO.

2 (j) The initial planned budget.

3 (k) The revised budget if there is any increase or decrease to
4 the project's initial budget.

5 (l) The actual cost to date.

6 (m) The planned start date.

7 (n) The actual start date.

8 (o) The initial planned completion date.

9 (p) The revised planned completion date if there is a change
10 from the initial planned completion date.

11 (q) The actual completion date.

12 (r) A brief description of the benefit or justification of
13 changes by project change request that impact a project's schedule
14 or budget.

15 (s) Whether quality assurance services are assigned to the
16 project.

17 (t) The project success score after project closure.

18 (u) The customer satisfaction rating after project closure.

19 (3) The report must include the total number of completed
20 projects for which costs exceeded the initial budget, the total
21 number of completed projects for which the completion date occurred
22 after the initial planned completion date, the total number of
23 completed projects that exceeded both the initial planned budget
24 and schedule, and the corresponding percentages of each of these
25 numbers of all completed projects.

26 Sec. 831. (1) From funds appropriated in part 1 for the office
27 of retirement services actuarial analyses, up to \$4,000.00 must be

1 used to conduct an actuarial analysis to determine the costs
2 incurred by the state employees retirement system as a result of
3 implementing the provisions of House Bill No. 5411 of the 99th
4 Legislature. Funds authorized under this subsection and the
5 requirements of this subsection do not take effect unless House
6 Bill No. 5411 of the 99th Legislature is enacted into law.

7 (2) From funds appropriated in part 1 for the office of
8 retirement services actuarial analyses, up to \$6,000.00 must be
9 used to conduct an actuarial analysis to determine the costs
10 incurred by the state employees retirement system as a result of
11 implementing the provisions of Senate Bill No. 747 of the 99th
12 Legislature. Funds authorized under this subsection and the
13 requirements of this subsection do not take effect unless Senate
14 Bill No. 747 of the 99th Legislature is enacted into law.

15 Sec. 832. (1) The MDTMB shall inform the senate and house
16 appropriations subcommittees on general government and the senate
17 and house fiscal agencies within 30 days of any potential or actual
18 penalties assessed by the federal government for failure of the
19 Michigan child support enforcement system to achieve certification
20 by the federal government.

21 (2) If potential penalties are assessed by the federal
22 government, the MDTMB shall submit a report to the senate and house
23 appropriations subcommittees on general government and the senate
24 and house fiscal agencies within 90 days specifying the MDTMB's
25 plans to avoid actual penalties and ensure federal certification of
26 the Michigan child support enforcement system.

27 Sec. 833. (1) The state budget director, upon notification to

1 the senate and house of representatives standing committees on
2 appropriations, may adjust spending authorization and user fees in
3 the MDTMB in order to ensure that the appropriations for
4 information technology in the MDTMB equal the appropriations for
5 information technology in the budgets for all executive branch
6 agencies.

7 (2) If during the course of the fiscal year a transfer or
8 supplemental to or from the information technology line item within
9 an agency budget is made under section 393 of the management and
10 budget act, 1984 PA 431, MCL 18.1393, there is appropriated an
11 equal amount of user fees in the MDTMB budget to accommodate an
12 increase or decrease in spending authorization.

13 Sec. 834. (1) Revenue collected from licenses issued under the
14 antenna site management project shall be deposited into the antenna
15 site management revolving fund created for this purpose in the
16 MDTMB. The MDTMB may receive and expend money from the fund for
17 costs associated with the antenna site management project,
18 including the cost of a third-party site manager. Any excess
19 revenue remaining in the fund at the close of the fiscal year shall
20 be proportionately transferred to the appropriate state restricted
21 funds as designated in statute or by constitution.

22 (2) An antenna shall not be placed on any site pursuant to
23 this section without complying with the respective local zoning
24 codes and local unit of government processes.

25 Sec. 835. (1) In addition to the funds appropriated in part 1,
26 the funds collected by the MDTMB for supplying census-related
27 information and technical services, publications, statistical

1 studies, population projections and estimates, and other
2 demographic products are appropriated for all expenses necessary to
3 provide the required services. These funds are available for
4 expenditure when they are received and may be carried forward into
5 the next succeeding fiscal year.

6 (2) The MDTMB must submit a report to the house and senate
7 appropriations subcommittees on general government, the senate and
8 house fiscal agencies, and the state budget office by March 1 that
9 provides the amount of revenue collected by the MDTMB from the
10 authorization in subsection (1) and the amount of revenue carried
11 forward.

12 Sec. 835a. (1) From the funds appropriated in part 1 for
13 census-related services, for every \$4.00 in private matching funds
14 received, this state shall allocate \$1.00, up to \$500,000.00 in
15 state contributions, to support census outreach and preparation for
16 citizen participation in the upcoming 2020 federal census. The
17 purpose of the funding is to prepare for the census to ensure an
18 accurate citizen count. The funding shall be used to support a 2020
19 Michigan complete count committee, staffing related to census
20 outreach, and implementation of outreach strategies, including, but
21 not limited to, training for local officials, support of local
22 complete count committees, and coordination with the Michigan
23 nonprofit complete count committee.

24 (2) Unexpended and unencumbered funds up to a maximum
25 \$500,000.00 in general fund/general purpose revenue plus any
26 contributions of private matching funds, up to \$2,000,000.00
27 remaining in accounts appropriated in part 1 for census-related

1 services, are designated as work project appropriations, and any
2 unencumbered or unallotted funds shall not lapse at the end of the
3 fiscal year and shall be available for expenditures to support
4 census outreach and preparation for citizen participation in the
5 2020 federal census under this section until the work project has
6 been completed. All of the following are in compliance with section
7 451a(1) of the management and budget act, 1984 PA 431, MCL
8 18.1451a:

9 (a) The purpose of the work project is to fund the cost of the
10 Michigan Nonprofits Count Campaign to support census outreach and
11 citizen participation preparation for the 2020 federal census.

12 (b) The work project will be accomplished by partnering with
13 the Michigan Nonprofit Association.

14 (c) The total estimated completion cost of the work project is
15 \$2,500,000.00.

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

17 Sec. 836. From the increased funds appropriated in part 1 for
18 the information technology investment fund, the MDTMB shall provide
19 for the modernization of state information technology systems, and
20 integrate state system interfaces to improve customer service.

21 Sec. 840. From the funds appropriated in part 1 for enterprise
22 portfolio management, the MDTMB shall identify specific outcomes
23 and performance measures including, but not limited to, the
24 following:

25 (a) Implement enhanced IT project management service delivery
26 through statewide application of best practice models and services.

27 (b) Collaborate with state agencies to bring all project

1 management and project control office contracts under the
2 enterprise portfolio management office.

3 (c) Initiate steps to improve the state unified information
4 technology environment compliance rating.

5 **STATE BUILDING AUTHORITY RENT**

6 Sec. 842. (1) The state building authority rent appropriations
7 in part 1 may also be expended for the payment of required premiums
8 for insurance on facilities owned by the state building authority
9 or payment of costs that may be incurred as the result of any
10 deductible provisions in such insurance policies.

11 (2) If the amount appropriated in part 1 for state building
12 authority rent is not sufficient to pay the rent obligations and
13 insurance premiums and deductibles identified in subsection (1) for
14 state building authority projects, there is appropriated from the
15 general fund of the state the amount necessary to pay such
16 obligations.

17 **CIVIL SERVICE COMMISSION**

18 Sec. 850. (1) In accordance with section 5 of article XI of
19 the state constitution of 1963, all restricted funds shall be
20 assessed a sum not less than 1% of the total aggregate payroll paid
21 from those funds for financing the civil service commission on the
22 basis of actual 1% restricted sources total aggregate payroll of
23 the classified service for the preceding fiscal year. This
24 includes, but is not limited to, restricted funds appropriated in
25 part 1 of any appropriations act. Unexpended 1% appropriated funds

1 shall be returned to each 1% fund source at the end of the fiscal
2 year.

3 (2) The appropriations in part 1 are estimates of actual
4 charges based on payroll appropriations. With the approval of the
5 state budget director, the commission is authorized to adjust
6 financing sources for civil service charges based on actual payroll
7 expenditures, provided that such adjustments do not increase the
8 total appropriation for the civil service commission.

9 (3) The financing from restricted sources shall be credited to
10 the civil service commission by the end of the second fiscal
11 quarter.

12 Sec. 851. Except where specifically appropriated for this
13 purpose, financing from restricted sources shall be credited to the
14 civil service commission. For restricted sources of funding within
15 the general fund that have the legislative authority for carryover,
16 if current spending authorization or revenues are insufficient to
17 accept the charge, the shortage shall be taken from carryforward
18 balances of that funding source. Restricted revenue sources that do
19 not have carryforward authority shall be utilized to satisfy
20 commission operating deducts first and civil service obligations
21 second. General fund dollars are appropriated for any shortfall,
22 pursuant to approval by the state budget director.

23 Sec. 852. The appropriation in part 1 to the civil service
24 commission, for state-sponsored group insurance, flexible spending
25 accounts, and COBRA, represents amounts, in part, included within
26 the various appropriations throughout state government for the
27 current fiscal year to fund the flexible spending account program

1 included within the civil service commission. Deposits against
2 state-sponsored group insurance, flexible spending accounts, and
3 COBRA for the flexible spending account program shall be made from
4 assessments levied during the current fiscal year in a manner
5 prescribed by the civil service commission. Unspent employee
6 contributions to the flexible spending accounts may be used to
7 offset administrative costs for the flexible spending account
8 program, with any remaining balance of unspent employee
9 contributions to be lapsed to the general fund.

10 **CAPITAL OUTLAY**

11 Sec. 860. As used in sections 861 through 867 of this part:

12 (a) "Board" means the state administrative board.

13 (b) "Community college" means a community college organized
14 under the community college act of 1966, 1966 PA 331, MCL 389.1 to
15 389.195, or under part 25 of the revised school code, 1976 PA 451,
16 MCL 380.1601 to 380.1607, and does not include a state agency or
17 university.

18 (c) "Department" means the department of technology,
19 management, and budget.

20 (d) "Director" means the director of the department of
21 technology, management, and budget.

22 (e) "Fiscal agencies" means the senate fiscal agency and the
23 house fiscal agency.

24 (f) "State agency" means an agency of state government. State
25 agency does not include a community college or university.

26 (g) "State building authority" means the authority created

1 under 1964 PA 183, MCL 830.411 to 830.425.

2 (h) "University" means a 4-year university supported by the
3 state. University does not include a community college or a state
4 agency.

5 Sec. 861. Each capital outlay project authorized in this part
6 and part 1 or any previous capital outlay act shall comply with the
7 procedures required by the management and budget act, 1984 PA 431,
8 MCL 18.1101 to 18.1594.

9 Sec. 862. (1) The department shall provide the JCOS, state
10 budget director, and the senate and house fiscal agencies with
11 reports as considered necessary relative to the status of each
12 planning or construction project financed by the state building
13 authority, by this part and part 1, or by previous acts.

14 (2) Before the end of each fiscal year, the department shall
15 report to the JCOS, state budget director, and the senate and house
16 fiscal agencies for each capital outlay project other than lump
17 sums all of the following:

18 (a) The account number and name of each construction project.

19 (b) The balance remaining in each account.

20 (c) The date of the last expenditure from the account.

21 (d) The anticipated date of occupancy if the project is under
22 construction.

23 (e) The appropriations history for the project.

24 (f) The professional service contractor.

25 (g) The amount of the project financed with federal funds.

26 (h) The amount of the project financed through the state
27 building authority.

1 (i) The total authorized cost for the project and the state
2 authorized share if different than the total.

3 (3) Before the end of each fiscal year, the department shall
4 report the following for each project by a state agency,
5 university, or community college that is authorized for planning
6 but is not yet authorized for construction:

7 (a) The name of the project and account number.

8 (b) Whether a program statement is approved.

9 (c) Whether schematics are approved by the department.

10 (d) Whether preliminary plans are approved by the department.

11 (e) The name of the professional service contractor.

12 (4) As used in this section, "project" includes appropriation
13 line items made for purchase of real estate.

14 Sec. 864. The appropriations in part 1 for capital outlay
15 shall be carried forward at the end of the fiscal year consistent
16 with the provisions of section 248 of the management and budget
17 act, 1984 PA 431, MCL 18.1248.

18 Sec. 865. (1) A site preparation economic development fund is
19 created in the department. As used in this section, "economic
20 development sites" means those state-owned sites declared as
21 surplus property pursuant to section 251 of the management and
22 budget act, 1984 PA 431, MCL 18.1251, that would provide economic
23 benefit to the area or to the state. The MEDC board and the state
24 budget director shall determine whether or not a specific state-
25 owned site qualifies for inclusion in the fund created under this
26 subsection.

27 (2) Proceeds from the sale of any sites designated in

1 subsection (1) shall be deposited into the fund created in
2 subsection (1) and shall be available for site preparation
3 expenditures, unless otherwise provided by law. The economic
4 development sites authorized in subsection (1) are authorized for
5 sale consistent with state law. Expenditures from the fund are
6 authorized for site preparation activities that enhance the
7 marketable sale value of the sites. Site preparation activities
8 include, but are not limited to, demolition, environmental studies
9 and abatement, utility enhancement, and site excavation.

10 (3) A cash advance in an amount of not more than
11 \$25,000,000.00 is authorized from the general fund to the site
12 preparation economic development fund.

13 (4) An annual report shall be transmitted to the senate and
14 house of representatives standing committees on appropriations not
15 later than December 31 of each year. This report shall detail both
16 of the following:

17 (a) The revenue and expenditure activity in the fund for the
18 preceding fiscal year.

19 (b) The sites identified as economic development sites under
20 subsection (1).

21 Sec. 867. Proceeds from the sale of the Farnum Building shall
22 be subsequently appropriated to the department in accordance with
23 any legislation enacted that authorizes the sale of that property.
24 If the net proceeds from the sale of the Farnum Building are less
25 than the \$7,000,000.00 authorized for senate relocation costs in
26 section 896 of article VIII of 2014 PA 252, an amount equal to the
27 difference between the net sale proceeds and \$7,000,000.00 shall be

1 appropriated by the legislature to the department.

2 **CAPITAL OUTLAY - UNIVERSITIES AND COMMUNITY COLLEGES**

3 Sec. 873. (1) This section applies only to projects for
4 community colleges.

5 (2) State support is directed towards the remodeling and
6 additions, special maintenance, or construction of certain
7 community college buildings. The community college shall obtain or
8 provide for site acquisition and initial main utility installation
9 to operate the facility. Funding shall be composed of local and
10 state shares and not more than 50% of a capital outlay project, not
11 including a lump-sum special maintenance project or remodeling and
12 addition project, for a community college shall be appropriated
13 from state and federal funds, unless otherwise appropriated by the
14 legislature.

15 (3) An expenditure under this part and part 1 is authorized
16 when the release of the appropriation is approved by the board upon
17 the recommendation of the director. The director may recommend to
18 the board the release of any appropriation in part 1 only after the
19 director is assured that the legal entity operating the community
20 college to which the appropriation is made has complied with this
21 part and part 1 and has matched the amounts appropriated as
22 required by this part and part 1. A release of funds in part 1
23 shall not exceed 50% of the total cost of planning and construction
24 of any project, not including lump-sum remodeling and additions and
25 special maintenance, unless otherwise appropriated by the
26 legislature. Further planning and construction of a project

1 authorized by this part and part 1 or applicable sections of the
2 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594,
3 shall be in accordance with the purpose and scope as defined and
4 delineated in the approved program statements and planning
5 documents. This part and part 1 are applicable to all projects for
6 which planning appropriations were made in previous acts.

7 (4) The community college shall take the steps necessary to
8 secure available federal construction and equipment money for
9 projects funded for construction in this part and part 1 if an
10 application was not previously made. If there is a reasonable
11 expectation that a prior year unfunded application may receive
12 federal money in a subsequent year, the college shall take whatever
13 action necessary to keep the application active.

14 Sec. 874. If university and community college matching
15 revenues are received in an amount less than the appropriations for
16 capital projects contained in this part and part 1, the state funds
17 shall be reduced in proportion to the amount of matching revenue
18 received.

19 Sec. 875. (1) The director may require that community colleges
20 and universities that have an authorized project listed in part 1
21 submit documentation regarding the project match and governing
22 board approval of the authorized project not more than 60 days
23 after the beginning of the fiscal year.

24 (2) If the documentation required by the director under
25 subsection (1) is not submitted, or does not adequately
26 authenticate the availability of the project match or board
27 approval of the authorized project, the authorization may

1 terminate. The authorization terminates 30 days after the director
2 notifies the JCOS of the intent to terminate the project unless the
3 JCOS convenes to extend the authorization.

4 **ONE-TIME APPROPRIATIONS**

5 Sec. 880. (1) The drinking water declaration of emergency
6 reserve fund is created within the department of treasury.

7 (2) Any unexpended funds in the drinking water declaration of
8 emergency reserve fund created in section 880 of article VIII of
9 2017 PA 107 shall be carried forward and available for expenditure
10 under this section pursuant to section 880(5) of article VIII of
11 2017 PA 107.

12 (3) Funds may only be spent from the drinking water
13 declaration of emergency reserve fund upon appropriation, or
14 legislative transfer pursuant to section 393 of the management and
15 budget act, 1984 PA 431, MCL 18.1393.

16 (4) Interest and earnings from the investment of funds
17 deposited in the drinking water declaration of emergency reserve
18 fund shall be deposited in the general fund.

19 (5) Funds in the drinking water declaration of emergency
20 reserve fund at the close of a fiscal year shall remain in the
21 drinking water declaration of emergency reserve fund and shall not
22 lapse to the general fund.

23 **DEPARTMENT OF TREASURY**

24 **OPERATIONS**

25 Sec. 901. (1) In addition to the funds appropriated in part 1,

1 there is appropriated an amount not to exceed \$1,000,000.00 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 \$200,000.00 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 \$40,000.00 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. 902. (1) Amounts needed to pay for interest, fees,
25 principal, mandatory and optional redemptions, arbitrage rebates as
26 required by federal law, and costs associated with the payment,
27 registration, trustee services, credit enhancements, and issuing

1 costs in excess of the amount appropriated to the department of
2 treasury in part 1 for debt service on notes and bonds that are
3 issued by the state under sections 14, 15, and 16 of article IX of
4 the state constitution of 1963 as implemented by 1967 PA 266, MCL
5 17.451 to 17.455, are appropriated.

6 (2) In addition to the amount appropriated to the department
7 of treasury for debt service in part 1, there is appropriated an
8 amount for fiscal year cash-flow borrowing costs to pay for
9 interest on interfund borrowing made under 1967 PA 55, MCL 12.51 to
10 12.53.

11 (3) In addition to the amount appropriated to the department
12 of treasury for debt service in part 1, there is appropriated all
13 repayments received by the state on loans made from the school bond
14 loan fund not required to be deposited in the school loan revolving
15 fund by or pursuant to section 4 of 1961 PA 112, MCL 388.984, to
16 the extent determined by the state treasurer, for the payment of
17 debt service, including, without limitation, optional and mandatory
18 redemptions, on bonds, notes or commercial paper issued by the
19 state pursuant to 1961 PA 112, MCL 388.981 to 388.985.

20 Sec. 902a. The department of treasury shall notify the senate
21 and house of representatives standing committees on appropriations,
22 the chairpersons of the relevant appropriations subcommittees, the
23 senate and house fiscal agencies, and the state budget office not
24 more than 30 days after a refunding or restructuring bond issue is
25 sold. The notification shall compare the annual debt service prior
26 to the refinancing or restructuring, the annual debt service after
27 the refinancing or restructuring, the change in the principal and

1 interest over the duration of the debt, and the projected change in
2 the present value of the debt service due to the refinancing and
3 restructuring.

4 Sec. 902b. As a condition of receiving funds appropriated in
5 part 1, the department of treasury shall report by February 1 to
6 the chairpersons of the senate and house of representatives
7 appropriations subcommittees on general government, the house and
8 senate fiscal agencies, and the state budget office on all funds
9 that are controlled or administered by the department and not
10 appropriated in part 1. This notification can be completed
11 electronically and the department of treasury must notify the
12 recipients when the report is publicly available. Both the current
13 and any previous reports required under this section shall be saved
14 and publicly available on the department of treasury public
15 internet website and stored in a common location with all other
16 statutory and boilerplate required reports. The link to the
17 location of the reports shall be clearly indicated on the main page
18 of the department of treasury internet website. The report shall
19 include all of the following information:

20 (a) The starting balance for each fund from the previous
21 fiscal year.

22 (b) Total revenue generated by both transfers in and
23 investments for each fund in the previous fiscal year.

24 (c) Total expenditures for each fund in the previous fiscal
25 year.

26 (d) The ending balance for each fund for the previous fiscal
27 year.

1 Sec. 903. (1) From the funds appropriated in part 1, the
2 department of treasury may contract with private collection
3 agencies and law firms to collect taxes and other accounts due this
4 state. In addition to the amounts appropriated in part 1 to the
5 department of treasury, there are appropriated amounts necessary to
6 fund collection costs and fees not to exceed 25% of the collections
7 or 2.5% plus operating costs, whichever amount is prescribed by
8 each contract. The appropriation to fund collection costs and fees
9 for the collection of taxes or other accounts due this state are
10 from the fund or account to which the revenues being collected are
11 recorded or dedicated. However, if the taxes collected are
12 constitutionally dedicated for a specific purpose, the
13 appropriation of collection costs and fees are from the general
14 purpose account of the general fund.

15 (2) From the funds appropriated in part 1, the department of
16 treasury may contract with private collections agencies and law
17 firms to collect defaulted student loans and other accounts due the
18 Michigan guaranty agency. In addition to the amounts appropriated
19 in part 1 to the department of treasury, there are appropriated
20 amounts necessary to fund collection costs and fees not to exceed
21 24.34% of the collection or a lesser amount as prescribed by the
22 contract. The appropriation to fund collection costs and fees for
23 the auditing and collection of defaulted student loans due the
24 Michigan guaranty agency is from the fund or account to which the
25 revenues being collected are recorded or dedicated.

26 (3) The department of treasury shall submit a report for the
27 immediately preceding fiscal year ending September 30 to the state

1 budget director, the senate and house of representatives standing
2 committees on appropriations, and the chairpersons of the relevant
3 appropriations subcommittees, not later than November 30 stating
4 the agencies or law firms employed, the amount of collections for
5 each, the costs of collection, and other pertinent information
6 relating to determining whether this authority should be continued.

7 (4) As a condition of receiving funds appropriated in part 1
8 for collection services, the department of treasury shall issue an
9 RFP for secondary placement collection services when RFPs are
10 issued for primary collection services. The RFP shall allow for a
11 multiple collection contract approach. It shall also allow a bidder
12 to bid on the entire contract, or for individual components of the
13 contract. The department of treasury shall issue a request for
14 competitive proposals from service providers interested in
15 providing collection services, including secondary placement
16 collections services. The competitive proposal for secondary
17 placement services shall meet all of the following requirements
18 when an RFP for primary collections services is issued:

19 (a) Be issued no later than November 30 with responses due by
20 January 30.

21 (b) The department of treasury shall make a determination
22 regarding the RFP by May 30.

23 (c) Establish criteria for when delinquent accounts will be
24 referred to the secondary placement service.

25 (d) Provide information to the department of treasury
26 necessary to evaluate the performance of the program.

27 (e) Demonstrate that the vendor has the ability to interface

1 its technology systems with the existing technology framework of
2 the department of treasury.

3 Sec. 904. (1) The department of treasury, through its bureau
4 of investments, may charge an investment service fee against the
5 applicable retirement funds. The fees may be expended for necessary
6 salaries, wages, contractual services, supplies, materials,
7 equipment, travel, worker's compensation insurance premiums, and
8 grants to the civil service commission and state employees'
9 retirement funds. Service fees shall not exceed the aggregate
10 amount appropriated in part 1. The department of treasury shall
11 maintain accounting records in sufficient detail to enable the
12 retirement funds to be reimbursed periodically for fee revenue that
13 is determined by the department of treasury to be surplus.

14 (2) In addition to the funds appropriated in part 1 from the
15 retirement funds to the department of treasury, there is
16 appropriated from retirement funds an amount sufficient to pay for
17 the services of money managers, investment advisors, investment
18 consultants, custodians, and other outside professionals, the state
19 treasurer considers necessary to prudently manage the retirement
20 funds' investment portfolios. The state treasurer shall report
21 annually to the senate and house of representatives standing
22 committees on appropriations, the chairpersons of the relevant
23 appropriations subcommittees, and the state budget office
24 concerning the performance of each portfolio by investment advisor.

25 Sec. 904a. (1) There is appropriated an amount sufficient to
26 recognize and pay expenditures for financial services provided by
27 financial institutions or equivalent vendors that perform these

1 services including treasury as provided under section 1 of 1861 PA
2 111, MCL 21.181.

3 (2) The appropriations under subsection (1) shall be funded by
4 restricting revenues from common cash interest earnings and
5 investment earnings in an amount sufficient to record these
6 expenditures. If the amounts of common cash interest earnings are
7 insufficient to cover these costs, then miscellaneous revenues
8 shall be used to fund the remaining balance of these expenditures.

9 Sec. 905. A revolving fund known as the municipal finance fee
10 fund is created in the department of treasury. Fees are established
11 under the revised municipal finance act, 2001 PA 34, MCL 141.2101
12 to 141.2821, and the fees collected shall be credited to the
13 municipal finance fee fund and may be carried forward for future
14 appropriation.

15 Sec. 906. (1) The department of treasury shall charge for
16 audits as permitted by state or federal law or under contractual
17 arrangements with local units of government, other principal
18 executive departments, or state agencies. However, the charge shall
19 not be more than the actual cost for performing the audit. A report
20 detailing audits performed and audit charges for the immediately
21 preceding fiscal year shall be submitted to the state budget
22 director, the chairpersons of the relevant appropriations
23 subcommittees, and the senate and house fiscal agencies not later
24 than November 30.

25 (2) A revolving fund known as the audit charges fund is
26 created in the department of treasury. The contractual charges
27 collected shall be credited to the audit charges fund and may be

1 carried forward for future appropriation.

2 Sec. 907. A revolving fund known as the assessor certification
3 and training fund is created in the department of treasury. The
4 assessor certification and training fund shall be used to organize
5 and operate a property assessor certification and training program.
6 Each participant certified and trained shall pay to the department
7 of treasury examination fees not to exceed \$50.00 per examination
8 and certification fees not to exceed \$175.00. Training courses
9 shall be offered in assessment administration. Each participant
10 shall pay a fee to cover the expenses incurred in offering the
11 optional programs to certified assessing personnel and other
12 individuals interested in an assessment career opportunity. The
13 fees collected shall be credited to the assessor certification and
14 training fund.

15 Sec. 908. The amount appropriated in part 1 to the department
16 of treasury, home heating assistance program, is to cover the
17 costs, including data processing, of administering federal home
18 heating credits to eligible claimants and to administer the
19 supplemental fuel cost payment program for eligible tax credit and
20 welfare recipients.

21 Sec. 909. Revenue from the airport parking tax act, 1987 PA
22 248, MCL 207.371 to 207.383, is appropriated and shall be
23 distributed under section 7a of the airport parking tax act, 1987
24 PA 248, MCL 207.377a.

25 Sec. 910. The disbursement by the department of treasury from
26 the bottle deposit fund to dealers as required by section 3c(2) of
27 1976 IL 1, MCL 445.573c, is appropriated.

1 Sec. 911. There is appropriated an amount sufficient to
2 recognize and pay refundable income tax credits as provided by law.

3 Sec. 912. A plaintiff in a garnishment action involving this
4 state shall pay to the state treasurer 1 of the following:

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

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

13 Sec. 913. (1) The department of treasury may contract with
14 private firms to appraise and, if necessary, appeal the assessments
15 of senior citizen cooperative housing units. Payment for this
16 service shall be from savings resulting from the appraisal or
17 appeal process.

18 (2) Of the funds appropriated in part 1 to the department of
19 treasury for the senior citizens' cooperative housing tax exemption
20 program, a portion may be utilized for a program audit of the
21 program. The department of treasury shall forward copies of any
22 audit report completed to the senate and house of representatives
23 standing committees on appropriations subcommittees on general
24 government and to the state budget office. The department of
25 treasury may utilize up to 1% of the funds for program
26 administration and auditing.

27 Sec. 914. The department of treasury may provide a \$200.00

1 annual prize from the Ehlers internship award account in the gifts,
2 bequests, and deposit fund to the runner-up of the Rosenthal prize
3 for interns. The Ehlers internship award account is interest
4 bearing.

5 Sec. 915. Pursuant to section 61 of the Michigan campaign
6 finance act, 1976 PA 388, MCL 169.261, there is appropriated from
7 the general fund to the state campaign fund an amount equal to the
8 amounts designated for tax year 2016. Except as otherwise provided
9 in this section, the amount appropriated shall not revert to the
10 general fund and shall remain in the state campaign fund. Any
11 amounts remaining in the state campaign fund in excess of
12 \$10,000,000.00 on December 31 shall revert to the general fund.

13 Sec. 916. The department of treasury may make available to
14 interested entities otherwise unavailable customized unclaimed
15 property listings of nonconfidential information in its possession.
16 The charge for this information is as follows: 1 to 100,000 records
17 at 2.5 cents per record and 100,001 or more records at .5 cents per
18 record. The revenue received from this service shall be deposited
19 to the appropriate revenue account or fund. The department of
20 treasury shall submit an annual report on or before June 1 to the
21 state budget director and the senate and house of representatives
22 standing committees on appropriations that states the amount of
23 revenue received from the sale of information.

24 Sec. 917. (1) There is appropriated for write-offs and
25 advances an amount equal to total write-offs and advances for
26 departmental programs, but not to exceed current year
27 authorizations that would otherwise lapse to the general fund.

1 (2) The department of treasury shall submit a report for the
2 immediately preceding fiscal year to the state budget director, the
3 chairpersons of the relevant appropriations subcommittees, and the
4 senate and house fiscal agencies not later than November 30 stating
5 the amounts appropriated for write-offs and advances under
6 subsection (1).

7 Sec. 919. (1) From funds appropriated in part 1, the
8 department of treasury may contract with private auditing firms to
9 audit for and collect unclaimed property due this state in
10 accordance with the uniform unclaimed property act, 1995 PA 29, MCL
11 567.221 to 567.265. In addition to the amounts appropriated in part
12 1 to the department of treasury, there are appropriated amounts
13 necessary to fund auditing and collection costs and fees not to
14 exceed 12% of the collections, or a lesser amount as prescribed by
15 the contract. The appropriation to fund collection costs and fees
16 for the auditing and collection of unclaimed property due this
17 state is from the fund or account to which the revenues being
18 collected are recorded or dedicated.

19 (2) The department of treasury shall submit a report for the
20 immediately preceding fiscal year ending September 30 to the state
21 budget director, the senate and house of representatives standing
22 committees on appropriations, and the chairpersons of the relevant
23 appropriations subcommittees not later than November 30 stating the
24 auditing firms employed, the amount of collections for each, the
25 costs of collection, and other pertinent information relating to
26 determining whether this authority should be continued.

27 Sec. 920. (1) The department of treasury shall produce a

1 listing of all personal property tax reimbursement payments to be
2 distributed by the local community stabilization authority related
3 to property taxes levied in the current calendar year and shall
4 post the list of payments on the department website by September
5 30.

6 (2) The department of treasury shall prepare a written notice
7 that describes the potential for adjustments in personal property
8 tax reimbursement payments that will affect the subsequent payment.
9 The department of treasury shall provide the notice to the local
10 community stabilization authority by March 31.

11 (3) The local community stabilization authority shall
12 distribute the notice prepared under subsection (2) to all
13 municipalities by April 30. The notice may be distributed
14 electronically.

15 Sec. 924. (1) In addition to the funds appropriated in part 1,
16 the department of treasury may receive and expend principal
17 residence audit fund revenue for administration of principal
18 residence audits under the general property tax act, 1893 PA 206,
19 MCL 211.1 to 211.155.

20 (2) The department of treasury shall submit a report for the
21 immediately preceding fiscal year to the state budget director, the
22 chairpersons of the relevant appropriations subcommittees, and the
23 senate and house fiscal agencies not later than December 31 stating
24 the amount of exemptions denied and the revenue received under the
25 program.

26 Sec. 926. Unexpended appropriations of the John R. Justice
27 grant program are designated as work project appropriations and

1 shall not lapse at the end of the fiscal year and shall continue to
2 be available for expenditure until the project has been completed.
3 The following is in compliance with section 451a of the management
4 and budget act, 1984 PA 431, MCL 18.1451a:

5 (a) The purpose of the project is to provide student loan
6 forgiveness to qualified public defenders and prosecutors.

7 (b) The project will be accomplished by utilizing state
8 employees or contracts with private vendors, or both.

9 (c) The total estimated cost of the project is \$287,700.00.

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

11 Sec. 927. The department of treasury shall submit annual
12 progress reports to the senate and house of representatives
13 standing committees on appropriations subcommittees on general
14 government and the senate and house fiscal agencies, regarding
15 personal property tax audits and essential service assessment
16 audits. The report shall include the number of audits, revenue
17 generated, and number of complaints received by the department of
18 treasury related to the audits.

19 Sec. 928. The department of treasury may provide receipt,
20 check and cash processing, data, collection, investment, fiscal
21 agent, levy and check cost assessment, writ of garnishment, and
22 other user services on a contractual basis for other principal
23 executive departments and state agencies. Funds for the services
24 provided are appropriated and shall be expended for salaries and
25 wages, fees, supplies, and equipment necessary to provide the
26 services. Any unobligated balance of the funds received shall
27 revert to the general fund of this state as of September 30.

1 Sec. 930. (1) The department of treasury shall provide
2 accounts receivable collections services to other principal
3 executive departments and state agencies under 1927 PA 375, MCL
4 14.131 to 14.134. The department of treasury shall deduct a fee
5 equal to the cost of collections from all receipts except
6 unrestricted general fund collections. Fees shall be credited to a
7 restricted revenue account and appropriated to the department of
8 treasury to pay for the cost of collections. The department of
9 treasury shall maintain accounting records in sufficient detail to
10 enable the respective accounts to be reimbursed periodically for
11 fees deducted that are determined by the department of treasury to
12 be surplus to the actual cost of collections.

13 (2) The department of treasury shall submit a report for the
14 immediately preceding fiscal year to the state budget director, the
15 chairpersons of the relevant appropriations subcommittees, and the
16 senate and house fiscal agencies not later than November 30 stating
17 the principal executive departments and state agencies served,
18 funds collected, and costs of collection under subsection (1).

19 Sec. 931. (1) The appropriation in part 1 to the department of
20 treasury for treasury fees shall be assessed against all restricted
21 funds that receive common cash earnings or other investment income.
22 Treasury fees include all costs, including administrative overhead,
23 relating to the investment of each restricted fund. The fee
24 assessed against each restricted fund will be based on the size of
25 the restricted fund (the absolute value of the average daily cash
26 balance plus the market value of investments in the prior fiscal
27 year) and the level of effort necessary to maintain the restricted

1 fund as required by each department. The department of treasury
2 shall provide a report to the state budget office, the senate and
3 house of representatives standing committees on appropriations
4 subcommittees on general government, and the senate and house
5 fiscal agencies by November 30 of each year identifying the fees
6 assessed against each restricted fund and the methodology used for
7 assessment.

8 (2) In addition to the funds appropriated in part 1, the
9 department of treasury may receive and expend investment fees
10 relating to new restricted funding sources that participate in
11 common cash earnings or other investment income during the current
12 fiscal year. When a new restricted fund is created starting on or
13 after October 1, that restricted fund shall be assessed a fee using
14 the same criteria identified in subsection (1).

15 Sec. 932. Revenue received under the Michigan education trust
16 act, 1986 PA 316, MCL 390.1421 to 390.1442, may be expended by the
17 board of directors of the Michigan education trust for necessary
18 salaries, wages, supplies, contractual services, equipment,
19 worker's compensation insurance premiums, and grants to the civil
20 service commission and state employees' retirement fund.

21 Sec. 934. (1) The department of treasury may expend revenues
22 received under the hospital finance authority act, 1969 PA 38, MCL
23 331.31 to 331.84, the shared credit rating act, 1985 PA 227, MCL
24 141.1051 to 141.1076, the higher education facilities authority
25 act, 1969 PA 295, MCL 390.921 to 390.934, the Michigan public
26 educational facilities authority, Executive Reorganization Order
27 No. 2002-3, MCL 12.192, the Michigan tobacco settlement finance

1 authority act, 2005 PA 226, MCL 129.261 to 129.279, the land bank
2 fast track act, 2003 PA 258, MCL 124.751 to 124.774, part 505 of
3 the natural resources and environmental protection act, 1994 PA
4 451, MCL 324.50501 to 324.50522, the state housing development
5 authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c, and
6 the Michigan finance authority, Executive Reorganization Order No.
7 2010-2, MCL 12.194, for necessary salaries, wages, supplies,
8 contractual services, equipment, worker's compensation insurance
9 premiums, grants to the civil service commission and state
10 employees' retirement fund, and other expenses as allowed under
11 those acts.

12 (2) The department of treasury shall report by January 31 to
13 the senate and house appropriations subcommittees on general
14 government, the senate and house fiscal agencies, and the state
15 budget director on the amount and purpose of expenditures made
16 under subsection (1) from funds received in addition to those
17 appropriated in part 1. The report shall also include a listing of
18 reimbursement of revenue, if any. The report shall cover the
19 previous fiscal year.

20 Sec. 935. The funds appropriated in part 1 for dual enrollment
21 payments for an eligible student enrolled in a state-approved
22 nonpublic school shall be distributed as provided under the
23 postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to
24 388.524, and the career and technical preparation act, 2000 PA 258,
25 MCL 388.1901 to 388.1913, in a form and manner as determined by the
26 department of treasury.

27 Sec. 936. (1) From the funds appropriated in part 1 for

1 financial data analytic tool reimbursement, there is allocated an
2 amount not to exceed \$500,000.00 for reimbursements to cities,
3 villages, townships, counties, and regional councils of government
4 for the licensing of data analytic tools as described under this
5 section. Reimbursements are for cities, villages, townships,
6 counties, and regional councils of governments that choose to use a
7 data analytic tool with 1 of the 2 vendors approved by the MDTMB in
8 2017-2018. Funds allocated under this section are intended to
9 provide cities, villages, townships, counties, and regional
10 councils of government with financial forecasting and transparency
11 reporting tools to improve the financial health of cities,
12 villages, townships, counties, and regional councils of government
13 and to improve communication with the public.

14 (2) The approved data analytic tool vendors from 2017-2018
15 must continue to do all of the following:

- 16 (a) Analyze financial data.
17 (b) Analyze pension and other postemployment benefit trends.
18 (c) Provide early warning indicators of financial stress.
19 (d) Provide peer community comparisons of financial data.
20 (e) Provide financial projections for at least 3 subsequent
21 fiscal years.

22 (3) Funds from any financial data analytic tool reimbursement
23 work projects shall be used prior to using funds appropriated in
24 the current year. Funds allocated under this section shall be paid
25 to cities, villages, townships, counties, and regional councils of
26 government that execute an agreement on behalf of their geographic
27 local units as a reimbursement for already having a licensing

1 agreement or for entering into a licensing agreement not later than
2 December 1, 2018 with a vendor approved under subsection (2) from
3 the 2017-2018 appropriation, to implement a data analytic
4 agreement. Reimbursement under this section shall be made as
5 follows:

6 (a) All cities, villages, townships, counties, and regional
7 councils of government seeking reimbursement shall submit requests
8 not later than December 1, 2018 indicating the cost paid for the
9 financial data analytic tool by virtue of providing an invoice,
10 purchase order, or proof of payment.

11 (b) The department of treasury shall determine the sum of the
12 funding requested by all cities, villages, townships, counties, and
13 regional councils of government under subdivision (a) and, if there
14 are sufficient funds, shall reimburse 1/2 of the costs submitted by
15 each city, village, township, county, and regional council of
16 government under subdivision (a). If there are insufficient funds
17 to pay 1/2 of the costs submitted under subdivision (a), the
18 reimbursement shall be made on an equal percentage basis using 2016
19 census population estimates from the United States Census Bureau.

20 (c) The reimbursement to a city, village, township, county, or
21 regional council of government shall not be greater than the amount
22 paid for a data analytic application.

23 (d) A city, village, township, county, or regional council of
24 government shall not be reimbursed for the purchase of more than 1
25 software application.

26 (e) Any unexpended funds are designated as a work project
27 appropriation, and any unencumbered or unallotted funds shall not

1 lapse at the end of the fiscal year and shall be available for
2 expenditures for projects under this section until the projects
3 have been completed. The following is in compliance with section
4 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

5 (i) The purpose of the project is for financial data analytic
6 tool reimbursement.

7 (ii) The project will be accomplished by utilizing state
8 employees, contracts with a vendor, or contracts with local units,
9 or any combination of these.

10 (iii) The total estimated cost of the project is \$500,000.00.

11 (iv) The tentative completion date is September 30, 2023.

12 (4) Payments under this section shall be made on a schedule
13 determined by the department.

14 (5) Within 30 days after the department of treasury has made
15 all payments under subsection (3), the department of treasury shall
16 report the following to the senate and house of representatives
17 standing committees on appropriations subcommittees on general
18 government, the state budget office, and the fiscal agencies:

19 (a) The total amount of payments made.

20 (b) If the payments were prorated, the amount of proration.

21 (c) A list of each payment made to cities, villages,
22 townships, counties, and regional councils of government.

23 Sec. 937. As a condition of receiving funds appropriated in
24 part 1, the department of treasury shall submit a report to the
25 state budget director, the senate and house standing committees on
26 appropriations, the chairpersons of the relevant appropriations
27 subcommittees, and the senate and house fiscal agencies not later

1 than March 31 regarding the performance of the Michigan accounts
2 receivable collections system. The report shall include, but is not
3 limited to:

4 (a) Information regarding the effectiveness of the
5 department's current collection strategies, including use of
6 vendors or contractors.

7 (b) The amount of delinquent accounts and collection referrals
8 to vendors and contractors.

9 (c) The liquidation rates for declining delinquent accounts.

10 (d) The profile of uncollected delinquent accounts, including
11 specific uncollected amounts by category.

12 (e) The department of treasury's strategy to manage delinquent
13 accounts once those accounts exceed the vendor's or contractor's
14 contracted collectible period.

15 (f) A summary of the strategies used in other states,
16 including, but not limited to, secondary placement services, and
17 assessing the benefits of those strategies.

18 Sec. 940. The department of treasury shall study the
19 feasibility of requiring homeowners to file principal residence
20 exemption documents directly with the department of treasury. The
21 feasibility study shall include information regarding additional
22 staffing and administrative resources necessary and a comparison to
23 the cost of existing third-party validation services to implement
24 the change. The department of treasury shall provide a report of
25 its findings to the chairpersons of the senate and house of
26 representatives standing committees on appropriations, the
27 chairpersons of the senate and house of representatives standing

1 committees on appropriations subcommittees on general government,
2 the senate and house fiscal agencies, and the state budget director
3 by January 1.

4 Sec. 941. (1) The department of treasury, in conjunction with
5 the Michigan strategic fund, shall report to the senate and house
6 of representatives standing committees on appropriations, the
7 senate and house of representatives appropriations subcommittees on
8 general government, the senate and house fiscal agencies, and the
9 state budget office by November 1 on the annual cost of the
10 Michigan economic growth authority tax credits. The report shall
11 include for each year the board-approved credit amount, adjusted
12 for credit amendments where applicable, and the actual and
13 projected value of tax credits for each year from 1995 to the
14 expiration of the credit program. For years for which credit claims
15 are complete, the report shall include the total of actual
16 certificated credit amounts. For years for which claims are still
17 pending or not yet submitted, the report shall include a
18 combination of actual credits where available and projected
19 credits. Credit projections shall be based on updated estimates of
20 employees, wages, and benefits for eligible companies.

21 (2) In addition to the report under subsection (1), the
22 department of treasury, in conjunction with the Michigan strategic
23 fund, shall report to the senate and house of representatives
24 standing committees on appropriations, the senate and house of
25 representatives appropriations subcommittees on general government,
26 the senate and house fiscal agencies, and the state budget office
27 by November 1 on the annual cost of all other certificated credits

1 by program, for each year until the credits expire or can no longer
2 be collected. The report shall include estimates on the brownfield
3 redevelopment credit, film credits, MEGA photovoltaic technology
4 credit, MEGA polycrystalline silicon manufacturing credit, MEGA
5 vehicle battery credit, and other certificated credits.

6 Sec. 942. As a condition of receiving funds appropriated in
7 part 1 for supervision of the general property tax law, the
8 department of treasury shall prioritize maintaining existing
9 contracts related to the property services division.

10 Sec. 943. From the funds appropriated in part 1, the
11 department of treasury may establish a closed-loop payment
12 processing and digital patient identification delivery and
13 authentication system under which the department creates accounts
14 to be used only by registered patients and caregivers at licenses
15 dispensaries as well as by all license holders and licensed
16 marihuana businesses, vendors, and other approved participants in
17 the state program.

18 Sec. 944. If the department of treasury hires a pension plan
19 consultant using any of the funds appropriated in part 1, the
20 department shall retain any report provided to the department by
21 that consultant, notify the senate and house of representatives
22 appropriations subcommittees on general government, the senate and
23 house fiscal agencies, and the state budget director, and shall
24 make that report available upon request to the senate and house of
25 representatives standing committees on appropriations subcommittees
26 on general government, the senate and house fiscal agencies, and
27 the state budget director. A rationale for retention of a pension

1 plan consultant shall be included in the notification of retention.

2 Sec. 945. Reviews of local unit assessment administration
3 practices, procedures, and records, also known as the audit of
4 minimal assessing requirements, shall be conducted in each
5 assessment jurisdiction a minimum of once every 5 years.

6 Sec. 946. Revenue collected in the convention facility
7 development fund is appropriated and shall be distributed under
8 sections 8, 9, and 10 of the state convention facility development
9 act, 1985 PA 106, MCL 207.628 and 207.629.

10 Sec. 947. Financial independence teams shall cooperate with
11 the financial responsibility section to coordinate and streamline
12 efforts in identifying and addressing fiscal emergencies in school
13 districts and intermediate school districts.

14 Sec. 948. Total authorized appropriations from all department
15 of treasury sources under part 1 for legacy costs for the fiscal
16 year ending September 30, 2019 are \$44,037,800.00. From this
17 amount, total agency appropriations for pension-related legacy
18 costs are estimated at \$20,302,200.00. Total agency appropriations
19 for retiree health care legacy costs are estimated at
20 \$23,735,600.00.

21 Sec. 949. (1) From the funds appropriated in part 1, the
22 department of treasury may contract with private agencies to
23 prevent the disbursement of fraudulent tax refunds. In addition to
24 the amounts appropriated in part 1 to the department of treasury,
25 there are appropriated amounts necessary to pay contract costs or
26 fund operations designed to reduce fraudulent income tax refund
27 payments not to exceed \$1,200,000.00 of the refunds identified as

1 potentially fraudulent and for which payment of the refund is
2 denied. The appropriation to fund fraud prevention efforts is from
3 the fund or account to which the revenues being collected are
4 recorded or dedicated.

5 (2) 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 the
10 number of refund claims denied due to the fraud prevention
11 operations, the amount of refunds denied, the costs of the fraud
12 prevention operations, and other pertinent information relating to
13 determining whether this authority should be continued.

14 Sec. 949a. From the funds appropriated in part 1 for
15 additional staff in city income tax administration, the department
16 shall expand individual income tax return administration to 1
17 additional city to leverage the department's capabilities to assist
18 cities with their taxation efforts.

19 Sec. 949d. (1) From the funds appropriated in part 1 for
20 financial review commission, the department of treasury shall
21 continue financial review commission efforts in the current fiscal
22 year. The purpose of the funding is to cover ongoing costs
23 associated with the operation of the commission.

24 (2) The department of treasury shall identify specific
25 outcomes and performance measures for this initiative, including,
26 but not limited to, the department of treasury's ability to perform
27 a critical fiscal review to ensure the city of Detroit does not

1 reenter distress following its exit from bankruptcy and to ensure
2 that the community district does not enter distress and maintains a
3 balanced budget.

4 (3) The department of treasury must submit a report to the
5 house and senate appropriations subcommittees on general
6 government, the senate and house fiscal agencies, and the state
7 budget office by March 15. The report must describe the specific
8 outcomes and measures required in subsection (1) and provide the
9 results and data related to these outcomes and measures.

10 Sec. 949e. From the funds appropriated in part 1 for the state
11 essential services assessment program, the department of treasury
12 shall administer the state essential services assessment program.
13 The program will provide the department of treasury the ability to
14 collect the state essential services assessment which is a phased-
15 in replacement of locally collected personal property taxes on
16 eligible manufacturing personal property.

17 Sec. 949f. Revenue from the tobacco products tax act, 1993 PA
18 327, MCL 205.421 to 205.436, related to counties with a 2000
19 population of more than 2,000,000 is appropriated and shall be
20 distributed under section 12(4)(d) of the tobacco products tax act,
21 1993 PA 327, MCL 205.432.

22 Sec. 949g. From the one-time funds appropriated in part 1 for
23 urban search and rescue task force, \$900,000.00 shall be expended
24 to support the urban search and rescue task force. In distributing
25 funds under this section, the department of treasury shall require
26 the task force to provide to the department the following
27 information:

1 (a) A final year-end report providing information on all
2 revenue received by source and expenditures by categories, with the
3 funds distributed to the task force under section 949g of article
4 VIII of 2017 PA 107 discretely presented.

5 (b) Detail on the proposed expenditure of the funds
6 distributed under this section.

7 (c) A final year-end report providing information on all
8 revenue received by source and expenditures by categories, with the
9 funds distributed under this section discretely presented.

10 Sec. 949h. Revenue from part 6 of the medical marihuana
11 facilities licensing act, 2016 PA 281, MCL 333.27601 to 333.27605,
12 is appropriated and distributed pursuant to part 6 of the medical
13 marihuana facilities licensing act, 2016 PA 281, MCL 333.27601 to
14 333.27605.

15 Sec. 949j. All funds in the wrongful imprisonment compensation
16 fund created in the wrongful imprisonment compensation act, 2016 PA
17 343, MCL 691.1751 to 691.1757, are appropriated and available for
18 expenditure. Expenditures are limited to support wrongful
19 imprisonment compensation payments pursuant to section 6 of the
20 wrongful imprisonment compensation act, 2016 PA 343, MCL 691.1756.

21 Sec. 949k. There is appropriated an amount equal to the tax
22 captured revenues due under approved transformational brownfield
23 plans created in the brownfield redevelopment financing act, 1996
24 PA 381, MCL 125.2651 to 125.2670.

25 Sec. 949l. From the funds appropriated in part 1, the
26 department of treasury shall issue an RFP for program data
27 analytics with a requirement that the vendor primarily specialize

1 in data analytics. The scope of the data analytics RFP must
2 include, but is not limited to, work related to the implementation
3 of the protecting local government retirement and benefits act,
4 2017 PA 202, MCL 38.2801 to 38.2812, and the recodified tax
5 increment financing act, 2018 PA 57, MCL 125.4101 to 125.4915. The
6 RFP must be issued by December 15, 2018.

7 **REVENUE SHARING**

8 Sec. 950. The funds appropriated in part 1 for constitutional
9 revenue sharing shall be distributed by the department of treasury
10 to cities, villages, and townships, as required under section 10 of
11 article IX of the state constitution of 1963. Revenue collected in
12 accordance with section 10 of article IX of the state constitution
13 of 1963 in excess of the amount appropriated in part 1 for
14 constitutional revenue sharing is appropriated for distribution to
15 cities, villages, and townships, on a population basis as required
16 under section 10 of article IX of the state constitution of 1963.

17 Sec. 952. (1) The funds appropriated in part 1 for city,
18 village, and township revenue sharing are for grants to cities,
19 villages, and townships such that, subject to fulfilling the
20 requirements under subsection (3), each city, village, or township
21 that received a payment under section 950(2) of 2009 PA 128 greater
22 than \$1,000.00 is eligible to receive a payment equal to 78.51044%
23 of its total payment received under section 950(2) of 2009 PA 128
24 or for each city, village, or township with a population in excess
25 of 7,500, notwithstanding whether it received a payment greater
26 than \$1,000.00 under section 950(2) of 2009 PA 128, a payment equal
27 to the population of the city, village, or township multiplied by

1 \$2.648299, whichever is greater, rounded to the nearest dollar.
2 Payments under this section to cities, villages, or townships that
3 did not receive a payment under section 950(2) of 2009 PA 128
4 greater than \$4,500.00 are one-time payments for which eligibility
5 is based on a presumed level of local services provided. For
6 purposes of this subsection, any city, village, or township that
7 completely merges with another city, village, or township will be
8 treated as a single entity, such that when determining the eligible
9 payment under section 950(2) of 2009 PA 128 for the combined single
10 entity, the amount each of the merging local units was eligible to
11 receive under section 950(2) of 2009 PA 128 is summed. For purposes
12 of this subsection, population is determined in the same manner as
13 under section 3 of the Glenn Steil state revenue sharing act of
14 1971, 1971 PA 140, MCL 141.903. In addition, any city or village
15 that according to the 2010 federal decennial census is determined
16 to have population in more than 1 county shall be treated as a
17 single entity when determining the eligible payment under section
18 950(2) of 2009 PA 128.

19 (2) The funds appropriated in part 1 for the county incentive
20 program are to be used for grants to counties such that each county
21 is eligible to receive an amount equal to 20% of the amount
22 determined pursuant to the Glenn Steil state revenue sharing act of
23 1971, 1971 PA 140, MCL 141.901 to 141.921. The amount calculated
24 under this subsection shall be adjusted as necessary to reflect
25 partial county fiscal years and prorated based on the total amount
26 appropriated for distribution to all eligible counties. Except as
27 otherwise provided under this subsection, payments under this

1 subsection will be distributed to an eligible county subject to the
2 county's fulfilling the requirements under subsection (3).

3 (3) For purposes of accountability and transparency, each
4 eligible city, village, township, or county shall certify by
5 December 1, or the first day of a payment month, that it has
6 produced a citizen's guide of its most recent local finances,
7 including a recognition of its unfunded liabilities; a performance
8 dashboard; a debt service report containing a detailed listing of
9 its debt service requirements, including, at a minimum, the
10 issuance date, issuance amount, type of debt instrument, a listing
11 of all revenues pledged to finance debt service by debt instrument,
12 and a listing of the annual payment amounts until maturity; and a
13 projected budget report, including, at a minimum, the current
14 fiscal year and a projection for the immediately following fiscal
15 year. The projected budget report shall include revenues and
16 expenditures and an explanation of the assumptions used for the
17 projections. Each eligible city, village, township, or county shall
18 include in any mailing of general information to its citizens the
19 internet website address location for its citizen's guide,
20 performance dashboard, debt service report, and projected budget
21 report or the physical location where these documents are available
22 for public viewing in the city, village, township, or county
23 clerk's office. Each city, village, township, and county applying
24 for a payment under this subsection shall submit a copy of the
25 performance dashboard, a copy of the debt service report, and a
26 copy of the projected budget report to the department of treasury.
27 In addition, each eligible city, village, township, or county

1 applying for a payment under this subsection shall either submit a
2 copy of the citizen's guide or certify that the city, village,
3 township, or county will be utilizing treasury's online citizen's
4 guide. The department of treasury shall develop detailed guidance
5 for a city, village, township, or county to follow to meet the
6 requirements of this subsection. The detailed guidance shall be
7 posted on the department of treasury website and distributed to
8 cities, villages, townships, and counties by October 1.

9 (4) City, village, and township revenue sharing payments and
10 county incentive program payments are subject to the following
11 conditions:

12 (a) The city, village, township, or county shall certify to
13 the department that it has met the required criteria for subsection
14 (3) and submitted the required citizen's guide, performance
15 dashboard, debt service report, and projected budget report as
16 required by subsection (3). A department of treasury review of the
17 citizen's guide, dashboard, or reports is not required in order for
18 a city, village, township, or county to receive a payment under
19 subsection (1) or (2). The department shall develop a certification
20 process and method for cities, villages, townships, and counties to
21 follow.

22 (b) Subject to subdivisions (c), (d), and (e), if a city,
23 village, township, or county meets the requirements of subsection
24 (3), the city, village, township, or county shall receive its full
25 potential payment under this section.

26 (c) Cities, villages, and townships eligible to receive a
27 payment under subsection (1) shall receive 1/6 of their eligible

1 payment on the last business day of October, December, February,
2 April, June, and August. Payments under subsection (1) shall be
3 issued to cities, villages, and townships until the specified due
4 date for subsection (3). After the specified due date for
5 subsection (3), payments shall be made to a city, village, or
6 township only if that city, village, or township has complied with
7 subdivision (a).

8 (d) Payments under subsection (2) shall be issued to counties
9 until the specified due date for subsection (3). After the
10 specified due date for subsection (3), payments shall be made to a
11 county only if that county has complied with subdivision (a).

12 (e) If a city, village, township, or county does not submit
13 the required certification, citizen's guide, performance dashboard,
14 debt service report, and projected budget report by the first day
15 of a payment month, the city, village, township, or county shall
16 forfeit the payment in that payment month.

17 (f) Any city, village, township, or county that falsifies
18 certification documents shall forfeit any future city, village, and
19 township revenue sharing payments or county incentive program
20 payments and shall repay to this state all payments it has received
21 under this section.

22 (g) City, village, and township revenue sharing payments and
23 county incentive program payments under this section shall be
24 distributed on the last business day of October, December,
25 February, April, June, and August.

26 (h) Payments distributed under this section may be withheld
27 pursuant to sections 17a and 21 of the Glenn Steil state revenue

1 sharing act of 1971, 1971 PA 140, MCL 141.917a and 141.921.

2 (5) The unexpended funds appropriated in part 1 for city,
3 village, and township revenue sharing and the county incentive
4 program shall be available for expenditure under the program for
5 financially distressed cities, villages, or townships after the
6 approval of transfers by the legislature pursuant to section 393(2)
7 of the management and budget act, 1984 PA 431, MCL 18.1393.

8 Sec. 955. (1) The funds appropriated in part 1 for county
9 revenue sharing shall be distributed by the department of treasury
10 so that each eligible county receives a payment equal to 102% of
11 the amount determined pursuant to the Glenn Steil state revenue
12 sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921, less the
13 amount for which the county is eligible under section 952(2) of
14 this part. The amount calculated under this subsection shall be
15 adjusted as necessary to reflect partial county fiscal years and
16 prorated based on the total amount appropriated for distribution to
17 all eligible counties.

18 (2) The department of treasury shall annually certify to the
19 state budget director the amount each county is authorized to
20 expend from its revenue sharing reserve fund.

21 Sec. 956. (1) The funds appropriated in part 1 for financially
22 distressed cities, villages, or townships shall be granted by the
23 department of treasury to cities, villages, and townships that have
24 1 or more conditions that indicate probable financial distress, as
25 determined by the department of treasury. A city, village, or
26 township with 1 or more conditions that indicate probable financial
27 distress may apply in a manner determined by the department of

1 treasury for a grant to pay for specific projects or services that
2 move the city, village, or township toward financial stability.
3 Grants are to be used for specific projects or services that move
4 the city, village, or township toward financial stability. The
5 city, village, or township must use the grants under this section
6 to make payments to reduce unfunded accrued liability; to repair or
7 replace critical infrastructure and equipment owned or maintained
8 by the city, village, or township; to reduce debt obligations; or
9 for costs associated with a transition to shared services with
10 another jurisdiction; or to administer other projects that move the
11 city, village, or township toward financial stability. The
12 department of treasury shall award no more than \$2,000,000.00 to
13 any city, village, or township under this section.

14 (2) The department of treasury shall provide a report to the
15 senate and house of representatives appropriations subcommittees on
16 general government, the senate and house fiscal agencies, and the
17 state budget office by March 31. The report shall include a list by
18 grant recipient of the date each grant was approved, the amount of
19 the grant, and a description of the project or projects that will
20 be paid by the grant.

21 (3) The unexpended funds appropriated in part 1 for
22 financially distressed cities, villages, or townships are
23 designated as a work project appropriation, and any unencumbered or
24 unallotted funds shall not lapse at the end of the fiscal year and
25 shall be available for expenditure for projects under this section
26 until the projects have been completed. The following is in
27 compliance with section 451a of the management and budget act, 1984

1 PA 431, MCL 18.1451a:

2 (a) The purpose of the project is to provide assistance to
3 financially distressed cities, villages, and townships under this
4 section.

5 (b) The projects will be accomplished by grants to cities,
6 villages, and townships approved by the department of treasury.

7 (c) The total estimated cost of all projects is \$2,500,000.00.

8 (d) The tentative completion date is September 30, 2023.

9 Sec. 957. (1) From the one-time funds appropriated in part 1
10 for supplemental city, village, and township revenue sharing, a
11 city, village, or township eligible for a payment under section 952
12 of this part shall receive a payment equal to the population of the
13 city, village, or township multiplied by \$0.807929, rounded to the
14 nearest dollar. The amount calculated under this subsection shall
15 be prorated based on the total amount appropriated for distribution
16 to all eligible cities, villages, and townships. Payments under
17 this section must be used to pay down debt, pension, or other
18 postemployment benefit obligations, unless the local unit has no
19 such obligations. For purposes of this section, population is
20 determined in the same manner as under section 3 of the Glenn Steil
21 state revenue sharing act of 1971, 1971 PA 140, MCL 141.903. In
22 addition, any city or village that according to the 2010 federal
23 decennial census is determined to have population in more than 1
24 county shall be treated as a single entity when determining the
25 payment received under this section.

26 (2) Cities, villages, and townships eligible to receive a
27 payment under subsection (1) shall receive 1/6 of their eligible

1 payment on the last business day of October, December, February,
2 April, June, and August.

3 Sec. 958. (1) The one-time funds appropriated in part 1 for
4 supplemental county revenue sharing shall be distributed by the
5 department of treasury so that each eligible county receives a
6 payment equal to 0.4627% of the amount determined pursuant to the
7 Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL
8 141.901 to 141.921. Payments under this section must be used to pay
9 down debt, pension, or other postemployment benefit obligations,
10 unless the county has no such obligations. The amount calculated
11 under this subsection shall be adjusted as necessary to reflect
12 partial county fiscal years and prorated based on the total amount
13 appropriated for distribution to all eligible counties.

14 (2) Counties eligible to receive a payment under subsection
15 (1) shall receive 1/6 of their eligible payment on the last
16 business day of October, December, February, April, June, and
17 August.

18 **BUREAU OF STATE LOTTERY**

19 Sec. 960. In addition to the funds appropriated in part 1 to
20 the bureau of state lottery, there is appropriated from state
21 lottery fund revenues the amount necessary for, and directly
22 related to, implementing and operating lottery games under the
23 McCauley-Traxler-Law-Bowman-McNeely lottery act, 1972 PA 239, MCL
24 432.1 to 432.47, and activities under the Traxler-McCauley-Law-
25 Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.120, including
26 expenditures for contractually mandated payments for vendor
27 commissions, contractually mandated payments for instant tickets

1 intended for resale, the contractual costs of providing and
2 maintaining the online system communications network, and incentive
3 and bonus payments to lottery retailers.

4 Sec. 964. For the bureau of state lottery, there is
5 appropriated 1% of the lottery's prior fiscal year's gross sales,
6 for promotion and advertising.

7 **CASINO GAMING**

8 Sec. 971. From the revenue collected by the Michigan gaming
9 control board regarding the total annual assessment of each casino
10 licensee, \$2,000,000.00 is appropriated and shall be deposited in
11 the compulsive gaming prevention fund as described in section
12 12a(5) of the Michigan gaming control and revenue act, 1996 IL 1,
13 MCL 432.212a.

14 Sec. 973. (1) Funds appropriated in part 1 for local
15 government programs may be used to provide assistance to a local
16 revenue sharing board referenced in an agreement authorized by the
17 Indian gaming regulatory act, Public Law 100-497.

18 (2) A local revenue sharing board described in subsection (1)
19 shall comply with the open meetings act, 1976 PA 267, MCL 15.261 to
20 15.275, and the freedom of information act, 1976 PA 442, MCL 15.231
21 to 15.246.

22 (3) A county treasurer is authorized to receive and administer
23 funds received for and on behalf of a local revenue sharing board.
24 Funds appropriated in part 1 for local government programs may be
25 used to audit local revenue sharing board funds held by a county
26 treasurer. This section does not limit the ability of local units
27 of government to enter into agreements with federally recognized

1 Indian tribes to provide financial assistance to local units of
2 government or to jointly provide public services.

3 (4) A local revenue sharing board described in subsection (1)
4 shall comply with all applicable provisions of any agreement
5 authorized by the Indian gaming regulatory act, Public Law 100-497,
6 in which the local revenue sharing board is referenced, including,
7 but not limited to, the disbursement of tribal casino payments
8 received under applicable provisions of the tribal-state class III
9 gaming compact in which those funds are received.

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

15 (6) The Michigan gaming control board shall submit a report by
16 September 30 to the senate and house of representatives standing
17 committees on appropriations and the state budget director on the
18 receipts and distribution of revenues by local revenue sharing
19 boards.

20 Sec. 974. If revenues collected in the state services fee fund
21 are less than the amounts appropriated from the fund, available
22 revenues shall be used to fully fund the appropriation in part 1
23 for casino gaming regulation activities before distributions are
24 made to other state departments and agencies. If the remaining
25 revenue in the fund is insufficient to fully fund appropriations to
26 other state departments or agencies, the shortfall shall be
27 distributed proportionally among those departments and agencies.

1 Sec. 976. The executive director of the Michigan gaming
2 control board may pay rewards of not more than \$5,000.00 to a
3 person who provides information that results in the arrest and
4 conviction on a felony or misdemeanor charge for a crime that
5 involves the horse racing industry. A reward paid pursuant to this
6 section shall be paid out of the appropriation in part 1 for the
7 racing commission.

8 Sec. 977. All appropriations from the Michigan agriculture
9 equine industry development fund, except for the racing commission
10 appropriations, shall be reduced proportionately if revenues to the
11 Michigan agriculture equine industry development fund decline
12 during the current fiscal year to a level lower than the amount
13 appropriated in part 1.

14 Sec. 978. The Michigan gaming control board shall use actual
15 expenditure data in determining the actual regulatory costs of
16 conducting racing dates and shall provide that data to the senate
17 and house appropriations subcommittees on agriculture and general
18 government, the state budget office, and the senate and house
19 fiscal agencies. The Michigan gaming control board shall not be
20 reimbursed for more than the actual regulatory cost of conducting
21 race dates. If a certified horsemen's organization funds more than
22 the actual regulatory cost, the balance shall remain in the
23 agriculture equine industry development fund to be used to fund
24 subsequent race dates conducted by race meeting licensees with
25 which the certified horsemen's organization has contracts. If a
26 certified horsemen's organization funds less than the actual
27 regulatory costs of the additional horse racing dates, the Michigan

1 gaming control board shall reduce the number of future race dates
2 conducted by race meeting licensees with which the certified
3 horsemen's organization has contracts. Prior to the reduction in
4 the number of authorized race dates due to budget deficits, the
5 executive director of the Michigan gaming control board shall
6 provide notice to the certified horsemen's organizations with an
7 opportunity to respond with alternatives. In determining actual
8 costs, the Michigan gaming control board shall take into account
9 that each specific breed may require different regulatory
10 mechanisms.

11 Sec. 979. In addition to the funds appropriated in part 1, the
12 Michigan gaming control board may receive and expend state lottery
13 fund revenue in an amount not to exceed \$3,000,000.00 for necessary
14 expenses incurred in the licensing and regulation of millionaire
15 parties pursuant to Executive Order No. 2012-4. In accordance with
16 section 8 of the Traxler-McCauley-Law-Bowman bingo act, 1972 PA
17 382, MCL 432.108, the amount of necessary expenses shall not exceed
18 the amount of revenue received under that act. The Michigan gaming
19 control board shall provide a report to the senate and house of
20 representatives appropriations subcommittees on general government,
21 the senate and house fiscal agencies, and the state budget office
22 by March 1. The report shall include, but not be limited to, total
23 expenditures related to the licensing and regulating of millionaire
24 parties, steps taken to ensure charities are receiving revenue due
25 to them, progress on promulgating rules to ensure compliance with
26 the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101
27 to 432.120, and any enforcement actions taken.

1 DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT

2 Sec. 980. (1) In addition to the funds appropriated in part 1,
3 there is appropriated an amount not to exceed \$30,000,000.00 for
4 federal contingency funds. These funds are not available for
5 expenditure until they have been transferred to another line item
6 in part 1 under section 393(2) of the management and budget act,
7 1984 PA 431, MCL 18.1393.

8 (2) In addition to the funds appropriated in part 1, there is
9 appropriated an amount not to exceed \$10,000,000.00 for state
10 restricted 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 (3) In addition to the funds appropriated in part 1, there is
15 appropriated an amount not to exceed \$2,000,000.00 for private
16 contingency funds. These funds are not available for expenditure
17 until they have been transferred to another line item in part 1
18 under section 393(2) of the management and budget act, 1984 PA 431,
19 MCL 18.1393.

20 (4) In addition to the funds appropriated in part 1, there is
21 appropriated an amount not to exceed \$2,000,000.00 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 Sec. 981. Total authorized appropriations from all sources
27 under part 1 for legacy costs for the fiscal year ending September

1 30, 2019 are \$32,493,000.00. From this amount, total agency
2 appropriations for pension-related legacy costs are estimated at
3 \$14,979,800.00. Total agency appropriations for retiree health care
4 legacy costs are estimated at \$17,513,200.00.

5 Sec. 982. Federal pass-through funds to local institutions and
6 governments that are received in amounts in addition to those
7 included in part 1 and that do not require additional state
8 matching funds are appropriated for the purposes intended. The
9 department may carry forward into the succeeding fiscal year
10 unexpended federal pass-through funds to local institutions and
11 governments that do not require additional state matching funds.
12 The department shall report the amount and source of the funds to
13 the senate and house appropriation subcommittees on general
14 government, the senate and house fiscal agencies, and the state
15 budget office within 10 business days after receiving any
16 additional pass-through funds.

17 Sec. 983. The department of talent and economic development,
18 Michigan strategic fund, and Michigan state housing development
19 authority shall not issue or refinance bonds for broadband
20 construction, expansion, repairs, or upgrades.

21 Sec. 984. As a condition of receiving funds in part 1, the
22 department of talent and economic development shall utilize SIGMA
23 as an appropriation and expenditure reporting system to track all
24 financial transactions with individual vendors, contractual
25 partners, grantees, recipients of business incentives, and
26 recipients of other economic assistance. Encumbrances and
27 expenditures shall be reported in a timely manner.

1 MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

2 Sec. 990. MSHDA shall annually present a report to the state
3 budget office and the subcommittees on the status of the
4 authority's housing production goals under all financing programs
5 established or administered by the authority. The report shall give
6 special attention to efforts to raise affordable multifamily
7 housing production goals.

8 Sec. 994. In addition to the funds appropriated in part 1, the
9 funds collected by state historic preservation programs for
10 document reproduction and services and application fees are
11 appropriated for all expenses necessary to provide the required
12 services. These funds are available for expenditure when they are
13 received and may be carried forward into the succeeding fiscal
14 year.

15 Sec. 995. In addition to the amounts appropriated in part 1,
16 the land bank fast track authority may expend revenues received
17 under the land bank fast track act, 2003 PA 258, MCL 124.751 to
18 124.774, for the purposes authorized by the act, including, but not
19 limited to, the acquisition, lease, management, demolition,
20 maintenance, or rehabilitation of real or personal property,
21 payment of debt service for notes or bonds issued by the authority,
22 and other expenses to clear or quiet title property held by the
23 authority.

24 MICHIGAN STRATEGIC FUND

25 Sec. 1004. As a condition of receiving funds appropriated in
26 part 1, the MSF shall provide all information required to be
27 transmitted in the activities report required under section 9 of

1 the Michigan strategic fund act, 1984 PA 270, MCL 125.2009, to the
2 chairpersons of the senate and house of representatives standing
3 committees on appropriations, the chairpersons of the senate and
4 house of representatives standing committees on appropriations
5 subcommittees on general government, the senate and house fiscal
6 agencies, and the state budget office by March 15.

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. If the fund
15 receives revenues from the use of "Pure Michigan", the fund shall
16 provide a report that lists the revenues by source received from
17 the use of "Pure Michigan" and all other copyrighted slogans and
18 images. The report shall provide a detailed list of expenditures of
19 revenues received under this section. The report shall be provided
20 to the chairpersons of the senate and house of representatives
21 standing committees on appropriations, the house and senate
22 appropriations subcommittees on general government, the house and
23 senate fiscal agencies, and the state budget office by March 1.

24 Sec. 1006. (1) As a condition of receiving funds appropriated
25 in part 1, the fund shall provide a report of all approved
26 amendments to projects for the immediately preceding year under
27 sections 88r and 90b of the Michigan strategic fund act, 1984 PA

1 270, MCL 125.2088r and 125.2090b. The report shall provide a
2 description of each amendment, by award, which shall include, but
3 is not limited to, the following:

4 (a) The amended award amount relative to the prior award
5 amount.

6 (b) The amended number of committed jobs relative to the prior
7 number of committed jobs.

8 (c) The amended amount of qualified investment committed
9 relative to the prior amount of qualified investment committed.

10 (d) A description of any change in scope of the project.

11 (e) A description of any change in project benchmarks,
12 deadlines, or completion dates.

13 (f) The reason or justification for the amendment approval.

14 (2) In addition to being posted online, the report shall be
15 distributed to the chairpersons of the senate and house of
16 representatives standing committees on appropriations, the
17 chairpersons of the senate and house of representatives standing
18 committees on appropriations subcommittees on general government,
19 the senate and house fiscal agencies, and the state budget office
20 by March 15.

21 Sec. 1007. (1) As a condition of receiving funds appropriated
22 in part 1, the fund shall request the following information from
23 the MEDC:

24 (a) Approved budget from the MEDC executive committee for the
25 current fiscal year and actual budget expenditures for the
26 preceding fiscal years.

27 (b) Expenditures and revenues as part of the current and

1 preceding year budgets, including the available fund balance for
2 the current and preceding fiscal years.

3 (c) The total number of FTEs, by state and corporate status.

4 (d) A reporting of activities, programs, and grants consistent
5 with the preceding fiscal year budget.

6 (2) Information received by the MSF pursuant to this section
7 shall be posted online and distributed to the chairpersons of the
8 senate and house of representatives standing committees on
9 appropriations, the chairpersons of the senate and house of
10 representatives standing committees on appropriations subcommittees
11 on general government, the senate and house fiscal agencies, and
12 the state budget office by March 15.

13 Sec. 1008. As a condition of receiving funds under part 1, any
14 interlocal agreement entered into by the fund shall include
15 language which states that if a local unit of government has a
16 contract or memorandum of understanding with a private economic
17 development agency, the MEDC will work cooperatively with that
18 private organization in that local area.

19 Sec. 1009. (1) Of the funds appropriated to the fund or
20 through grants to the MEDC, no funds shall be expended for the
21 purchase of options on land or the purchase of land unless at least
22 1 of the following conditions applies:

23 (a) The land is located in an economically distressed area.

24 (b) The land is obtained through a purchase or exercise of an
25 option at the invitation of the local unit of government and local
26 economic development agency.

27 (2) Consideration may be given to purchases where the proposed

1 use of the land is consistent with a regional land use plan, will
2 result in the redevelopment of an economically distressed area, can
3 be supported by existing infrastructure, and will not cause shifts
4 in population away from the area's population centers.

5 (3) As used in this section, "economically distressed area"
6 means an area in a city, village, or township that has been
7 designated as blighted; a city, village, or township that shows
8 negative population change from 1970 and a poverty rate and
9 unemployment rate greater than the statewide average; or an area
10 certified as a neighborhood enterprise zone under the neighborhood
11 enterprise zone act, 1992 PA 147, MCL 207.771 to 207.786.

12 (4) If land or options on land are purchased under subsection
13 (1), the fund shall provide a report to the senate and house of
14 representatives standing committees on appropriations, the senate
15 and house of representatives appropriations subcommittees on
16 general government, the senate and house fiscal agencies, and the
17 state budget office that provides a list of all properties
18 purchased, all options on land purchased, the location of the land
19 purchased, and the purchase price if the fund purchases options on
20 land or land. The report must be submitted before March 15.

21 Sec. 1010. As a condition for receiving funds in part 1, not
22 later than March 15, the fund shall provide a report for the
23 immediately preceding fiscal year on the jobs for Michigan
24 investment fund, created in section 88h of the Michigan strategic
25 fund act, 1984 PA 270, MCL 125.2088h. The report shall be submitted
26 to the chairpersons of the senate and house of representatives
27 standing committees on appropriations, the chairpersons of the

1 senate and house of representatives standing committees on
2 appropriations subcommittees on general government, the senate and
3 house fiscal agencies, and the state budget office. The report
4 shall include, but is not limited to, all of the following:

5 (a) A detailed listing of revenues, by fund source, to the
6 jobs for Michigan investment fund. The listing shall include the
7 manner and reason for which the funds were appropriated to the jobs
8 for Michigan investment fund.

9 (b) A detailed listing of expenditures, by project, from the
10 jobs for Michigan investment fund.

11 (c) A fiscal year-end balance of the jobs for Michigan
12 investment fund.

13 Sec. 1011. (1) From the appropriations in part 1 to the fund
14 and granted or transferred to the MEDC, any unexpended or
15 unencumbered balance shall be disposed of in accordance with the
16 requirements in the management and budget act, 1984 PA 431, MCL
17 18.1101 to 18.1594, unless carryforward authorization has been
18 otherwise provided for.

19 (2) Any encumbered funds, including encumbered funds
20 subsequently unobligated, shall be used for the same purposes for
21 which funding was originally appropriated in this part and part 1.

22 (3) For funds appropriated in part 1 to the fund, any
23 carryforward authorization subsequently created through a work
24 project shall be preserved until a cash or accrued expenditure has
25 been executed or the allowable work project time period has
26 expired.

27 Sec. 1012. (1) As a condition of receiving funds under part 1,

1 the fund shall ensure that the MEDC and the fund comply with all of
2 the following:

3 (a) The freedom of information act, 1976 PA 442, MCL 15.231 to
4 15.246.

5 (b) The open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

6 (c) Annual audits of all financial records by the auditor
7 general or his or her designee.

8 (d) All reports required by law to be submitted to the
9 legislature.

10 (2) If the MEDC is unable for any reason to perform duties
11 under this part, the fund may exercise those duties.

12 Sec. 1013. As a condition for receiving the appropriations in
13 part 1, any staff of the MEDC involved in private fund-raising
14 activities shall not be party to any decisions regarding the
15 awarding of grants, incentives, or tax abatements from the fund,
16 the MEDC, or the Michigan economic growth authority.

17 Sec. 1024. From the funds appropriated in part 1 for business
18 attraction and community revitalization, not less than
19 \$20,000,000.00 shall be granted by the fund board for brownfield
20 redevelopment and historic preservation projects under the
21 community revitalization program authorized by chapter 8C of the
22 Michigan strategic fund act, 1984 PA 270, MCL 125.2090 to
23 125.2090d.

24 Sec. 1032. (1) The fund shall report to the chairpersons of
25 the senate and house of representatives standing committees on
26 appropriations, the house and senate subcommittees on general
27 government, the state budget office, and the senate and house

1 fiscal agencies on the status of the film incentives at the same
2 time as it submits the annual report required under section 455 of
3 the Michigan business tax act, 2007 PA 36, MCL 208.1455. The
4 department of treasury shall provide the fund with the data
5 necessary to prepare the report. Incentives included in the report
6 shall include all of the following:

7 (a) The tax credit provided under section 455 of the Michigan
8 business tax act, 2007 PA 36, MCL 208.1455.

9 (b) The tax credit provided under section 457 of the Michigan
10 business tax act, 2007 PA 36, MCL 208.1457.

11 (c) The tax credit provided under section 459 of the Michigan
12 business tax act, 2007 PA 36, MCL 208.1459.

13 (d) The amount of any tax credit claimed under former section
14 367 of the income tax act of 1967, 1967 PA 281.

15 (e) Any tax credits provided for film and digital media
16 production under the Michigan economic growth authority act, 1995
17 PA 24, MCL 207.801 to 207.810.

18 (f) Loans to an eligible production company or film and
19 digital media private equity fund authorized under section 88d(3),
20 (4), and (5) of the Michigan strategic fund act, 2005 PA 225, MCL
21 125.2088d.

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

23 (a) For each tax credit, the number of contracts signed, the
24 projected expenditures qualifying for the credit, and the estimated
25 value of the credits. For loans, the number of loans made under
26 each section, the interest rate of those loans, the loan amount,
27 the percent of the projected budget of each production financed by

1 those loans, and the estimated interest earnings from the loan.

2 (b) For credits authorized under section 455 of the Michigan
3 business tax act, 2007 PA 36, MCL 208.1455, for productions
4 completed by December 31, the expenditures of each production
5 eligible for the credit that has filed a request for certificate of
6 completion with the film office, broken down into expenditures for
7 goods, services, or salaries and wages and showing separately
8 expenditures in each local unit of government, including
9 expenditures for personnel, whether or not they were made to a
10 Michigan entity, and whether or not they were taxable under the
11 laws of this state. For loans, the report shall include the number
12 of loans that have been fully repaid, with principal and interest
13 shown separately, and the number of loans that are delinquent or in
14 default, and the amount of principal that is delinquent or is in
15 default.

16 (c) For each of the tax credit incentives and loan incentives
17 listed in subsection (1), a breakdown for each project or
18 production showing each of the following:

19 (i) The number of temporary jobs created.

20 (ii) The number of permanent jobs created.

21 (iii) The number of persons employed in Michigan as a result
22 of the incentive, on a full-time equated basis.

23 (3) For any information not included in the report due to the
24 provisions of section 455(6), 457(6), or 459(6) of the Michigan
25 business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459,
26 the report shall do all of the following:

27 (a) Indicate how the information would describe the commercial

1 and financial operations or intellectual property of the company.

2 (b) Attest that the information has not been publicly
3 disseminated at any time.

4 (c) Describe how disclosure of the information may put the
5 company at a competitive disadvantage.

6 (4) Any information not disclosed due to the provisions of
7 section 455(6), 457(6), or 459(6) of the Michigan business tax act,
8 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, shall be
9 presented at the lowest level of aggregation that would no longer
10 describe the commercial and financial operations or intellectual
11 property of the company.

12 Sec. 1033. As a condition of receiving funds in part 1, not
13 later than March 15, the fund shall provide a report on the
14 activities of the Michigan film and digital media office for the
15 immediately preceding fiscal year. The report shall be submitted to
16 the chairpersons of the senate and house of representatives
17 standing committees on appropriations, the chairpersons of the
18 senate and house of representatives subcommittees on general
19 government, the senate and house fiscal agencies, and the state
20 budget office. The report shall include, but not be limited to, a
21 listing of all projects the Michigan film and digital media office
22 provided assistance on, a listing of the services provided for each
23 project, and an estimate of investment leveraged.

24 Sec. 1034. Each business incubator or accelerator that
25 received an award from the fund shall maintain and update a
26 dashboard of indicators to measure the effectiveness of the
27 business incubator and accelerator programs. Indicators shall

1 include the direct jobs created, new companies launched as a direct
2 result of business incubator or accelerator involvement, businesses
3 expanded as a direct result of business incubator or accelerator
4 involvement, direct investment in client companies, private equity
5 financing obtained by client companies, grant funding obtained by
6 client companies, and other measures developed by the recipient
7 business incubators and accelerators in conjunction with the MEDC.
8 Dashboard indicators shall be reported for the prior fiscal year
9 and cumulatively, if available. Each recipient shall submit a copy
10 of their dashboard indicators to the fund by March 1. The fund
11 shall transmit the local reports to the chairpersons of the senate
12 and house of representatives standing committees on appropriations,
13 the senate and house of representatives appropriations
14 subcommittees on general government, the senate and house fiscal
15 agencies, and the state budget office by March 15.

16 Sec. 1035. (1) From the appropriations in part 1, the Michigan
17 council for arts and cultural affairs shall administer an arts and
18 cultural grant program that maintains an equitable geographic
19 distribution of funding and utilizes past arts and cultural grant
20 programs as a guideline for administering this program. The council
21 shall do all of the following:

22 (a) On or before October 1, the council shall publish proposed
23 application criteria, instructions, and forms for use by eligible
24 applicants. The council shall provide at least a 2-week period for
25 public comment before finalizing the application criteria,
26 instructions, and forms.

27 (b) A nonrefundable application fee may be assessed for each

1 application. Application fees shall be deposited in the council for
2 the arts fund and are appropriated for expenses necessary to
3 administer the programs. These funds are available for expenditure
4 when they are received and may be carried forward to the following
5 fiscal year.

6 (c) Grants are to be made to public and private arts and
7 cultural entities.

8 (d) Within 1 business day after the award announcements, the
9 council shall provide to each member of the legislature and the
10 fiscal agencies a list of all grant recipients and the total award
11 given to each recipient, sorted by county.

12 (e) In addition to the information in subdivision (d), the
13 council shall report on the number of applications received, number
14 of grants awarded, total amount requested from applications
15 received, and total amount of grants awarded.

16 (2) The appropriation in part 1 for arts and cultural program
17 shall not be used for the administration of the grant program.

18 (3) From the increased funds appropriated in part 1 for the
19 arts and cultural program, the council shall identify specific
20 outcomes and performance measures, including, but not limited to,
21 the following:

22 (a) Number of applications received during the fiscal year
23 ending September 30, 2019.

24 (b) Number of grants awarded during the fiscal year ending
25 September 30, 2019.

26 (c) Number of FTEs supported by grants during the fiscal year
27 ending September 30, 2019.

1 Sec. 1036. (1) The general fund/general purpose funds
2 appropriated in part 1 to the fund for business attraction and
3 community revitalization shall be transferred to the 21st century
4 jobs trust fund per section 90b(3) of the Michigan strategic fund
5 act, 1984 PA 270, MCL 125.2090b.

6 (2) Funds transferred to the 21st century jobs trust fund
7 under subsection (1) are appropriated and available for allocation
8 as authorized in the Michigan strategic fund act, 1984 PA 270, MCL
9 125.2001 to 125.2094.

10 Sec. 1041. From the funds appropriated in part 1 for business
11 attraction and community revitalization, the fund shall request the
12 transfer by the state treasurer of not more than 60% of the funds
13 prior to April 1.

14 Sec. 1042. For the funds appropriated in part 1 for business
15 attraction and community revitalization, the fund shall report
16 quarterly on the amount of funds considered appropriated, pre-
17 encumbered, encumbered, and expended. The report shall also include
18 a listing of all previous appropriations for business attraction
19 and community revitalization, or a predecessor, that were
20 considered appropriated, pre-encumbered, encumbered, or expended
21 that have lapsed back to the fund for any purpose. The report shall
22 be submitted to the chairpersons of the senate and house of
23 representatives standing committees on appropriations, the
24 chairpersons of the senate and house of representatives standing
25 committees on appropriations subcommittees on general government,
26 the senate and house fiscal agencies, and the state budget office.

27 Sec. 1043. (1) The fund, in conjunction with the department of

1 treasury, shall report to the chairpersons of the senate and house
2 of representatives standing committees on appropriations, the
3 senate and house of representatives appropriations subcommittees on
4 general government, the senate and house fiscal agencies, and the
5 state budget office by November 1 on the annual cost of the
6 Michigan economic growth authority tax credits. The report shall
7 include for each year the board-approved credit amount, adjusted
8 for credit amendments where applicable, and the actual and
9 projected value of tax credits for each year from 1995 to the
10 expiration of the credit program. For years for which credit claims
11 are complete, the report shall include the total of actual
12 certificated credit amounts. For years for which claims are still
13 pending or not yet submitted, the report shall include a
14 combination of actual credits where available and projected
15 credits. Credit projections shall be based on updated estimates of
16 employees, wages, and benefits for eligible companies.

17 (2) In addition to the report under subsection (1), the fund,
18 in conjunction with the department of treasury, shall report to the
19 senate and house of representatives appropriations subcommittees on
20 general government, the senate and house fiscal agencies, and the
21 state budget office by November 1 on the annual cost of all other
22 certificated credits by program, for each year until the credits
23 expire or can no longer be collected. The report shall include
24 estimates on the brownfield redevelopment credit, film credits,
25 MEGA photovoltaic technology credit, MEGA polycrystalline silicon
26 manufacturing credit, MEGA vehicle battery credit, and other
27 certificated credits.

1 Sec. 1044. As a condition of receiving appropriations in part
2 1, prior to authorizing the transfer of any previously authorized
3 tax credit that would increase the liability to this state, the
4 fund, on behalf of the Michigan strategic fund board, shall notify
5 the chairpersons of the senate and house of representatives
6 standing committees on appropriations, the chairpersons of the
7 appropriations subcommittees on general government, the senate and
8 house fiscal agencies, and the state budget office not fewer than
9 30 days prior to the authorization of the tax credit transfer.

10 Sec. 1047. (1) From the one-time funds appropriated in part 1
11 for MSF - grants, \$1,000,000.00 shall be awarded to an independent
12 biomedical research and science education organization in a county
13 with a population between 600,000 and 610,000 and in a city with a
14 population over 185,000 according to the most recent federal
15 decennial census to be used for matching federal funds, private and
16 nonprofit grants, and private contributions.

17 (2) From the one-time funds appropriated in part 1 for MSF -
18 grants, \$350,000.00 shall be awarded toward blight removal projects
19 located in counties with populations under 50,000 with priority
20 given to communities with the greatest population loss since 2000
21 and cap individual grants to no more than \$50,000.

22 Sec. 1050. (1) From the funds appropriated in part 1 for
23 business attraction and community revitalization, the fund shall
24 identify specific outcomes and performance measures, including, but
25 not limited to, the following:

26 (a) Total verified jobs created by the business attraction
27 program during the fiscal year ending September 30, 2019.

1 (b) Total private investment obtained through the business
2 attraction and community revitalization programs during the fiscal
3 year ending September 30, 2019.

4 (c) Amount of private and public square footage created and
5 reactivated through the community revitalization program during the
6 fiscal year ending September 30, 2019.

7 (2) The fund must submit a report to the chairpersons of the
8 senate and house of representatives standing committees on
9 appropriations, the house and senate appropriations subcommittees
10 on general government, the senate and house fiscal agencies, and
11 the state budget office by March 15. The report must describe the
12 specific outcomes and measures required in subsection (1) and
13 provide the results and data related to these outcomes and measures
14 for the prior fiscal year if related information is available for
15 the prior fiscal year.

16 Sec. 1052. From the one-time funds appropriated in part 1 for
17 project rising tide, the department of talent and economic
18 development shall identify specific outcomes and performance
19 measures, including, but not limited to, the following:

20 (a) Number of communities participating in and completing the
21 redevelopment ready communities best practices evaluation during
22 the fiscal year ending September 30, 2019.

23 (b) Number of technical assistance projects completed during
24 the fiscal year ending September 30, 2019.

25 **TALENT INVESTMENT AGENCY**

26 Sec. 1060. The talent investment agency shall administer the
27 PATH training program in accordance with the requirements of

1 section 407(d) of title IV of the social security act, 42 USC 607,
2 the state social welfare act, 1939 PA 280, MCL 400.1 to 400.119b,
3 and all other applicable laws and regulations.

4 Sec. 1061. From the funds appropriated in part 1 for workforce
5 programs subgrantees, the talent investment agency may allocate
6 funding for grants to nonprofit organizations that offer programs
7 pursuant to the workforce investment act of 1998, Public Law 105-
8 220, or the workforce innovation and opportunity act, 29 USC 3101
9 to 3361, eligible youth focusing on apprenticeship readiness, pre-
10 apprenticeship and apprenticeship activities, entrepreneurship,
11 work-readiness skills, job shadowing, and financial literacy.
12 Organizations eligible for funding under this section must have the
13 capacity to provide similar programs in urban areas, as determined
14 by the United States Bureau of the Census according to the most
15 recent federal decennial census. Additionally, programs eligible
16 for funding under this section must include the participation of
17 local business partners. The talent investment agency shall develop
18 other appropriate eligibility requirements to ensure compliance
19 with applicable federal rules and regulations.

20 Sec. 1062. The talent investment agency shall make available,
21 in person or by telephone, 1 disabled veterans outreach program
22 specialist or local veterans employment representative to Michigan
23 Works! service centers, as resources permit, during hours of
24 operation, and shall continue to make the appropriate placement of
25 veterans and disabled veterans a priority.

26 Sec. 1063. (1) In addition to the funds appropriated in part
27 1, any unencumbered and unrestricted federal workforce investment

1 act of 1998, Public Law 105-220, workforce innovation and
2 opportunity act, 29 USC 3101 to 3361, or trade adjustment
3 assistance funds available from prior fiscal years are appropriated
4 for the purposes originally intended.

5 (2) The talent investment agency shall report by February 15
6 to the senate and house subcommittees on general government, the
7 fiscal agencies, and the state budget director on the amount by
8 fiscal year of federal workforce investment act of 1998, Public Law
9 105-220, and workforce innovation and opportunity act, 29 USC 3101
10 to 3361, funds appropriated under this section.

11 Sec. 1064. As a condition of receiving funds appropriated in
12 part 1 for Going pro, the talent investment agency shall provide a
13 report on Going pro expenditures, by program or grant type, for the
14 prior fiscal year. In addition, the report shall include projected
15 expenditures, by program or grant type, for the current fiscal
16 year. The report shall be posted online and distributed to the
17 chairpersons of the senate and house of representatives standing
18 committees on appropriations, the chairpersons of the senate and
19 house of representatives standing committees on appropriations
20 subcommittees on general government, the senate and house fiscal
21 agencies, and the state budget office by March 15.

22 Sec. 1065. The talent investment agency shall publish data and
23 reports on March 15 and September 30 on the agency website
24 concerning the status of career technology and Going Pro funded in
25 part 1. The report shall include the following:

26 (a) The number of awardees participating in the program and
27 the names of those awardees organized by major industry group.

1 (b) The amount of funding received by each awardee under the
2 program.

3 (c) Amount of funding leveraged from each awardee.

4 (d) Training models established by each awardee.

5 (e) The number of individuals enrolled in classroom training,
6 on-the-job training, or new USDOL registered apprentices.

7 (f) The number of individuals who completed the program and
8 were hired by awardee.

9 (g) The number of applications received and the number of
10 applications approved for each region.

11 (h) The talent investment agency shall expand workforce
12 training and reemployment services to better connect workers to in-
13 demand jobs and identify specific outcomes with performance metrics
14 for this initiative, including, but not limited to, new
15 apprenticeships, individuals to be hired and trained, current
16 employees trained, training completed, and employment retention
17 rate at 6 months, and hourly wage at 6 months.

18 Sec. 1066. As a condition of receiving funds in part 1 for
19 Going Pro, the talent investment agency shall administer the
20 program as follows:

21 (a) The talent investment agency shall work cooperatively with
22 grantees to maximize the amount of funds from part 1 that are
23 available for direct training.

24 (b) The talent investment agency, workforce development
25 partners, including regional Michigan Works! agencies, and
26 employers shall collaborate and work cooperatively to prioritize
27 and streamline the expenditure of the funds appropriated in part 1.

1 The talent investment agency shall ensure that Going Pro provides a
2 collaborative statewide network of workforce and employee skill
3 development partners that addresses the employee talent needs
4 throughout the state.

5 (c) The talent investment agency shall ensure that grants are
6 utilized for individual skill enhancement and to address in-demand
7 talent needs in Michigan.

8 (d) The talent investment agency shall develop program goals
9 and detailed guidance for prospective participants to follow to
10 qualify under the program. The program goals and detailed guidance
11 shall be posted on the talent investment agency website and
12 distributed to workforce development partners, including local
13 Michigan Works! agencies, by October 1. Periodic assessments of
14 employer and employee needs shall be evaluated on a regional basis,
15 and the talent investment agency shall identify solutions and goals
16 to be implemented to satisfy those needs. The talent investment
17 agency shall notify the senate and house of representatives
18 standing committees on appropriations, the senate and house of
19 representatives standing committees on appropriations subcommittees
20 on general government, the senate and house fiscal agencies, and
21 the state budget office on any program goal, solution, or guidance
22 changes not fewer than 14 days prior to the finalization and
23 publication of the changes. Revenue received by the talent
24 investment agency for Going Pro may be expended for the purpose of
25 those programs.

26 (e) Up to \$5,000,000.00 of the funds may be expended to match
27 federal funds. The intent of these funds will involve improving and

1 increasing the skill level of employees in skilled trades in the
2 automotive industry and the manufacturing processes within the
3 changing manufacturing environment.

4 Sec. 1068. (1) Of the funds appropriated in part 1 for the
5 workforce training programs, the talent investment agency shall
6 provide a report by March 15 to the senate and house of
7 representatives standing committees on appropriations subcommittees
8 on general government, the state budget director, and the fiscal
9 agencies on the status of the workforce training programs. The
10 report shall include the following:

11 (a) The amount of funding allocated to each Michigan Works!
12 agency and the total funding allocated to the workforce training
13 programs statewide by fund source.

14 (b) The number of participants enrolled in education or
15 training programs by each Michigan Works! agency.

16 (c) The average duration of training for training program
17 participants by each Michigan Works! agency.

18 (d) The number of participants enrolled in remedial education
19 programs and the number of participants enrolled in literacy
20 programs.

21 (e) The number of participants enrolled in programs at 2-year
22 institutions.

23 (f) The number of participants enrolled in programs at 4-year
24 institutions.

25 (g) The number of participants enrolled in proprietary schools
26 or other technical training programs.

27 (h) The number of participants that have completed education

1 or training programs.

2 (i) The number of participants who secured employment in
3 Michigan within 1 year of completing a training program.

4 (j) The number of participants who completed a training
5 program and secured employment in a field related to their
6 training.

7 (k) The average wage earned by participants who completed a
8 training program and secured employment within 1 year.

9 (l) The actual revenues received by the fund source and fund
10 appropriated for each discrete workforce development program area.

11 (2) Data collection for the report shall be for the prior
12 state fiscal year.

13 Sec. 1070. (1) From the one-time funds appropriated in part 1
14 for Going pro, \$1,500,000.00 must be awarded for a program to
15 assist adults over the age of 23 in obtaining high school diplomas
16 and placement in career training programs.

17 (2) For purposes of this section, an eligible program provider
18 may be a public, nonprofit, or private accredited diploma-granting
19 institution, but must have at least 2 years of experience providing
20 dropout recovery services in the state of Michigan.

21 (3) The talent investment agency shall issue a request for
22 qualifications for eligible program providers to participate in the
23 pilot program. To be considered a qualified program provider, the
24 institution must possess all of the following:

25 (a) Experience providing dropout reengagement services.

26 (b) Ability to provide academic intake assessments.

27 (c) Capacity to provide an integrated learning plan.

1 (d) Course catalog that includes access to all graduation
2 requirements.

3 (e) Capability to provide remediation coursework.

4 (f) Means to provide academic resilience assessment and
5 intervention.

6 (g) Capacity to provide employability skills development.

7 (h) Ability to provide WorkKeys preparation.

8 (i) Ability to provide industry credentials.

9 (j) Capability to provide credit for on-the-job training.

10 (k) Access to a robust support framework, including
11 technology, social support, and academic support accredited by a
12 recognized accrediting body.

13 (4) The talent investment agency shall announce qualified
14 program providers no later than January 1, 2019. Qualified program
15 providers must start providing programming by February 1, 2019.

16 (5) The talent investment agency shall reimburse qualified
17 program providers for each month of satisfactory monthly progress
18 as described in section 23a of the state school aid act, 1979 PA
19 94, MCL 388.1623a, at a rate of \$500.00 per month. A payment shall
20 be made to a qualified program provider for the completion of the
21 following by a pupil:

22 (a) \$500.00 for the completion of an employability skills
23 certification program equal to at least 1 Carnegie unit.

24 (b) \$250.00 for the attainment of an industry-recognized
25 credential requiring up to 50 hours of training.

26 (c) \$500.00 for the attainment of an industry-recognized
27 credential requiring 50 to 100 hours of training.

1 (d) \$750.00 for the attainment of an industry-recognized
2 credential requiring more than 100 hours of training.

3 (e) \$1,000.00 for attainment of a high school diploma.

4 (f) \$2,500.00 for placement in a job in an in-demand career
5 pathway.

6 (6) The talent investment agency shall develop policies and
7 guidelines to implement this section.

8 Sec. 1071. From the funds appropriated in part 1 for at-risk
9 youth grants, \$3,000,000.00 must be awarded to the Michigan
10 franchise holder of the national Jobs for America's Graduates
11 program.

12 Sec. 1076. The department of talent and economic development
13 shall provide a quarterly report to the members of the senate and
14 house committees on appropriations, the senate and house fiscal
15 agencies, and the state budget director that includes, but is not
16 limited to, the following:

17 (a) The number of new fraudulent and noncompliant cases that
18 have been identified or issued by the unemployment insurance
19 agency, classified by employer or claimant, during the quarter.

20 (b) The total amount of penalties and interest issued on
21 fraudulent and noncompliant cases during the quarter.

22 (c) The total amount of penalties and interest dollars
23 received during the quarter by employer or claimant.

24 (d) The total amount of penalties and interest still owed to
25 the state by employer or claimant.

26 (e) The number of fraudulent and noncompliant cases that have
27 been appealed by an employer or claimant during the quarter.

1 Sec. 1078. (1) From the funds appropriated in part 1 for the
2 unemployment insurance agency, the talent investment agency shall
3 maintain customer service standards for employers and claimants
4 making use of the various means by which they can access the
5 system.

6 (2) The talent investment agency shall identify specific
7 outcomes and performance metrics for this initiative, including,
8 but not limited to, the following:

9 (a) Unemployment benefit fund balance.

10 (b) Process improvement - fiscal integrity.

11 (c) Process improvement - determination timeliness.

12 (d) Process improvement - determination quality.

13 Sec. 1079. (1) The talent investment agency shall extend the
14 interagency agreement with the department of health and human
15 services for the duration of the current fiscal year, which
16 concerns TANF funding to provide job readiness and welfare-to-work
17 programming. The interagency agreement shall include specific
18 outcome and performance reporting requirements as described in this
19 section. TANF funding provided to the talent investment agency in
20 the current fiscal year is contingent on compliance with the data
21 and reporting requirements described in this section. The
22 interagency agreement shall require the talent investment agency to
23 provide all of the following items for the previous year to the
24 senate and house appropriations committees by January 1 of the
25 current fiscal year:

26 (a) An itemized spending report on TANF funding, including all
27 of the following:

1 (i) Direct services to clients.

2 (ii) Administrative expenditures.

3 (b) The number of family independence program clients served
4 through the TANF funding, including all of the following:

5 (i) The number and percentage who obtained employment through
6 Michigan Works!.

7 (ii) The number and percentage who fulfilled their TANF work
8 requirement through other job readiness programming.

9 (iii) Average TANF spending per client.

10 (iv) The number and percentage of clients who were referred to
11 Michigan Works! but did not receive a job or job readiness
12 placement and the reasons why.

13 (2) Not later than March 15 of the current fiscal year, the
14 department shall provide to the senate and house appropriations
15 subcommittees on the department budget, the senate and house fiscal
16 agencies, and the senate and house policy offices an annual report
17 on the following matters itemized by Michigan Works! agency: the
18 number of referrals to Michigan Works! job readiness programs, the
19 number of referrals to Michigan Works! job readiness programs who
20 became a participant in the Michigan Works! job readiness programs,
21 the number of participants who obtained employment, and the cost
22 per participant case.

23 Sec. 1080. (1) From the funds appropriated in part 1 for
24 community ventures, the talent investment agency may expend not
25 more than \$2,000,000.00 of the funds as matching funds upon the
26 commitment of matching dollars from private sources. For every
27 \$1.00 the talent investment agency elects to receive from a private

1 source for the purposes of a community ventures program match, the
2 talent investment agency shall expend \$1.00 from the appropriation
3 in part 1 up to \$2,000,000.00. Funds received from private sources
4 for a community ventures program match are appropriated upon
5 receipt and shall be expended for the purposes of the community
6 ventures program.

7 (2) The talent investment agency shall identify specific
8 outcomes and performance measures for this initiative, including,
9 but not limited to, the following:

10 (a) The number of commitments from private sources, including
11 the dollar amount committed and source.

12 (b) Additional participants served with challenge funds.

13 (c) Jobs created and the average wage.

14 Sec. 1081. (1) The department of talent and economic
15 development shall provide a status update on the statewide system
16 for data integration that established new information technology
17 systems to integrate data for talent and pipeline development to
18 track and report workforce development activities and provide for
19 sustained and expanded longitudinal data analysis between state
20 departments.

21 (2) The department of talent and economic development shall
22 provide a report by March 15 for the current and prior fiscal years
23 on specific outcomes and performance metrics for this initiative,
24 including, but not limited to, the following:

25 (a) Job placements and retention at 6 months.

26 (b) Apprenticeships completed.

27 (c) Average wage.

1 Sec. 1082. As a condition of receiving funds in part 1, the
2 department of talent and economic development shall provide a
3 status update by March 15 on the usage of the funds appropriated
4 for the sustainable employment pilot program in 2016 PA 268 and
5 2016 PA 340. The status update shall include, but not be limited
6 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. 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, 2019.

22 (b) Number of individuals enrolled in and completing training
23 during the fiscal year ending September 30, 2019.

24 (c) Number of new jobs and apprenticeships created during the
25 fiscal year ending September 30, 2019.

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

1 JCOS and senate and house fiscal agencies a report relative to the
 2 status of construction projects associated with state building
 3 authority bonds as of September 30 of each year, on or before
 4 October 15, or not more than 30 days after a refinancing or
 5 restructuring bond issue is sold. The report shall include, but is
 6 not limited to, the following:

7 (a) A list of all completed construction projects for which
 8 state building authority bonds have been sold, and which bonds are
 9 currently active.

10 (b) A list of all projects under construction for which sale
 11 of state building authority bonds is pending.

12 (c) A list of all projects authorized for construction or
 13 identified in an appropriations act for which approval of
 14 schematic/preliminary plans or total authorized cost is pending
 15 that have state building authority bonds identified as a source of
 16 financing.

17 **REVENUE STATEMENT**

18 Sec. 1201. Pursuant to section 18 of article V of the state
 19 constitution of 1963, fund balances and estimates are presented in
 20 the following statement:

21 BUDGET RECOMMENDATIONS BY OPERATING FUNDS

22 (Amounts in millions)

23 Fiscal Year 2018-2019

24	Beginning	Estimated	Ending
25	<u>Balance</u>	<u>Revenue</u>	<u>Balance</u>

1	ADJUSTED GROSS APPROPRIATION.....	\$ 24,866,351,900
2	Federal revenues:	
3	Social security act, temporary assistance for needy	
4	families	557,577,500
5	Capped federal revenues.....	594,034,900
6	Total other federal revenues.....	16,483,783,200
7	Special revenue funds:	
8	Total local revenues.....	121,612,600
9	Total private revenues.....	150,409,900
10	Michigan merit award trust fund.....	52,268,700
11	Total other state restricted revenues.....	2,446,577,800
12	State general fund/general purpose.....	\$ 4,460,087,300
13	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
14	Full-time equated unclassified positions6.0	
15	Full-time equated classified positions797.6	
16	Unclassified salaries--6.0 FTE positions.....	\$ 1,176,100
17	Administrative hearings officers.....	11,340,000
18	Demonstration projects--7.0 FTE positions.....	7,358,400
19	Departmental administration and management--603.6	
20	FTE positions	116,807,000
21	Developmental disabilities council and	
22	projects--10.0 FTE positions	3,090,000
23	Office of inspector general--177.0 FTE positions.....	22,204,500
24	Property management.....	65,966,100
25	Terminal leave payments.....	7,250,000
26	Worker's compensation.....	<u>6,523,100</u>
27	GROSS APPROPRIATION.....	\$ 241,715,200

1	Appropriated from:	
2	Interdepartmental grant revenues:	
3	IDG from department of education.....	1,943,300
4	Federal revenues:	
5	Social security act, temporary assistance for needy	
6	families	23,489,700
7	Capped federal revenues.....	20,421,100
8	Total other federal revenues.....	90,699,000
9	Special revenue funds:	
10	Total local revenues.....	86,000
11	Total private revenues.....	3,843,200
12	Total other state restricted revenues.....	851,400
13	State general fund/general purpose.....	\$ 100,381,500
14	Sec. 103. CHILD SUPPORT ENFORCEMENT	
15	Full-time equated classified positions185.7	
16	Child support enforcement operations--179.7 FTE	
17	positions	\$ 22,940,500
18	Child support incentive payments.....	24,409,600
19	Legal support contracts.....	113,607,100
20	State disbursement unit--6.0 FTE positions.....	<u>8,127,500</u>
21	GROSS APPROPRIATION.....	\$ 169,084,700
22	Appropriated from:	
23	Federal revenues:	
24	Capped federal revenues.....	1,735,000
25	Total other federal revenues.....	143,074,600
26	State general fund/general purpose.....	\$ 24,275,100
27	Sec. 104. COMMUNITY SERVICES AND OUTREACH	

1	Full-time equated classified positions	75.6	
2	Bureau of community services and outreach--20.0 FTE		
3	positions		\$ 2,571,400
4	Child advocacy centers--0.5 FTE position.....		1,407,000
5	Community services and outreach administration--11.0		
6	FTE positions		1,492,000
7	Community services block grant.....		25,840,000
8	Crime victim grants administration services--13.0		
9	FTE positions		2,206,500
10	Crime victim justice assistance grants.....		59,279,300
11	Crime victim rights services grants.....		18,870,000
12	Domestic violence prevention and treatment--15.6 FTE		
13	positions		16,010,100
14	Homeless programs.....		20,642,700
15	Housing and support services.....		13,031,000
16	Michigan community service commission--15.0 FTE		
17	positions		11,650,300
18	Rape prevention and services--0.5 FTE position.....		5,097,300
19	School success partnership program.....		525,000
20	Uniform statewide sexual assault evidence kit		
21	tracking system		800,000
22	Weatherization assistance.....		<u>16,340,000</u>
23	GROSS APPROPRIATION.....		\$ 195,762,600
24	Appropriated from:		
25	Federal revenues:		
26	Social security act, temporary assistance for needy		
27	families		13,189,800

1	Capped federal revenues.....		67,894,400
2	Total other federal revenues.....		75,852,300
3	Special revenue funds:		
4	Private - collections.....		44,100
5	Compulsive gambling prevention fund.....		1,040,500
6	Sexual assault evidence tracking fund.....		800,000
7	Sexual assault victims' prevention and treatment fund.		3,000,000
8	Child advocacy centers fund.....		1,407,000
9	Crime victim's rights fund.....		17,356,600
10	State general fund/general purpose.....	\$	15,177,900
11	Sec. 105. CHILDREN'S SERVICES AGENCY - CHILD		
12	WELFARE		
13	Full-time equated classified positions	3,850.2	
14	Adoption subsidies.....	\$	204,890,400
15	Adoption support services--10.0 FTE positions.....		29,467,000
16	Attorney general contract.....		4,455,800
17	Child abuse and neglect - children's justice		
18	act--1.0 FTE position		624,700
19	Child care fund.....		199,743,800
20	Child protection.....		800,300
21	Child welfare administration travel.....		375,000
22	Child welfare field staff - caseload		
23	compliance--2,461.0 FTE positions		234,317,000
24	Child welfare field staff - noncaseload		
25	compliance--330.0 FTE positions		35,199,800
26	Child welfare first line supervisors--578.0 FTE		
27	positions		74,179,200

1	Child welfare institute--51.0 FTE positions.....	9,246,600
2	Child welfare licensing--59.0 FTE positions.....	7,025,400
3	Child welfare medical/psychiatric evaluations.....	10,435,500
4	Children's services administration--172.2 FTE	
5	positions	20,430,800
6	Children's trust fund--12.0 FTE positions.....	4,345,200
7	Contractual services, supplies, and materials.....	9,300,000
8	Education planners--15.0 FTE positions.....	1,558,600
9	Family preservation and prevention services	
10	administration--9.0 FTE positions	1,322,100
11	Family preservation programs--13.0 FTE positions.....	38,900,900
12	Family support subsidy.....	15,730,300
13	Foster care payments.....	233,579,000
14	Guardianship assistance program.....	11,117,600
15	Interstate compact.....	179,600
16	Peer coaches--45.5 FTE positions.....	5,838,600
17	Performance based funding implementation--3.0 FTE	
18	positions	1,450,200
19	Permanency resource managers--28.0 FTE positions.....	3,254,600
20	Prosecuting attorney contracts.....	3,879,500
21	Second line supervisors and technical staff--54.0	
22	FTE positions	9,078,000
23	Settlement monitor.....	1,885,800
24	Strong families/safe children.....	12,350,100
25	Title IV-E compliance and accountability office--4.0	
26	FTE positions	432,200
27	Youth in transition--4.5 FTE positions.....	<u>15,817,300</u>

1	GROSS APPROPRIATION.....	\$ 1,201,210,900
2	Appropriated from:	
3	Interdepartmental grant revenues:	
4	IDG from department of education.....	90,300
5	Federal revenues:	
6	Social security act, temporary assistance for needy	
7	families	352,415,200
8	Capped federal revenues.....	110,246,900
9	Total other federal revenues.....	251,134,900
10	Special revenue funds:	
11	Private - collections.....	1,770,700
12	Local funds - county chargeback.....	17,183,500
13	Children's trust fund.....	2,895,300
14	State general fund/general purpose.....	\$ 465,474,100
15	Sec. 106. CHILDREN'S SERVICES AGENCY - JUVENILE	
16	JUSTICE	
17	Full-time equated classified positions120.5	
18	Bay Pines Center--47.0 FTE positions.....	\$ 5,695,600
19	Committee on juvenile justice administration--2.5	
20	FTE positions	354,500
21	Committee on juvenile justice grants.....	3,000,000
22	Community support services--3.0 FTE positions.....	2,122,700
23	County juvenile officers.....	3,904,300
24	Juvenile justice, administration and	
25	maintenance--21.0 FTE positions	3,790,000
26	Shawono Center--47.0 FTE positions.....	5,723,700
27	W.J. Maxey Training School.....	<u>250,000</u>

1	GROSS APPROPRIATION.....	\$	24,840,800
2	Appropriated from:		
3	Federal revenues:		
4	Capped federal revenues.....		8,555,800
5	Special revenue funds:		
6	Local funds - state share education funds.....		1,355,700
7	Local funds - county chargeback.....		5,117,400
8	State general fund/general purpose.....	\$	9,811,900
9	Sec. 107. PUBLIC ASSISTANCE		
10	Full-time equated classified positions8.0		
11	Emergency services local office allocations.....	\$	9,007,500
12	Family independence program.....		75,216,800
13	Food assistance program benefits.....		1,931,717,000
14	Food Bank Council of Michigan.....		2,045,000
15	Indigent burial.....		4,375,000
16	Low-income home energy assistance program.....		174,951,600
17	Michigan energy assistance program--1.0 FTE position..		50,000,000
18	Multicultural integration funding.....		15,303,800
19	Refugee assistance program--7.0 FTE positions.....		28,011,500
20	State disability assistance payments.....		8,041,800
21	State supplementation.....		60,109,200
22	State supplementation administration.....		<u>1,681,100</u>
23	GROSS APPROPRIATION.....	\$	2,360,460,300
24	Appropriated from:		
25	Federal revenues:		
26	Social security act, temporary assistance for needy		
27	families		69,499,200

1	Capped federal revenues.....	203,147,600
2	Total other federal revenues.....	1,927,517,000
3	Special revenue funds:	
4	Child support collections.....	11,081,900
5	Supplemental security income recoveries.....	4,142,700
6	Public assistance recoupment revenue.....	5,000,000
7	Low-income energy assistance fund.....	50,000,000
8	State general fund/general purpose.....	\$ 90,071,900
9	Sec. 108. FIELD OPERATIONS AND SUPPORT SERVICES	
10	Full-time equated classified positions6,340.5	
11	Administrative support workers--221.0 FTE positions... \$	13,110,500
12	Adult services field staff--520.0 FTE positions.....	57,183,700
13	Contractual services, supplies, and materials.....	16,737,400
14	Donated funds positions--238.0 FTE positions.....	27,273,300
15	Elder Law of Michigan MiCAFE contract.....	350,000
16	Electronic benefit transfer (EBT).....	8,509,000
17	Employment and training support services.....	4,219,100
18	Field policy and administration--66.0 FTE positions...	11,292,400
19	Field staff travel.....	8,111,400
20	Independent living.....	14,031,600
21	Medical/psychiatric evaluations.....	1,420,100
22	Michigan rehabilitation services--526.0 FTE positions.	129,881,000
23	Nutrition education--2.0 FTE positions.....	33,047,400
24	Public assistance field staff--4,747.5 FTE positions..	491,734,700
25	SSI advocacy legal services grant.....	250,000
26	Training and program support--20.0 FTE positions.....	2,472,200
27	Volunteer services and reimbursement.....	<u>942,400</u>

1	GROSS APPROPRIATION.....	\$	820,566,200
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG from department of corrections.....		119,700
5	IDG from department of education.....		7,851,700
6	IDG from department of licensing and regulatory		
7	affairs		38,300
8	Federal revenues:		
9	Social security act, temporary assistance for needy		
10	families		73,288,200
11	Capped federal revenues.....		158,672,500
12	Federal supplemental security income.....		8,588,600
13	Total other federal revenues.....		262,664,700
14	Special revenue funds:		
15	Local funds - donated funds.....		4,071,400
16	Local vocational rehabilitation match.....		5,300,000
17	Private funds - donated funds.....		9,285,700
18	Private funds - gifts, bequests, and donations.....		531,500
19	Rehabilitation service fees.....		150,000
20	State general fund/general purpose.....	\$	290,003,900
21	Sec. 109. DISABILITY DETERMINATION SERVICES		
22	Full-time equated classified positions		587.4
23	Disability determination operations--583.3 FTE		
24	positions	\$	113,054,600
25	Retirement disability determination--4.1 FTE positions		<u>616,500</u>
26	GROSS APPROPRIATION.....	\$	113,671,100
27	Appropriated from:		

1	Interdepartmental grant revenues:	
2	IDG from DTMB - office of retirement services.....	793,600
3	Federal revenues:	
4	Total other federal revenues.....	108,563,700
5	State general fund/general purpose.....	\$ 4,313,800
6	Sec. 110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION	
7	AND SPECIAL PROJECTS	
8	Full-time equated classified positions102.0	
9	Behavioral health program administration--80.0 FTE	
10	positions	\$ 49,683,400
11	Federal and other special projects.....	2,535,600
12	Gambling addiction--1.0 FTE position.....	4,509,200
13	Office of recipient rights--21.0 FTE positions.....	2,763,000
14	Protection and advocacy services support.....	<u>194,400</u>
15	GROSS APPROPRIATION.....	\$ 59,685,600
16	Appropriated from:	
17	Federal revenues:	
18	Total other federal revenues.....	32,093,300
19	Special revenue funds:	
20	Total private revenues.....	1,004,700
21	Total other state restricted revenues.....	4,509,200
22	State general fund/general purpose.....	\$ 22,078,400
23	Sec. 111. BEHAVIORAL HEALTH SERVICES	
24	Full-time equated classified positions9.5	
25	Autism services.....	\$ 192,890,700
26	Children with serious emotional disturbance waiver....	10,000,000
27	Children's waiver home care program.....	20,241,100

1	Civil service charges.....	399,300
2	Community mental health non-Medicaid services.....	125,578,200
3	Community substance use disorder prevention,	
4	education, and treatment	76,956,200
5	Court-appointed guardian and conservator reimbursement	1,500,000
6	Federal mental health block grant--2.5 FTE positions..	17,465,400
7	Health homes.....	3,369,000
8	Healthy Michigan plan - behavioral health.....	299,439,000
9	Medicaid mental health services.....	2,319,029,300
10	Medicaid substance use disorder services.....	67,640,500
11	Nursing home PAS/ARR-OBRA--7.0 FTE positions.....	12,282,200
12	State disability assistance program substance use	
13	disorder services	<u>2,018,800</u>
14	GROSS APPROPRIATION.....	\$ 3,148,809,700
15	Appropriated from:	
16	Federal revenues:	
17	Total other federal revenues.....	2,064,994,400
18	Special revenue funds:	
19	Total local revenues.....	25,475,800
20	Total other state restricted revenues.....	24,369,300
21	State general fund/general purpose.....	\$ 1,033,970,200
22	Sec. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC	
23	MENTAL HEALTH SERVICES	
24	Total average population	770.0
25	Full-time equated classified positions	2,290.6
26	Caro Regional Mental Health Center - psychiatric	
27	hospital - adult--474.3 FTE positions	\$ 53,491,300

1	Average population	145.0	
2	Center for forensic psychiatry--601.1 FTE positions...		94,729,400
3	Average population	240.0	
4	Gifts and bequests for patient living and treatment		
5	environment		1,000,000
6	Hawthorn Center - psychiatric hospital - children		
7	and adolescents--276.0 FTE positions		32,179,800
8	Average population	55.0	
9	IDEA, federal special education.....		120,000
10	Kalamazoo Psychiatric Hospital - adult--533.8 FTE		
11	positions		69,457,400
12	Average population	170.0	
13	Purchase of medical services for residents of		
14	hospitals and centers		445,600
15	Revenue recapture.....		750,000
16	Special maintenance.....		924,600
17	Walter P. Reuther Psychiatric Hospital -		
18	adult--405.4 FTE positions		57,673,400
19	Average population	160.0	
20	GROSS APPROPRIATION.....		\$ 310,771,500
21	Appropriated from:		
22	Federal revenues:		
23	Total other federal revenues.....		40,231,600
24	Special revenue funds:		
25	Total local revenues.....		23,029,900
26	Total private revenues.....		1,000,000
27	Total other state restricted revenues.....		14,937,000

1	State general fund/general purpose.....	\$	231,573,000
2	Sec. 113. HEALTH POLICY		
3	Full-time equated classified positions		50.9
4	Bone marrow transplant registry.....	\$	250,000
5	Certificate of need program administration--11.8 FTE		
6	positions		2,741,600
7	Health policy administration--33.9 FTE positions.....		14,391,500
8	Human trafficking intervention services.....		200,000
9	Michigan essential health provider.....		3,591,300
10	Minority health grants and contracts.....		612,700
11	Nurse education and research program--3.0 FTE		
12	positions		791,300
13	Primary care services--1.2 FTE positions.....		4,744,200
14	Rural health services--1.0 FTE position.....		<u>1,555,500</u>
15	GROSS APPROPRIATION.....	\$	28,878,100
16	Appropriated from:		
17	Interdepartmental grant revenues:		
18	IDG from the department of education.....		2,400
19	IDG from the department of licensing and regulatory		
20	affairs		791,300
21	IDG from the department of treasury, Michigan state		
22	hospital finance authority		117,700
23	Federal revenues:		
24	Social security act, temporary assistance for needy		
25	families		190,900
26	Capped federal revenues.....		63,400
27	Total other federal revenues.....		15,608,100

1	Special revenue funds:	
2	Total private revenues.....	865,000
3	Total other state restricted revenues.....	2,737,500
4	State general fund/general purpose.....	\$ 8,501,800
5	Sec. 114. LABORATORY SERVICES	
6	Full-time equated classified positions100.0	
7	Laboratory services--100.0 FTE positions.....	\$ <u>23,580,200</u>
8	GROSS APPROPRIATION.....	\$ 23,580,200
9	Appropriated from:	
10	Interdepartmental grant revenues:	
11	IDG from the department of environmental quality.....	998,400
12	Federal revenues:	
13	Total other federal revenues.....	3,838,600
14	Special revenue funds:	
15	Total other state restricted revenues.....	10,799,700
16	State general fund/general purpose.....	\$ 7,943,500
17	Sec. 115. DISEASE CONTROL, PREVENTION, AND	
18	EPIDEMIOLOGY	
19	Full-time equated classified positions137.9	
20	Childhood lead program--4.5 FTE positions.....	\$ 2,055,300
21	Epidemiology administration--75.1 FTE positions.....	21,179,800
22	Healthy homes program--12.0 FTE positions.....	27,754,200
23	Immunization program--12.8 FTE positions.....	16,838,100
24	Newborn screening follow-up and treatment	
25	services--10.5 FTE positions	7,535,600
26	PFAS and environmental contamination response--23.0	
27	FTE positions	<u>8,025,300</u>

1	GROSS APPROPRIATION.....	\$	83,388,300
2	Appropriated from:		
3	Federal revenues:		
4	Total other federal revenues.....		53,784,300
5	Special revenue funds:		
6	Total private revenues.....		342,700
7	Total other state restricted revenues.....		9,721,500
8	State general fund/general purpose.....	\$	19,539,800
9	Sec. 116. LOCAL HEALTH AND ADMINISTRATIVE SERVICES		
10	Full-time equated classified positions230.2		
11	AIDS prevention, testing, and care programs--37.7		
12	FTE positions	\$	70,682,000
13	Cancer prevention and control program--15.0 FTE		
14	positions		15,101,500
15	Chronic disease control and health promotion		
16	administration--23.4 FTE positions		8,506,800
17	Dental programs--3.8 FTE positions.....		3,759,100
18	Diabetes and kidney program--8.0 FTE positions.....		3,262,400
19	Essential local public health services.....		45,419,300
20	Health and wellness initiatives--11.7 FTE positions...		9,047,600
21	Implementation of 1993 PA 133, MCL 333.17015.....		20,000
22	Injury control intervention project.....		1,000,000
23	Local health services--3.3 FTE positions.....		6,707,500
24	Medicaid outreach cost reimbursement to local health		
25	departments		12,500,000
26	Public health administration--9.0 FTE positions.....		1,968,800
27	Sexually transmitted disease control program--20.0		

1	FTE positions	6,333,400
2	Smoking prevention program--12.0 FTE positions.....	2,168,600
3	Violence prevention--4.9 FTE positions.....	3,310,400
4	Vital records and health statistics--81.4 FTE	
5	positions	<u>10,167,700</u>
6	GROSS APPROPRIATION.....	\$ 199,955,100
7	Appropriated from:	
8	Federal revenues:	
9	Capped federal revenues.....	81,100
10	Total other federal revenues.....	80,208,700
11	Special revenue funds:	
12	Total local revenues.....	5,150,000
13	Total private revenues.....	39,282,400
14	Total other state restricted revenues.....	18,478,000
15	State general fund/general purpose.....	\$ 56,754,900
16	Sec. 117. FAMILY, MATERNAL, AND CHILD HEALTH	
17	Full-time equated classified positions112.3	
18	Family, maternal, and child health	
19	administration--53.3 FTE positions	\$ 9,221,700
20	Family planning local agreements.....	8,310,700
21	Local MCH services.....	7,018,100
22	Pregnancy prevention program.....	602,100
23	Prenatal care outreach and service delivery	
24	support--14.0 FTE positions	20,647,000
25	Special projects.....	6,289,100
26	Sudden and unexpected infant death and suffocation	
27	prevention program	321,300

1	Women, infants, and children program administration	
2	and special projects--45.0 FTE positions	18,125,400
3	Women, infants, and children program local	
4	agreements and food costs	<u>256,285,000</u>
5	GROSS APPROPRIATION.....	\$ 326,820,400
6	Appropriated from:	
7	Federal revenues:	
8	Social security act, temporary assistance for needy	
9	families	650,000
10	Total other federal revenues.....	253,070,500
11	Special revenue funds:	
12	Total local revenues.....	75,000
13	Total private revenues.....	61,702,400
14	State general fund/general purpose.....	\$ 11,322,500
15	Sec. 118. EMERGENCY MEDICAL SERVICES, TRAUMA, AND	
16	PREPAREDNESS	
17	Full-time equated classified positions76.0	
18	Bioterrorism preparedness--53.0 FTE positions.....	\$ 30,491,300
19	Emergency medical services program--23.0 FTE positions	<u>6,559,200</u>
20	GROSS APPROPRIATION.....	\$ 37,050,500
21	Appropriated from:	
22	Federal revenues:	
23	Total other federal revenues.....	31,435,300
24	Special revenue funds:	
25	Total other state restricted revenues.....	4,004,900
26	State general fund/general purpose.....	\$ 1,610,300
27	Sec. 119. CHILDREN'S SPECIAL HEALTH CARE SERVICES	

1	Full-time equated classified positions	46.8	
2	Bequests for care and services--2.8 FTE positions.....		\$ 1,837,800
3	Children's special health care services		
4	administration--44.0 FTE positions		6,101,400
5	Medical care and treatment.....		217,159,500
6	Nonemergency medical transportation.....		905,900
7	Outreach and advocacy.....		<u>5,510,000</u>
8	GROSS APPROPRIATION.....		\$ 231,514,600
9	Appropriated from:		
10	Federal revenues:		
11	Total other federal revenues.....		124,721,500
12	Special revenue funds:		
13	Total private revenues.....		1,016,200
14	Total other state restricted revenues.....		3,682,900
15	State general fund/general purpose.....		\$ 102,094,000
16	Sec. 120. AGING AND ADULT SERVICES AGENCY		
17	Full-time equated classified positions	47.0	
18	Aging and adult services administration--47.0 FTE		
19	positions		\$ 8,828,300
20	Community services.....		46,067,300
21	Employment assistance.....		3,500,000
22	Nutrition services.....		42,254,200
23	Respite care program.....		6,468,700
24	Senior volunteer service programs.....		<u>4,765,300</u>
25	GROSS APPROPRIATION.....		\$ 111,883,800
26	Appropriated from:		
27	Federal revenues:		

1	Capped federal revenues.....	371,500
2	Total other federal revenues.....	59,094,200
3	Special revenue funds:	
4	Total private revenues.....	520,000
5	Michigan merit award trust fund.....	4,068,700
6	Total other state restricted revenues.....	2,000,000
7	State general fund/general purpose.....	\$ 45,829,400
8	Sec. 121. MEDICAL SERVICES ADMINISTRATION	
9	Full-time equated classified positions453.0	
10	Electronic health record incentive program--18.0 FTE	
11	positions	\$ 96,087,400
12	Healthy Michigan plan administration--30.0 FTE	
13	positions	47,578,400
14	Medical services administration--362.0 FTE positions..	95,439,900
15	Technology supporting integrated service	
16	delivery--43.0 FTE positions	<u>54,056,700</u>
17	GROSS APPROPRIATION.....	\$ 293,162,400
18	Appropriated from:	
19	Federal revenues:	
20	Social security act, temporary assistance for needy	
21	families	749,600
22	Capped federal revenues.....	910,700
23	Total other federal revenues.....	246,315,600
24	Special revenue funds:	
25	Total local revenues.....	37,700
26	Total private revenues.....	101,300
27	Total other state restricted revenues.....	336,300

1	State general fund/general purpose.....	\$	44,711,200
2	Sec. 122. MEDICAL SERVICES		
3	Adult home help services.....	\$	328,368,100
4	Ambulance services.....		11,601,700
5	Auxiliary medical services.....		6,936,600
6	Dental clinic program.....		1,000,000
7	Dental services.....		311,017,200
8	Federal Medicare pharmaceutical program.....		277,511,900
9	Health plan services.....		4,894,990,000
10	Healthy Michigan plan.....		3,647,233,400
11	Home health services.....		5,525,900
12	Hospice services.....		125,764,200
13	Hospital disproportionate share payments.....		45,000,000
14	Hospital services and therapy.....		688,553,700
15	Integrated care organizations.....		220,150,000
16	Long-term care services.....		1,866,486,100
17	Maternal and child health.....		26,279,500
18	Medicaid home- and community-based services waiver....		351,913,900
19	Medicare premium payments.....		608,352,900
20	Personal care services.....		10,138,000
21	Pharmaceutical services.....		332,217,000
22	Physician services.....		253,189,400
23	Program of all-inclusive care for the elderly.....		141,313,300
24	School-based services.....		109,937,200
25	Special Medicaid reimbursement.....		309,532,500
26	Transportation.....		<u>22,633,800</u>
27	GROSS APPROPRIATION.....	\$	14,595,646,300

1	Appropriated from:	
2	Federal revenues:	
3	Total other federal revenues.....	10,480,078,800
4	Special revenue funds:	
5	Total local revenues.....	34,730,200
6	Total private revenues.....	2,100,000
7	Michigan merit award trust fund.....	48,200,000
8	Total other state restricted revenues.....	2,250,899,600
9	State general fund/general purpose.....	\$ 1,779,637,700
10	Sec. 123. INFORMATION TECHNOLOGY	
11	Child support automation.....	\$ 44,425,600
12	Information technology services and projects.....	161,975,100
13	Michigan Medicaid information system.....	<u>75,634,400</u>
14	GROSS APPROPRIATION.....	\$ 282,035,100
15	Appropriated from:	
16	Interdepartmental grant revenues:	
17	IDG from department of education.....	1,067,000
18	Federal revenues:	
19	Social security act, temporary assistance for needy	
20	families	24,104,900
21	Capped federal revenues.....	21,934,900
22	Total other federal revenues.....	130,213,500
23	Special revenue funds:	
24	Total private revenues.....	25,000,000
25	Total other state restricted revenues.....	1,999,800
26	State general fund/general purpose.....	\$ 77,715,000
27	Sec. 124. ONE-TIME APPROPRIATIONS	

1	Asian American health care and wellness initiative....	\$	150,000
2	Autism navigator.....		1,025,000
3	Autism train the trainer grant.....		55,000
4	Census related services.....		2,500,000
5	Child lead poisoning elimination board.....		1,250,000
6	Dental clinic program.....		1,000,000
7	Drinking water declaration of emergency.....		4,621,100
8	Employment first.....		500,000
9	Infant mortality program grant.....		100,000
10	Michigan medical resident loan repayment program.....		5,000,000
11	Multicultural integration funding.....		1,381,100
12	Opioid outreach coordinator.....		115,000
13	Primary care and dental health services.....		300,000
14	Refugee assistance grant.....		175,000
15	Western Michigan University clinics.....		<u>1,500,000</u>
16	GROSS APPROPRIATION.....	\$	19,672,200
17	Appropriated from:		
18	Special revenue funds:		
19	Total private revenues.....		2,000,000
20	Total other state restricted revenues.....		376,700
21	State general fund/general purpose.....	\$	17,295,500

22 PART 2

23 PROVISIONS CONCERNING APPROPRIATIONS

24 FOR FISCAL YEAR 2018-2019

25 GENERAL SECTIONS

1 Sec. 201. Pursuant to section 30 of article IX of the state
 2 constitution of 1963, total state spending from state sources under
 3 part 1 for fiscal year 2018-2019 is \$6,958,933,800.00 and state
 4 spending from state sources to be paid to local units of government
 5 for fiscal year 2018-2019 is \$1,468,359,900.00. The itemized
 6 statement below identifies appropriations from which spending to
 7 local units of government will occur:

8 DEPARTMENT OF HEALTH AND HUMAN SERVICES

9 COMMUNITY SERVICES AND OUTREACH

10	Crime victim rights services grants.....	\$	9,474,800
11	Housing and support services.....		550,700
12	CHILDREN'S SERVICES AGENCY - CHILD WELFARE		
13	Child care fund.....	\$	163,968,700
14	PUBLIC ASSISTANCE		
15	Family independence program.....	\$	4,200
16	Multicultural integration funding.....		1,193,300
17	State disability assistance payments.....		621,300
18	BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS		
19	Behavioral health program administration.....	\$	2,388,700
20	BEHAVIORAL HEALTH SERVICES		
21	Autism services.....	\$	66,413,100
22	Children with serious emotional disturbance waiver....		3,555,000
23	Children's waiver home care program.....		7,195,700
24	Community mental health non-Medicaid services.....		125,578,200
25	Community substance use disorder prevention,		
26	education, and treatment		16,208,500
27	Court-appointed guardian and conservator		

1	reimbursement		1,500,000
2	Health homes.....		70,700
3	Healthy Michigan plan - behavioral health.....		20,212,200
4	Medicaid mental health services.....		787,894,000
5	Medicaid substance use disorder services.....		23,704,200
6	Nursing home PAS/ARR-OBRA.....		3,070,500
7	State disability assistance program substance use		
8	disorder services		2,018,400
9	STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL		
10	HEALTH SERVICES		
11	Caro Regional Mental Health Center - psychiatric		
12	hospital - adult	\$	1,200
13	Center for forensic psychiatry.....		1,400
14	HEALTH POLICY		
15	Primary care services.....	\$	88,900
16	DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY		
17	Childhood lead program.....	\$	72,700
18	Epidemiology administration.....		291,400
19	Healthy homes program.....		10,000
20	Immunization program.....		1,138,900
21	LOCAL HEALTH AND ADMINISTRATIVE SERVICES		
22	AIDS prevention, testing, and care programs.....	\$	2,038,400
23	Cancer prevention and control program.....		121,400
24	Essential local public health services.....		40,269,300
25	Health and wellness initiatives.....		2,363,300
26	Local health services.....		4,500,000
27	Public health administration.....		19,800

1	Sexually transmitted disease control program.....		438,400
2	FAMILY, MATERNAL, AND CHILD HEALTH		
3	Family planning local agreements.....	\$	225,400
4	Prenatal care outreach and service delivery support...		3,941,500
5	EMERGENCY MEDICAL SERVICES, TRAUMA, AND PREPAREDNESS		
6	Emergency medical services program.....	\$	71,000
7	CHILDREN'S SPECIAL HEALTH CARE SERVICES		
8	Medical care and treatment.....	\$	797,200
9	Outreach and advocacy.....		2,598,100
10	AGING AND ADULT SERVICES AGENCY		
11	Aging and adult services administration.....	\$	594,100
12	Community services.....		21,726,700
13	Nutrition services.....		11,086,900
14	Respite care program.....		5,224,500
15	Senior volunteer service programs.....		946,300
16	MEDICAL SERVICES ADMINISTRATION		
17	Medical services administration.....	\$	282,000
18	MEDICAL SERVICES		
19	Adult home help services.....	\$	486,300
20	Ambulance services.....		475,900
21	Auxiliary medical services.....		1,300
22	Dental services.....		1,265,400
23	Healthy Michigan plan-managed care.....		4,353,000
24	Home health services.....		8,200
25	Hospice services.....		38,100
26	Hospital services and therapy.....		1,313,400
27	Long-term care services.....		104,351,600

1	Medicaid home- and community-based services waiver....	10,995,100
2	Personal care services.....	23,800
3	Pharmaceutical services.....	20,300
4	Physician services.....	4,690,100
5	Special Medicaid reimbursement.....	5,415,200
6	Transportation.....	23,200
7	ONE-TIME APPROPRIATIONS	
8	Drinking water declaration of emergency.....	\$ <u>428,000</u>
9	TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT.....	\$ 1,468,359,900

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

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

14 (a) "AIDS" means acquired immunodeficiency syndrome.

15 (b) "CMHSP" means a community mental health services program
16 as that term is defined in section 100a of the mental health code,
17 1974 PA 258, MCL 330.1100a.

18 (c) "CMS" means the Centers for Medicare and Medicaid
19 Services.

20 (d) "Current fiscal year" means the fiscal year ending
21 September 30, 2019.

22 (e) "Department" means the department of health and human
23 services.

24 (f) "Director" means the director of the department.

25 (g) "DSH" means disproportionate share hospital.

26 (h) "EPSDT" means early and periodic screening, diagnosis, and
27 treatment.

1 (i) "Federal poverty level" means the poverty guidelines
2 published annually in the Federal Register by the United States
3 Department of Health and Human Services under its authority to
4 revise the poverty line under 42 USC 9902.

5 (j) "FTE" means full-time equated.

6 (k) "GME" means graduate medical education.

7 (l) "Health plan" means, at a minimum, an organization that
8 meets the criteria for delivering the comprehensive package of
9 services under the department's comprehensive health plan.

10 (m) "HEDIS" means healthcare effectiveness data and
11 information set.

12 (n) "HMO" means health maintenance organization.

13 (o) "IDEA" means the individuals with disabilities education
14 act, 20 USC 1400 to 1482.

15 (p) "IDG" means interdepartmental grant.

16 (q) "MCH" means maternal and child health.

17 (r) "Medicaid" means subchapter XIX of the social security
18 act, 42 USC 1396 to 1396w-5.

19 (s) "Medicare" means subchapter XVIII of the social security
20 act, 42 USC 1395 to 1395III.

21 (t) "MiCAFE" means Michigan's coordinated access to food for
22 the elderly.

23 (u) "MiChild" means the program described in section 1670 of
24 this part.

25 (v) "MiSACWIS" means Michigan statewide automated child
26 welfare information system.

27 (w) "PAS/ARR-OBRA" means the preadmission screening and annual

1 resident review required under the omnibus budget reconciliation
2 act of 1987, section 1919(e) (7) of the social security act, 42 USC
3 1396r.

4 (x) "PFAS" means perfluoroalkyl and polyfluoroalkyl
5 substances.

6 (y) "PIHP" means an entity designated by the department as a
7 regional entity or a specialty prepaid inpatient health plan for
8 Medicaid mental health services, services to individuals with
9 developmental disabilities, and substance use disorder services.
10 Regional entities are described in section 204b of the mental
11 health code, 1974 PA 258, MCL 330.1204b. Specialty prepaid
12 inpatient health plans are described in section 232b of the mental
13 health code, 1974 PA 258, MCL 330.1232b.

14 (z) "Previous fiscal year" means the fiscal year ending
15 September 30, 2018.

16 (aa) "Quarterly reports" means 4 reports shall be submitted to
17 the required recipients by the following dates: February 1, April
18 1, July 1, and September 30 of the current fiscal year.

19 (bb) "Semiannual basis" means March 1 and September 30 of the
20 current fiscal year.

21 (cc) "Settlement" means the settlement agreement entered in
22 the case of *Dwayne B. v Snyder*, docket no. 2:06-cv-13548 in the
23 United States District Court for the Eastern District of Michigan.

24 (dd) "SSI" means supplemental security income.

25 (ee) "Temporary assistance for needy families" or "TANF" or
26 "title IV-A" means part A of subchapter IV of the social security
27 act, 42 USC 601 to 619.

1 (ff) "Title IV-B" means part B of title IV of the social
2 security act, 42 USC 620 to 629m.

3 (gg) "Title IV-D" means part D of title IV of the social
4 security act, 42 USC 651 to 669b.

5 (hh) "Title IV-E" means part E of title IV of the social
6 security act, 42 USC 670 to 679c.

7 (ii) "Title X" means subchapter VIII of the public health
8 service act, 42 USC 300 to 300a-8, which establishes grants to
9 states for family planning services.

10 Sec. 204. Unless otherwise specified, the departments and
11 agencies receiving appropriations in part 1 shall use the internet
12 to fulfill the reporting requirements of this part and part 1. This
13 requirement shall include transmission of reports via electronic
14 mail to the recipients identified for each reporting requirement,
15 and it shall include placement of reports on the internet.

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

26 Sec. 206. The director shall take all reasonable steps to
27 ensure businesses in deprived and depressed communities compete for

1 and perform contracts to provide services or supplies, or both.
2 Each director shall strongly encourage firms with which the
3 department contracts to subcontract with certified businesses in
4 depressed and deprived communities for services, supplies, or both.

5 Sec. 207. The departments and agencies receiving
6 appropriations in part 1 shall prepare a report on out-of-state
7 travel expenses not later than January 1 of each year. The travel
8 report shall be a listing of all travel by classified and
9 unclassified employees outside this state in the immediately
10 preceding fiscal year that was funded in whole or in part with
11 funds appropriated in the department's budget. The report shall be
12 submitted to the senate and house appropriations committees, the
13 house and senate fiscal agencies, and the state budget director.
14 The report shall include the following information:

15 (a) The dates of each travel occurrence.

16 (b) The transportation and related costs of each travel
17 occurrence, including the proportion funded with state general
18 fund/general purpose revenues, the proportion funded with state
19 restricted revenues, the proportion funded with federal revenues,
20 and the proportion funded with other revenues.

21 Sec. 208. Funds appropriated in part 1 shall not be used by a
22 principal executive department, state agency, or authority to hire
23 a person to provide legal services that are the responsibility of
24 the attorney general. This prohibition does not apply to legal
25 services for bonding activities and for those outside services that
26 the attorney general authorizes.

27 Sec. 209. Not later than November 30, the state budget office

1 shall prepare and transmit a report that provides for estimates of
2 the total general fund/general purpose appropriation lapses at the
3 close of the prior fiscal year. This report shall summarize the
4 projected year-end general fund/general purpose appropriation
5 lapses by major departmental program or program areas. The report
6 shall be transmitted to the chairpersons of the senate and house
7 appropriations committees, and the senate and house fiscal
8 agencies.

9 Sec. 210. (1) In addition to the funds appropriated in part 1,
10 there is appropriated an amount not to exceed \$400,000,000.00 for
11 federal 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. These funds shall not be made available
15 to increase TANF authorization.

16 (2) In addition to the funds appropriated in part 1, there is
17 appropriated an amount not to exceed \$45,000,000.00 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 \$40,000,000.00 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 \$60,000,000.00 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 for each department or agency:

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 on
23 the department budget, and the senate and house fiscal agencies
24 with an annual report on estimated state restricted fund balances,
25 state restricted fund projected revenues, and state restricted fund
26 expenditures for the previous fiscal year and the current fiscal
27 year.

1 Sec. 213. The department shall maintain, on a publicly
2 accessible website, a department scorecard that identifies, tracks,
3 and regularly updates key metrics that are used to monitor and
4 improve the department's performance.

5 Sec. 214. Total authorized appropriations from all sources
6 under part 1 for legacy costs for the current fiscal year are
7 estimated at \$365,234,500.00. From this amount, total agency
8 appropriations for pension-related legacy costs are estimated at
9 \$168,379,300.00. Total agency appropriations for retiree health
10 care legacy costs are estimated at \$196,855,200.00.

11 Sec. 215. If either of the following events occur, within 30
12 days the department shall notify the state budget director, the
13 chairs of the house and senate appropriations subcommittees on the
14 department budget, and the house and senate fiscal agencies and
15 policy offices of that fact:

16 (a) A legislative objective of this part or of a bill or
17 amendment to a bill to amend the social welfare act, 1939 PA 280,
18 MCL 400.1 to 400.119b, cannot be implemented because implementation
19 would conflict with or violate federal regulations.

20 (b) A federal grant, for which a notice of an award has been
21 received, cannot be used, or will not be used.

22 Sec. 216. (1) In addition to funds appropriated in part 1 for
23 all programs and services, there is appropriated for write-offs of
24 accounts receivable, deferrals, and for prior year obligations in
25 excess of applicable prior year appropriations, an amount equal to
26 total write-offs and prior year obligations, but not to exceed
27 amounts available in prior year revenues.

1 (2) The department's ability to satisfy appropriation fund
2 sources in part 1 shall not be limited to collections and accruals
3 pertaining to services provided in the current fiscal year, but
4 shall also include reimbursements, refunds, adjustments, and
5 settlements from prior years.

6 Sec. 217. (1) By February 1 of the current fiscal year, the
7 department shall report to the house and senate appropriations
8 subcommittees on the department budget, the house and senate fiscal
9 agencies, and the state budget director on the detailed name and
10 amounts of estimated federal, restricted, private, and local
11 sources of revenue that support the appropriations in each of the
12 line items in part 1.

13 (2) Upon the release of the next fiscal year executive budget
14 recommendation, the department shall report to the same parties in
15 subsection (1) on the amounts and detailed sources of federal,
16 restricted, private, and local revenue proposed to support the
17 total funds appropriated in each of the line items in part 1 of the
18 next fiscal year executive budget proposal.

19 Sec. 218. The department shall include, but not be limited to,
20 the following in its annual list of proposed basic health services
21 as required in part 23 of the public health code, 1978 PA 368, MCL
22 333.2301 to 333.2321:

23 (a) Immunizations.

24 (b) Communicable disease control.

25 (c) Sexually transmitted disease control.

26 (d) Tuberculosis control.

27 (e) Prevention of gonorrhoea eye infection in newborns.

1 (f) Screening newborns for the conditions listed in section
2 5431 of the public health code, 1978 PA 368, MCL 333.5431, or
3 recommended by the newborn screening quality assurance advisory
4 committee created under section 5430 of the public health code,
5 1978 PA 368, MCL 333.5430.

6 (g) Health and human services annex of the Michigan emergency
7 management plan.

8 (h) Prenatal care.

9 Sec. 219. (1) The department may contract with the Michigan
10 Public Health Institute for the design and implementation of
11 projects and for other public health-related activities prescribed
12 in section 2611 of the public health code, 1978 PA 368, MCL
13 333.2611. The department may develop a master agreement with the
14 Michigan Public Health Institute to carry out these purposes for up
15 to a 3-year period. The department shall report to the house and
16 senate appropriations subcommittees on the department budget, the
17 house and senate fiscal agencies, and the state budget director on
18 or before January 1 of the current fiscal year all of the
19 following:

20 (a) A detailed description of each funded project.

21 (b) The amount allocated for each project, the appropriation
22 line item from which the allocation is funded, and the source of
23 financing for each project.

24 (c) The expected project duration.

25 (d) A detailed spending plan for each project, including a
26 list of all subgrantees and the amount allocated to each
27 subgrantee.

1 (2) On or before December 30 of the current fiscal year, the
2 department shall provide to the same parties listed in subsection
3 (1) a copy of all reports, studies, and publications produced by
4 the Michigan Public Health Institute, its subcontractors, or the
5 department with the funds appropriated in the department's budget
6 in the previous fiscal year and allocated to the Michigan Public
7 Health Institute.

8 Sec. 220. The department shall ensure that faith-based
9 organizations are able to apply and compete for services, programs,
10 or contracts that they are qualified and suitable to fulfill. The
11 department shall not disqualify faith-based organizations solely on
12 the basis of the religious nature of their organization or their
13 guiding principles or statements of faith.

14 Sec. 221. According to section 1b of the social welfare act,
15 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this
16 part as a time-limited addendum to the social welfare act, 1939 PA
17 280, MCL 400.1 to 400.119b.

18 Sec. 222. (1) The department shall make the entire policy and
19 procedures manual available and accessible to the public via the
20 department website.

21 (2) The department shall report by April 1 of the current
22 fiscal year on each specific policy change made to implement a
23 public act affecting the department that took effect during the
24 prior calendar year to the house and senate appropriations
25 subcommittees on the budget for the department, the joint committee
26 on administrative rules, the senate and house fiscal agencies, and
27 policy offices. The department shall attach each policy bulletin

1 issued during the prior calendar year to this report.

2 Sec. 223. The department may establish and collect fees for
3 publications, videos and related materials, conferences, and
4 workshops. Collected fees are appropriated when received and shall
5 be used to offset expenditures to pay for printing and mailing
6 costs of the publications, videos and related materials, and costs
7 of the workshops and conferences. The department shall not collect
8 fees under this section that exceed the cost of the expenditures.
9 When collected fees are appropriated under this section in an
10 amount that exceeds the current fiscal year appropriation, within
11 30 days the department shall notify the chairs of the house and
12 senate appropriations subcommittees on the department budget, the
13 house and senate fiscal agencies and policy offices, and the state
14 budget director of that fact.

15 Sec. 224. The department may retain all of the state's share
16 of food assistance overissuance collections as an offset to general
17 fund/general purpose costs. Retained collections shall be applied
18 against federal funds deductions in all appropriation units where
19 department costs related to the investigation and recoupment of
20 food assistance overissuances are incurred. Retained collections in
21 excess of such costs shall be applied against the federal funds
22 deducted in the departmental administration and support
23 appropriation unit.

24 Sec. 225. (1) Sanctions, suspensions, conditions for
25 provisional license status, and other penalties shall not be more
26 stringent for private service providers than for public entities
27 performing equivalent or similar services.

1 (2) Neither the department nor private service providers or
2 licensees shall be granted preferential treatment or considered
3 automatically to be in compliance with administrative rules based
4 on whether they have collective bargaining agreements with direct
5 care workers. Private service providers or licensees without
6 collective bargaining agreements shall not be subjected to
7 additional requirements or conditions of licensure based on their
8 lack of collective bargaining agreements.

9 Sec. 226. If the revenue collected by the department from fees
10 and collections exceeds the amount appropriated in part 1, the
11 revenue may be carried forward with the approval of the state
12 budget director into the subsequent fiscal year. The revenue
13 carried forward under this section shall be used as the first
14 source of funds in the subsequent fiscal year.

15 Sec. 227. The state departments, agencies, and commissions
16 receiving tobacco tax funds and Healthy Michigan fund revenue from
17 part 1 shall report by April 1 of the current fiscal year to the
18 senate and house appropriations committees, the senate and house
19 fiscal agencies, and the state budget director on the following:

20 (a) Detailed spending plan by appropriation line item
21 including description of programs and a summary of organizations
22 receiving these funds.

23 (b) Description of allocations or bid processes including need
24 or demand indicators used to determine allocations.

25 (c) Eligibility criteria for program participation and maximum
26 benefit levels where applicable.

27 (d) Outcome measures used to evaluate programs, including

1 measures of the effectiveness of these programs in improving the
2 health of Michigan residents.

3 Sec. 228. If the department is authorized under state or
4 federal law to collect an overpayment owed to the department, the
5 department may assess a penalty of 1% per month beginning 60 days
6 after notification. If caused by department error, a penalty may
7 not be assessed until 6 months after the initial notification date
8 of the overpayment amount. The department shall not collect penalty
9 interest in an amount that exceeds the amount of the original
10 overpayment. The state share of any funds collected under this
11 section shall be deposited in the state general fund.

12 Sec. 229. (1) The department shall extend the interagency
13 agreement with the Michigan talent investment agency for the
14 duration of the current fiscal year, which concerns TANF funding to
15 provide job readiness and welfare-to-work programming. The
16 interagency agreement shall include specific outcome and
17 performance reporting requirements as described in this section.
18 TANF funding provided to the Michigan talent investment agency in
19 the current fiscal year is contingent on compliance with the data
20 and reporting requirements described in this section. The
21 interagency agreement must require the Michigan talent investment
22 agency to provide all of the following items by January 1 of the
23 current fiscal year for the previous fiscal year to the senate and
24 house appropriations subcommittees on the department budget and the
25 state budget office:

26 (a) An itemized spending report on TANF funding, including all
27 of the following:

1 (i) Direct services to recipients.

2 (ii) Administrative expenditures.

3 (b) The number of family independence program (FIP) recipients
4 served through the TANF funding, including all of the following:

5 (i) The number and percentage who obtained employment through
6 Michigan Works!

7 (ii) The number and percentage who fulfilled their TANF work
8 requirement through other job readiness programming.

9 (iii) Average TANF spending per recipient.

10 (iv) The number and percentage of recipients who were referred
11 to Michigan Works! but did not receive a job or job readiness
12 placement and the reasons why.

13 (2) By March 1 of the current fiscal year, the department
14 shall provide to the senate and house appropriations subcommittees
15 on the department budget, the senate and house fiscal agencies, the
16 senate and house policy offices, and the state budget office an
17 annual report on the following matters itemized by Michigan Works!
18 agency: the number of referrals to Michigan Works! job readiness
19 programs, the number of referrals to Michigan Works! job readiness
20 programs who became a participant in the Michigan Works! job
21 readiness programs, the number of participants who obtained
22 employment, and the cost per participant case.

23 Sec. 230. By December 31 of the current fiscal year, the
24 department shall report to the senate and house appropriations
25 subcommittees on the department budget, the senate and house fiscal
26 agencies and policy offices, and the state budget office on the
27 status of the implementation of any noninflationary, noncaseload,

1 programmatic funding increases from the previous fiscal year. The
2 report shall confirm the implementation of already implemented
3 funding increases and provide explanations for any planned
4 implementation of funding increases that have not yet occurred. For
5 any planned implementation of funding increases that have not yet
6 occurred, the department shall provide an expected implementation
7 date and the reasons for delayed implementation.

8 Sec. 231. From the funds appropriated in part 1 for travel
9 reimbursements to employees, the department shall allocate up to
10 \$100,000.00 toward reimbursing counties for the out-of-pocket
11 travel costs of the local county department board members and
12 county department directors to attend 1 meeting per year of the
13 Michigan County Social Services Association.

14 Sec. 232. (1) The department shall provide the approved
15 spending plan for each line item receiving an appropriation in the
16 current fiscal year to the senate and house appropriations
17 subcommittees on the department budget and the senate and house
18 fiscal agencies within 60 days of approval by the department but
19 not later than January 15 of the current fiscal year. The spending
20 plan shall include the following information regarding planned
21 expenditures for each category: allocation in the previous period,
22 change in the allocation, and new allocation. The spending plan
23 shall include the following information regarding each revenue
24 source for the line item: category of the fund source indicated by
25 general fund/general purpose, state restricted, local, private or
26 federal. Figures included in the approved spending plan shall not
27 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 contracts and grants in the department's contract system.
5 For amounts listed in the other contracts category of each spending
6 plan, the department shall provide a list of all contracts and
7 grants and amounts for the current fiscal year, and include the
8 name of the line item and the name of the fund source related to
9 each contract or grant and amount. For amounts listed in the all
10 other costs category of each spending plan, the department shall
11 provide a list detailing planned expenditures and amounts for the
12 current fiscal year, and include the name of the line item and the
13 name of the fund source related to each amount and expenditure.

14 (2) Notwithstanding any other appropriation authority granted
15 in part 1, the department shall not appropriate any additional
16 general fund/general purpose funds or any related federal and state
17 restricted funds without providing a written 30-day notice to the
18 senate and house appropriations subcommittees on the department
19 budget, the senate and house fiscal agencies, and the senate and
20 house policy offices.

21 Sec. 252. The appropriations in part 1 for Healthy Michigan
22 plan - behavioral health, Healthy Michigan plan administration, and
23 Healthy Michigan plan are contingent on the provisions of the
24 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, that were
25 contained in 2013 PA 107 not being amended, repealed, or otherwise
26 altered to eliminate the Healthy Michigan plan. If that occurs,
27 then, upon the effective date of the amendatory act that amends,

1 repeals, or otherwise alters those provisions, the remaining funds
2 in the Healthy Michigan plan - behavioral health, Healthy Michigan
3 plan administration, and Healthy Michigan plan line items shall
4 only be used to pay previously incurred costs and any remaining
5 appropriations shall not be allotted to support those line items.

6 Sec. 256. If funds become available, the department shall, in
7 consultation with the Michigan department of education, the
8 Michigan domestic and sexual violence prevention and treatment
9 board, and the Michigan Coalition to End Domestic and Sexual
10 Violence, redraft the curriculum for the "Growing Up & Staying
11 Healthy" and "Healthy & Responsible Relationships" modules to
12 include age-appropriate information about the importance of
13 consent, setting and respecting personal boundaries, and the
14 prevention of child sexual abuse as outlined in MCL 380.1505 and
15 consistent with the recommendations and guidelines set by the task
16 force on the prevention of sexual abuse of children created under
17 section 12b of the child protection law, 1975 PA 238, MCL 722.632b,
18 and the prevention of sexual assault and dating violence.

19 Sec. 263. (1) Except as otherwise provided in this subsection,
20 before submission of a waiver, a state plan amendment, or a similar
21 proposal to CMS or other federal agency, the department shall
22 provide written notification of the planned submission to the house
23 and senate appropriations subcommittees on the department budget,
24 the house and senate fiscal agencies and policy offices, and the
25 state budget office. This subsection does not apply to the
26 submission of a waiver, a state plan amendment, or similar proposal
27 that does not propose a material change or is outside of the

1 ordinary course of waiver, state plan amendment, or similar
2 proposed submissions.

3 (2) The department shall provide written reports on a
4 semiannual basis to the senate and house appropriations
5 subcommittees on the department budget, the senate and house fiscal
6 agencies, and the state budget office summarizing the status of any
7 new or ongoing discussions with CMS or the United States Department
8 of Health and Human Services or other federal agency regarding
9 potential or future waiver applications as well as the status of
10 submitted waivers that have not yet received federal approval. If,
11 at the time a semiannual report is due, there are no reportable
12 items, then no report is required to be provided.

13 Sec. 264. The department shall not take disciplinary action
14 against an employee for communicating with a member of the
15 legislature or his or her staff.

16 Sec. 270. The department shall advise the legislature of the
17 receipt of a notification from the attorney general's office of a
18 legal action in which expenses had been recovered pursuant to
19 section 106(4) of the social welfare act, 1939 PA 280, MCL 400.106.
20 By February 1 of the current fiscal year, the department shall
21 submit a written report to the house and senate appropriations
22 subcommittees on the department budget, the house and senate fiscal
23 agencies, and the state budget office that includes, at a minimum,
24 all of the following:

25 (a) The total amount recovered from the legal action.

26 (b) The program or service for which the money was originally
27 expended.

1 (c) Details on the disposition of the funds recovered such as
2 the appropriation or revenue account in which the money was
3 deposited.

4 (d) A description of the facts involved in the legal action.

5 Sec. 274. (1) The department, in collaboration with the state
6 budget office, shall submit to the house and senate appropriations
7 subcommittees on the department budget, the house and senate fiscal
8 agencies, and the house and senate policy offices 1 week after the
9 day the governor submits to the legislature the budget for the
10 ensuing fiscal year a report on spending and revenue projections
11 for each of the capped federal funds listed below. The report shall
12 contain actual spending and revenue in the previous fiscal year,
13 spending and revenue projections for the current fiscal year as
14 enacted, and spending and revenue projections within the executive
15 budget proposal for the fiscal year beginning October 1, 2019 for
16 each individual line item for the department budget. The report
17 shall also include federal funds transferred to other departments.
18 The capped federal funds shall include, but not be limited to, all
19 of the following:

20 (a) TANF.

21 (b) Title XX social services block grant.

22 (c) Title IV-B part I child welfare services block grant.

23 (d) Title IV-B part II promoting safe and stable families
24 funds.

25 (e) Low-income home energy assistance program.

26 (2) It is the intent of the legislature that the department,
27 in collaboration with the state budget office, not utilize capped

1 federal funding for economics adjustments for FTEs or other
2 economics costs that are included as part of the budget submitted
3 to the legislature by the governor for the ensuing fiscal year,
4 unless there is a reasonable expectation for increased federal
5 funding to be available to the department from that capped revenue
6 source in the ensuing fiscal year.

7 (3) By February 15 of the current fiscal year, the department
8 shall prepare an annual report of its efforts to identify
9 additional TANF maintenance of effort sources and rationale for any
10 increases or decreases from all of the following, but not limited
11 to:

12 (a) Other departments.

13 (b) Local units of government.

14 (c) Private sources.

15 Sec. 275. (1) As part of the year-end closing process, the
16 department, with the approval of the state budget director, is
17 authorized to realign sources between other federal, TANF, and
18 capped federal financing authorizations in order to maximize
19 federal revenues. This realignment of financing shall not produce a
20 gross increase or decrease in the department's total individual
21 line item authorizations, nor will it produce a net increase or
22 decrease in total federal revenues, or a net increase in TANF
23 authorization.

24 (2) Not later than November 30, the department shall submit to
25 the house and senate appropriations subcommittees on the department
26 budget, the house and senate fiscal agencies, and the house and
27 senate policy offices a report on the realignment of federal fund

1 sources that took place as part of the year-end closing process for
2 the previous fiscal year.

3 Sec. 279. (1) All master contracts relating to foster care and
4 adoption services as funded by the appropriations in section 105 of
5 part 1 shall be performance-based contracts that employ a client-
6 centered results-oriented process that is based on measurable
7 performance indicators and desired outcomes and includes the annual
8 assessment of the quality of services provided.

9 (2) By February 1 of the current fiscal year, the department
10 shall provide the senate and house appropriations subcommittees on
11 the department budget, the senate and house fiscal agencies and
12 policy offices, and the state budget office a report detailing
13 measurable performance indicators, desired outcomes, and an
14 assessment of the quality of services provided by the department
15 during the previous fiscal year.

16 Sec. 280. By March 1 of the current fiscal year, the
17 department shall provide a report to the house and senate
18 appropriations committees, the house and senate fiscal agencies,
19 the house and senate policy offices, and the state budget director
20 that provides all of the following for each line item in part 1
21 containing personnel-related costs, including the specific
22 individual amounts for salaries and wages, payroll taxes, and
23 fringe benefits:

24 (a) FTE authorization.

25 (b) Spending authorization for personnel-related costs, by
26 fund source, under the spending plan.

27 (c) Actual year-to-date expenditures for personnel-related

1 costs, by fund source, through the end of the prior month.

2 (d) The projected year-end balance or shortfall for personnel-
3 related costs, by fund source, based on actual monthly spending
4 levels through the end of the prior month.

5 (e) A specific plan for addressing any projected shortfall for
6 personnel-related costs at either the gross or fund source level.

7 Sec. 288. (1) Beginning October 1 of the current fiscal year,
8 no less than 90% of a new department contract supported solely from
9 state restricted funds or general fund/general purpose funds and
10 designated in this part or part 1 for a specific entity for the
11 purpose of providing services to individuals shall be expended for
12 such services after the first year of the contract.

13 (2) The department may allow a contract to exceed the
14 limitation on administrative and services costs if it can be
15 demonstrated that an exception should be made to the provision in
16 subsection (1).

17 (3) By September 30 of the current fiscal year, the department
18 shall report to the house and senate appropriations subcommittees
19 on the department budget, house and senate fiscal agencies, and
20 state budget office on the rationale for all exceptions made to the
21 provision in subsection (1) and the number of contracts terminated
22 due to violations of subsection (1).

23 Sec. 289. By March 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, and the senate and house policy offices an annual report
27 on the supervisor-to-staff ratio by department divisions and

1 subdivisions.

2 Sec. 290. Any public advertisement for public assistance shall
3 also inform the public of the welfare fraud hotline operated by the
4 department.

5 Sec. 295. (1) From the funds appropriated in part 1 to
6 agencies providing physical and behavioral health services to
7 multicultural populations, the department shall award grants in
8 accordance with the requirements of subsection (2). The state is
9 not liable for any spending above the contract amount. Funds shall
10 not be released until reporting requirements under section 295 of
11 article X of 2017 PA 107 are satisfied.

12 (2) The department shall require each contractor described in
13 subsection (1) that receives greater than \$1,000,000.00 in state
14 grant funding to comply with performance-related metrics to
15 maintain their eligibility for funding. The organizational metrics
16 shall include, but not be limited to, all of the following:

17 (a) Each contractor or subcontractor shall have accreditations
18 that attest to their competency and effectiveness as behavioral
19 health and social service agencies.

20 (b) Each contractor or subcontractor shall have a mission that
21 is consistent with the purpose of the multicultural agency.

22 (c) Each contractor shall validate that any subcontractors
23 utilized within these appropriations share the same mission as the
24 lead agency receiving funding.

25 (d) Each contractor or subcontractor shall demonstrate cost-
26 effectiveness.

27 (e) Each contractor or subcontractor shall ensure their

1 ability to leverage private dollars to strengthen and maximize
2 service provision.

3 (f) Each contractor or subcontractor shall provide timely and
4 accurate reports regarding the number of clients served, units of
5 service provision, and ability to meet their stated goals.

6 (3) The department shall require an annual report from the
7 contractors described in subsection (2). The annual report, due 60
8 days following the end of the contract period, shall include
9 specific information on services and programs provided, the client
10 base to which the services and programs were provided, information
11 on any wraparound services provided, and the expenditures for those
12 services. The department shall provide the annual reports to the
13 senate and house appropriations subcommittees on health and human
14 services, the senate and house fiscal agencies, and the state
15 budget office.

16 Sec. 296. From the funds appropriated in part 1, the
17 department is responsible for the necessary and reasonable attorney
18 fees and costs incurred by private and independent legal counsel
19 chosen by current and former classified and unclassified department
20 employees in the defense of the employees in any state or federal
21 lawsuit or investigation related to the water system in a city or
22 community in which a declaration of emergency was issued because of
23 drinking water contamination.

24 Sec. 297. On a semiannual basis, the department shall report
25 on the number of FTEs in pay status by type of staff. The report
26 shall include a comparison by line item of the number of FTEs
27 authorized from funds appropriated in part 1 to the actual number

1 of FTEs employed by the department at the end of the reporting
2 period.

3 Sec. 298. (1) The department shall continue to work with a
4 willing CMHSP in Kent County and all willing Medicaid health plans
5 in the county to pilot a full physical and behavioral health
6 integrated service demonstration model. The department shall ensure
7 that the demonstration model described in this subsection is
8 implemented in a manner that ensures at least all of the following:

9 (a) That any changes made to a Medicaid waiver or Medicaid
10 state plan to implement the demonstration model described in this
11 subsection must only be in effect for the duration of the
12 demonstration model described in this subsection.

13 (b) That the demonstration model described in this subsection
14 is consistent with the stated core values as identified in the
15 final report of the workgroup established in section 298 of article
16 X of 2016 PA 268.

17 (c) That updates are provided to the medical care advisory
18 council, behavioral health advisory council, and developmental
19 disabilities council.

20 (2) In addition to the pilot project described in subsection
21 (1), the department shall continue to implement up to 3 pilot
22 projects to achieve fully financially integrated Medicaid
23 behavioral health and physical health benefit and financial
24 integration demonstration models. These demonstration models shall
25 use single contracts between the state and each licensed Medicaid
26 health plan that is currently contracted to provide Medicaid
27 services in the geographic area of the pilot project. The

1 department shall ensure that the pilot projects described in this
2 subsection are implemented in a manner that ensures at least all of
3 the following:

4 (a) That allows the CMHSP in the geographic area of the pilot
5 project to be a provider of behavioral health supports and
6 services.

7 (b) That any changes made to a Medicaid waiver or Medicaid
8 state plan to implement the pilot projects described in this
9 subsection must only be in effect for the duration of the pilot
10 programs established under section 298 of article X of 2016 PA 268.

11 (c) That the project is consistent with the stated core values
12 as identified in the final report of the workgroup described in
13 subsection (1).

14 (d) That updates are provided to the medical care advisory
15 council, behavioral health advisory council, and developmental
16 disabilities council.

17 (3) It is the intent of the legislature that each pilot
18 project and demonstration model shall be designed to last at least
19 2 years.

20 (4) For the duration of any pilot projects and demonstration
21 model, the department shall require that contracts between CMHSPs
22 and the Medicaid health plans within their pilot region mandate
23 that any and all realized benefits and cost savings of integrating
24 the physical health and behavioral health systems shall be
25 reinvested in services and supports for individuals having or at
26 risk of having a mental illness, an intellectual or developmental
27 disability, or a substance use disorder. Any and all realized

1 benefits and cost savings shall be specifically reinvested in the
2 counties where the savings occurred in accordance with the Medicaid
3 state plan and any applicable Medicaid waiver.

4 (5) It is the intent of the legislature that the primary
5 purpose of the pilot projects and demonstration model is to test
6 how the state may better integrate behavioral and physical health
7 delivery systems in order to improve behavioral and physical health
8 outcomes, maximize efficiencies, minimize unnecessary costs, and
9 achieve material increases in behavioral health services without
10 increases in overall Medicaid spending.

11 (6) The department shall continue to partner with 1 of the
12 state's research universities at least 6 months before the
13 completion of each pilot project or demonstration model authorized
14 under this section to evaluate the pilot project or demonstration
15 model. The evaluation must include all of the following:

16 (a) Information on the pilot project's or demonstration
17 model's success in meeting the performance metrics developed in
18 this subsection and information on whether the pilot project could
19 be replicated into other geographic areas with similar performance
20 metric outcomes.

21 (b) Performance metrics, at a minimum, from each of the
22 following categories:

23 (i) Improvement of the coordination between behavioral health
24 and physical health.

25 (ii) Improvement of services available to individuals with
26 mental illness, intellectual or developmental disabilities, or
27 substance use disorders.

1 (iii) Benefits associated with full access to community-based
2 services and supports.

3 (iv) Customer health status.

4 (v) Customer satisfaction.

5 (vi) Provider network stability.

6 (vii) Treatment and service efficacies before and after the
7 pilot projects and demonstration model.

8 (viii) Use of best practices.

9 (ix) Financial efficiencies.

10 (x) Barriers to clinical data sharing with Medicaid health
11 plans.

12 (xi) Any other relevant categories.

13 (c) A requirement that the evaluation shall be completed
14 within 6 months after the end of each pilot project or
15 demonstration model and will be provided to the department, the
16 house and senate appropriations subcommittees on the department
17 budget, the house and senate fiscal agencies, the house and senate
18 policy offices, and the state budget office.

19 (7) By November 1 of the current fiscal year, the department
20 shall report to the house and senate appropriations subcommittees
21 on the department budget, the house and senate fiscal agencies, the
22 house and senate policy offices, and the state budget office on the
23 progress toward implementation of the pilot projects and
24 demonstration model described in this section, and a summary of all
25 projects. The report shall also include information on policy
26 changes and any other efforts made to improve the coordination of
27 supports and services for individuals having or at risk of having a

1 mental illness, an intellectual or developmental disability, a
2 substance use disorder, or a physical health need.

3 (8) Upon completion of any pilot project or demonstration
4 model advanced under this section, the managing entity of the pilot
5 project or demonstration model shall submit a report to the senate
6 and house appropriations subcommittees on the department budget,
7 the senate and house fiscal agencies, the senate and house policy
8 offices, and the state budget office within 30 days of completion
9 of that pilot project or demonstration model detailing their
10 experience, lessons learned, efficiencies and savings revealed,
11 increases in investment on behavioral health services, and
12 recommendations for extending pilot projects to full implementation
13 or discontinuation.

14 Sec. 299. (1) No state department or agency shall issue a
15 request for proposal (RFP) for a contract in excess of
16 \$5,000,000.00, unless the department or agency has first considered
17 issuing a request for information (RFI) or a request for
18 qualification (RFQ) relative to that contract to better enable the
19 department or agency to learn more about the market for the
20 products or services that are the subject of the RFP. The
21 department or agency shall notify the department of technology,
22 management, and budget of the evaluation process used to determine
23 if an RFI or RFQ was not necessary prior to issuing the RFP.

24 (2) From funds appropriated in part 1, for all RFPs issued
25 during the current fiscal year where an existing service received
26 proposals by multiple vendors, the department shall notify all
27 vendors within 30 days of the RFP decision. The notification to

1 vendors shall include details on the RFP process, including the
2 respective RFP scores and the respective cost for each vendor. If
3 the highest scored RFP or lowest cost RFP does not receive the
4 contract for an existing service offered by the department, the
5 notification shall issue an explanation for the reasons that the
6 highest scored RFP or lowest cost RFP did not receive the contract
7 and detail the incremental cost target amount or service level
8 required that was required to migrate the service to a new vendor.
9 Additionally, the department shall include in the notification
10 details as to why a cost or service difference is justifiable if
11 the highest scored or lowest cost vendor does not receive the
12 contract.

13 (3) The department shall submit to the senate and house
14 appropriations subcommittees on the department budget, the senate
15 and house fiscal agencies, the senate and house policy offices, and
16 the state budget office by September 30 of the current fiscal year
17 a report that summarizes all RFPs during the current fiscal year
18 where an existing service received proposals by multiple vendors.
19 The report shall list all finalized RFPs where there was a
20 divergence from awarding the contract to the lowest cost or highest
21 scoring vendor. The report shall also include the cost or service
22 threshold required by department policy that must be satisfied in
23 order for an existing contract to be received by a new vendor.

24 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

25 Sec. 307. (1) From the funds appropriated in part 1 for
26 demonstration projects, \$950,000.00 shall be distributed as

1 provided in subsection (2). The amount distributed under this
2 subsection shall not exceed 50% of the total operating expenses of
3 the program described in subsection (2), with the remaining 50%
4 paid by local United Way organizations and other nonprofit
5 organizations and foundations.

6 (2) Funds distributed under subsection (1) shall be
7 distributed to Michigan 2-1-1, a nonprofit corporation organized
8 under the laws of this state that is exempt from federal income tax
9 under section 501(c)(3) of the internal revenue code of 1986, 26
10 USC 501, and whose mission is to coordinate and support a statewide
11 2-1-1 system. Michigan 2-1-1 shall use the funds only to fulfill
12 the Michigan 2-1-1 business plan adopted by Michigan 2-1-1 in
13 January 2005.

14 (3) Michigan 2-1-1 shall refer to the department any calls
15 received reporting fraud, waste, or abuse of state-administered
16 public assistance.

17 (4) Michigan 2-1-1 shall report annually to the department and
18 the house and senate standing committees with primary jurisdiction
19 over matters relating to human services and telecommunications on
20 2-1-1 system performance, the senate and house appropriations
21 subcommittees on the department budget, and the senate and house
22 fiscal agencies, including, but not limited to, call volume by
23 health and human service needs and unmet needs identified through
24 caller data and customer satisfaction metrics.

25 Sec. 316. From the funds appropriated in part 1 for terminal
26 leave payments, the department shall not spend in excess of its
27 annual gross appropriation unless it identifies and requests a

1 legislative transfer from another budgetary line item supporting
2 administrative costs, as provided by section 393(2) of the
3 management and budget act, 1984 PA 431, MCL 18.1393.

4 **CHILD SUPPORT ENFORCEMENT**

5 Sec. 401. (1) The appropriations in part 1 assume a total
6 federal child support incentive payment of \$26,500,000.00.

7 (2) From the federal money received for child support
8 incentive payments, \$12,000,000.00 shall be retained by the state
9 and expended for child support program expenses.

10 (3) From the federal money received for child support
11 incentive payments, \$14,500,000.00 shall be paid to the counties
12 based on each county's performance level for each of the federal
13 performance measures as established in 45 CFR 305.2.

14 (4) If the child support incentive payment to the state from
15 the federal government is greater than \$26,500,000.00, then 100% of
16 the excess shall be retained by the state and is appropriated until
17 the total retained by the state reaches \$15,397,400.00.

18 (5) If the child support incentive payment to the state from
19 the federal government is greater than the amount needed to satisfy
20 the provisions identified in subsections (1), (2), (3), and (4),
21 the additional funds shall be subject to appropriation by the
22 legislature.

23 (6) If the child support incentive payment to the state from
24 the federal government is less than \$26,500,000.00, then the state
25 and county share shall each be reduced by 50% of the shortfall.

26 Sec. 409. (1) If statewide retained child support collections

1 exceed \$38,300,000.00, 75% of the amount in excess of
2 \$38,300,000.00 is appropriated to legal support contracts. This
3 excess appropriation may be distributed to eligible counties to
4 supplement and not supplant county title IV-D funding.

5 (2) Each county whose retained child support collections in
6 the current fiscal year exceed its fiscal year 2004-2005 retained
7 child support collections, excluding tax offset and financial
8 institution data match collections in both the current fiscal year
9 and fiscal year 2004-2005, shall receive its proportional share of
10 the 75% excess.

11 Sec. 410. (1) If title IV-D-related child support collections
12 are escheated, the state budget director is authorized to adjust
13 the sources of financing for the funds appropriated in part 1 for
14 legal support contracts to reduce federal authorization by 66% of
15 the escheated amount and increase general fund/general purpose
16 authorization by the same amount. This budget adjustment is
17 required to offset the loss of federal revenue due to the escheated
18 amount being counted as title IV-D program income in accordance
19 with federal regulations at 45 CFR 304.50.

20 (2) The department shall notify the chairs of the house and
21 senate appropriations subcommittees on the department budget and
22 the house and senate fiscal agencies within 15 days of the
23 authorization adjustment in subsection (1).

24 **COMMUNITY SERVICES AND OUTREACH**

25 Sec. 450. (1) From the funds appropriated in part 1 for school
26 success partnership program, the department shall allocate

1 \$525,000.00 by December 1 of the current fiscal year to support the
2 Northeast Michigan Community Service Agency programming, which will
3 take place in each county in the Governor's Prosperity Region 3.

4 The department shall require the following performance objectives
5 be measured and reported for the duration of the state funding for
6 the school success partnership program:

7 (a) Increasing school attendance and decreasing chronic
8 absenteeism.

9 (b) Increasing academic performance based on grades with
10 emphasis on math and reading.

11 (c) Identifying barriers to attendance and success and
12 connecting families with resources to reduce these barriers.

13 (d) Increasing parent involvement with the parent's child's
14 school and community.

15 (2) On a semiannual basis, the Northeast Michigan Community
16 Service Agency shall provide reports to the department on the
17 number of children and families served and the services that were
18 provided to families to meet the performance objectives identified
19 in this section. The department shall distribute the reports within
20 1 week after receipt 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.

24 Sec. 452. From the funds appropriated in part 1 for crime
25 victim justice assistance grants, the department shall continue to
26 support forensic nurse examiner programs to facilitate training for
27 improved evidence collection for the prosecution of sexual assault.

1 The funds shall be used for program coordination and training.

2 Sec. 453. From the funds appropriated in part 1 for homeless
3 programs, the department shall maintain emergency shelter program
4 per diem rates at \$16.00 per bed night to support efforts of
5 shelter providers to move homeless individuals and households into
6 permanent housing as quickly as possible. Expected outcomes are
7 increased shelter discharges to stable housing destinations,
8 decreased recidivism rates for shelter clients, and a reduction in
9 the average length of stay in emergency shelters.

10 Sec. 454. The department shall allocate the full amount of
11 funds appropriated in part 1 for homeless programs to provide
12 services for homeless individuals and families, including, but not
13 limited to, third-party contracts for emergency shelter services.

14 Sec. 455. As a condition of receipt of federal TANF funds,
15 homeless shelters and human services agencies shall collaborate
16 with the department to obtain necessary TANF eligibility
17 information on families as soon as possible after admitting a
18 family to the homeless shelter. From the funds appropriated in part
19 1 for homeless programs, the department is authorized to make
20 allocations of TANF funds only to the homeless shelters and human
21 services agencies that report necessary data to the department for
22 the purpose of meeting TANF eligibility reporting requirements.
23 Homeless shelters or human services agencies that do not report
24 necessary data to the department for the purpose of meeting TANF
25 eligibility reporting requirements will not receive reimbursements
26 that exceed the per diem amount they received in fiscal year 2000.
27 The use of TANF funds under this section is not an ongoing

1 commitment of funding.

2 Sec. 457. (1) From the funds appropriated in part 1 for the
3 uniform statewide sexual assault evidence kit tracking system, in
4 accordance with the final report of the Michigan sexual assault
5 evidence kit tracking and reporting commission, \$800,000.00 is
6 allocated from the sexual assault evidence tracking fund to
7 contract for development and implementation of a uniform statewide
8 sexual assault evidence kit tracking system. The system shall
9 include the following:

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

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

15 (c) Secure electronic access for victims.

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

19 (2) By March 30 of the current fiscal year, the department
20 shall submit 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 status report on implementation and operation of the uniform
24 statewide sexual assault evidence kit tracking system, including
25 operational status and any known issues regarding implementation.

26 (3) The sexual assault evidence tracking fund established in
27 section 1451 of 2017 PA 158 shall continue to be maintained in the

1 department of treasury. Money in the sexual assault evidence
2 tracking fund at the close of a fiscal year shall remain in the
3 sexual assault evidence tracking fund and shall not revert to the
4 general fund and shall be appropriated as provided by law for the
5 development and implementation of a uniform statewide sexual
6 assault evidence kit tracking system as described in subsection
7 (1).

8 (4) By September 30 of the current fiscal year, the department
9 shall submit 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 findings of the annual audit of the proper submission
13 of sexual assault evidence kits as required by the sexual assault
14 kit evidence submission act, 2014 PA 227, MCL 752.931 to 752.935.
15 The report must include, but is not limited to, a detailed county-
16 by-county compilation of the number of sexual assault evidence kits
17 that were properly submitted and the number that met or did not
18 meet deadlines established in the sexual assault kit evidence
19 submission act, 2014 PA 227, MCL 752.931 to 752.935, the number of
20 sexual assault evidence kits retrieved by law enforcement after
21 analysis, and the physical location of all released sexual assault
22 evidence kits collected by health care providers in that year, as
23 of the date of the annual draft report for each reporting agency.

24 Sec. 458. From the funds appropriated in part 1 for crime
25 victim rights services grants, the department shall allocate
26 \$2,000,000.00 of crime victim's rights fund to increase grant
27 funding to support the further use of crime victim advocates in the

1 criminal justice system. The purpose of the additional funding is
2 to increase available grant funding for crime victim advocates to
3 ensure that the advocates have the resources, training, and funding
4 needed to respond to the physical and emotional needs of crime
5 victims and to provide victims with the necessary services,
6 information, and assistance in order to help them understand and
7 participate in the criminal justice system and experience a measure
8 of safety and security throughout the legal process.

9 Sec. 460. By October 1 of the current fiscal year, the
10 department shall submit to the Michigan department of education the
11 final report containing task force recommendations for reducing
12 child sexual abuse in this state as required by 2012 PA 593, MCL
13 722.632b.

14 **CHILDREN'S SERVICES AGENCY - CHILD WELFARE**

15 Sec. 501. (1) A goal is established that not more than 25% of
16 all children in foster care at any given time during the current
17 fiscal year, if in the best interest of the child, will have been
18 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 child welfare services that achieve permanency by the
11 department and private child placing agencies in a prospective
12 payment system under a performance-based funding model.

13 (2) From the funds appropriated in part 1 for adoption support
14 services, the department shall allocate \$50,000.00 by December 31
15 of the current fiscal year to conduct an actuarial study on rates
16 paid to private child placing agencies for adoption incentive
17 payments. The actuarial study shall include a full cost prospective
18 rate payment system and shall identify and analyze contractual
19 costs paid through the case rate developed by an independent
20 actuary.

21 (3) By October 1 of the current fiscal year, from the funds
22 appropriated in part 1 for adoption support services, the
23 department shall allocate \$950,000.00 of state general fund/general
24 purpose and any eligible federal matching funds to increase rates
25 paid to adoption service providers by up to 10% for adoption
26 placement, adoption finalization, and adoption permanency in all
27 rate categories.

1 (4) By March 1 of the current fiscal year, the department
2 shall provide to the senate and house appropriations committees on
3 the department budget, the senate and house fiscal agencies and
4 policy offices, and the state budget office a report on the full
5 cost analysis of the performance-based funding model. The report
6 shall include background information on the project and give
7 details about the contractual costs covered through the case rate.

8 (5) In accordance with the final report of the Michigan child
9 welfare performance-based funding task force issued in response to
10 section 503 of article X of 2013 PA 59, the department shall
11 continue an independent, third-party evaluation of the performance-
12 based funding model.

13 (6) The department shall only implement the performance-based
14 funding model into additional counties where the department,
15 private child welfare agencies, the county, and the court operating
16 within that county have signed a memorandum of understanding that
17 incorporates the intentions of the concerned parties in order to
18 implement the performance-based funding model.

19 (7) The department, in conjunction with members from both the
20 house of representatives and senate, private child placing
21 agencies, the courts, and counties shall continue to implement the
22 recommendations that are described in the workgroup report that was
23 provided in section 503 of article X of 2013 PA 59 to establish a
24 performance-based funding for public and private child welfare
25 services providers. The department shall provide quarterly reports
26 on the status of the performance-based contracting model to the
27 senate and house appropriations subcommittees on the department

1 budget, the senate and house standing committees on families and
2 human services, and the senate and house fiscal agencies and policy
3 offices.

4 (8) From the funds appropriated in part 1 for the performance-
5 based funding model pilot, the department shall continue to work
6 with the West Michigan Partnership for Children Consortium on the
7 implementation of the performance-based funding model pilot. The
8 consortium shall accept and comprehensively assess referred youth,
9 assign cases to members of its continuum or leverage services from
10 other entities, and make appropriate case management decisions
11 during the duration of a case. The consortium shall operate an
12 integrated continuum of care structure, with services provided by
13 both private and public agencies, based on individual case needs.
14 The consortium shall demonstrate significant organizational
15 capacity and competencies, including experience with managing risk-
16 based contracts, financial strength, experienced staff and
17 leadership, and appropriate governance structure.

18 Sec. 504. (1) The department may continue a master agreement
19 with the West Michigan Partnership for Children Consortium for a
20 performance-based child welfare contracting pilot program. The
21 consortium shall consist of a network of affiliated child welfare
22 service providers that will accept and comprehensively assess
23 referred youth, assign cases to members of its continuum or
24 leverage services from other entities, and make appropriate case
25 management decisions during the duration of a case.

26 (2) The consortium shall operate an integrated continuum of
27 care structure, with services provided by private or public

1 agencies, based on individual case needs.

2 (3) By March 1 of the current fiscal year, the consortium
3 shall provide to the department and the house and senate
4 appropriations subcommittees on the department budget a report on
5 the consortium, including, but not limited to, actual expenditures,
6 number of children placed by agencies in the consortium, fund
7 balance of the consortium, and the status of the consortium
8 evaluation.

9 Sec. 505. By March 1 of the current fiscal year, the
10 department shall provide to the senate and house appropriations
11 subcommittees on the department budget, the senate and house fiscal
12 agencies and policy offices, and the state budget office a report
13 for youth referred or committed to the department for care or
14 supervision in the previous fiscal year and in the first quarter of
15 the current fiscal year outlining the number of youth served by the
16 department within the juvenile justice system, the type of setting
17 for each youth, performance outcomes, and financial costs or
18 savings.

19 Sec. 507. The department's ability to satisfy appropriation
20 deducts in part 1 for foster care private collections shall not be
21 limited to collections and accruals pertaining to services provided
22 only in the current fiscal year but may include revenues collected
23 during the current fiscal year for services provided in prior
24 fiscal years.

25 Sec. 508. (1) In addition to the amount appropriated in part 1
26 for children's trust fund grants, money granted or money received
27 as gifts or donations to the children's trust fund created by 1982

1 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

2 (2) The department and the child abuse and neglect prevention
3 board shall collaborate to ensure that administrative delays are
4 avoided and the local grant recipients and direct service providers
5 receive money in an expeditious manner. The department and board
6 shall make available the children's trust fund contract funds to
7 grantees within 31 days of the start date of the funded project.

8 (3) From the funds appropriated in part 1 for the children's
9 trust fund, \$500,000.00 shall be allocated to provide additional
10 funding to children's trust fund designated local councils for
11 increased substance use disorder programs. The \$500,000.00
12 additional allocation shall be funded by \$300,000.00 children's
13 trust fund cash reserve balance and \$200,000.00 state general
14 fund/general purpose. The purpose of this additional funding is to
15 increase the amount of services for substance use disorders that is
16 provided by local councils over the amount provided in the previous
17 fiscal year. None of the additional funding directed in this
18 subsection shall be used for purposes other than for local grants
19 and shall not be used for administrative or overhead activities.

20 Sec. 511. The department shall provide reports on a semiannual
21 basis to the senate and house appropriations subcommittees on the
22 department budget, the senate and house standing committees on
23 families and human services, and the senate and house fiscal
24 agencies and policy offices on the number and percentage of
25 children who received timely physical and mental health
26 examinations after entry into foster care. The goal of the program
27 is that at least 85% of children receive timely physical and mental

1 health examinations after entry into foster care.

2 Sec. 512. (1) As required by the settlement, by March 1 of the
3 current fiscal year, the department shall report to the senate and
4 house appropriations subcommittees on the department budget, the
5 senate and house fiscal agencies, the senate and house policy
6 offices, and the state budget office on the following information
7 for cases of child abuse or child neglect from the previous fiscal
8 year:

9 (a) The total number of relative care placements.

10 (b) The total number of relatives with a placement who became
11 licensed.

12 (c) The number of waivers of foster care licensure granted to
13 relative care providers.

14 (d) The number of waivers of foster care denied to relative
15 care providers.

16 (e) A list of the reasons from a sample of cases the
17 department denied granting a waiver of foster care licensure for a
18 relative care provider.

19 (f) A list of the reasons from a sample of cases where
20 relatives were declined foster care licensure as documented by the
21 department.

22 (2) The caseworker shall request a waiver of foster care
23 licensure if both of the following apply:

24 (a) The caseworker has fully informed the relative of the
25 benefits of licensure and the option of a licensure waiver.

26 (b) The caseworker has assessed the relative and the
27 relative's home using the department's initial relative safety

1 screen and the department's relative home assessment and has
2 determined that the relative's home is safe and placement there is
3 in the child's best interest.

4 Sec. 513. (1) The department shall not expend funds
5 appropriated in part 1 to pay for the direct placement by the
6 department of a child in an out-of-state facility unless all of the
7 following conditions are met:

8 (a) There is no appropriate placement available in this state
9 as determined by the department interstate compact office.

10 (b) An out-of-state placement exists that is nearer to the
11 child's home than the closest appropriate in-state placement as
12 determined by the department interstate compact office.

13 (c) The out-of-state facility meets all of the licensing
14 standards of this state for a comparable facility.

15 (d) The out-of-state facility meets all of the applicable
16 licensing standards of the state in which it is located.

17 (e) The department has done an on-site visit to the out-of-
18 state facility, reviewed the facility records, reviewed licensing
19 records and reports on the facility, and believes that the facility
20 is an appropriate placement for the child.

21 (2) The department shall not expend money for a child placed
22 in an out-of-state facility without approval of the executive
23 director of the children's services agency.

24 (3) The department shall submit an annual report to the state
25 court administrative office, the house and senate appropriations
26 subcommittees on the department budget, the house and senate fiscal
27 agencies, the house and senate policy offices, and the state budget

1 office on the number of Michigan children residing in out-of-state
2 facilities at the time of the report, the total cost and average
3 per diem cost of these out-of-state placements to this state, and a
4 list of each such placement arranged by the Michigan county of
5 residence for each child.

6 Sec. 514. The department shall make a comprehensive report
7 concerning children's protective services (CPS) to the legislature,
8 including the senate and house policy offices and the state budget
9 director, by March 1 of the current fiscal year, that shall include
10 all of the following:

11 (a) Statistical information including, but not limited to, all
12 of the following:

13 (i) The total number of reports of child abuse or child
14 neglect investigated under the child protection law, 1975 PA 238,
15 MCL 722.621 to 722.638, and the number of cases classified under
16 category I or category II and the number of cases classified under
17 category III, category IV, or category V.

18 (ii) Characteristics of perpetrators of child abuse or child
19 neglect and the child victims, such as age, relationship, race, and
20 ethnicity and whether the perpetrator exposed the child victim to
21 drug activity, including the manufacture of illicit drugs, that
22 exposed the child victim to substance abuse, a drug house, or
23 methamphetamine.

24 (iii) The mandatory reporter category in which the individual
25 who made the report fits, or other categorization if the individual
26 is not within a group required to report under the child protection
27 law, 1975 PA 238, MCL 722.621 to 722.638.

1 (iv) The number of cases that resulted in the separation of
2 the child from the parent or guardian and the period of time of
3 that separation, up to and including termination of parental
4 rights.

5 (v) For the reported complaints of child abuse or child
6 neglect by teachers, school administrators, and school counselors,
7 the number of cases classified under category I or category II and
8 the number of cases classified under category III, category IV, or
9 category V.

10 (vi) For the reported complaints of child abuse or child
11 neglect by teachers, school administrators, and school counselors,
12 the number of cases that resulted in separation of the child from
13 the parent or guardian and the period of time of that separation,
14 up to and including termination of parental rights.

15 (b) New policies related to children's protective services
16 including, but not limited to, major policy changes and court
17 decisions affecting the children's protective services system
18 during the immediately preceding 12-month period.

19 (c) Statistical information regarding families that were
20 classified in category III, including, but not limited to, all of
21 the following:

22 (i) The total number of cases classified in category III.

23 (ii) The number of cases in category III referred to voluntary
24 community services and closed with no additional monitoring.

25 (iii) The number of cases in category III referred to
26 voluntary community services and monitored for up to 90 days.

27 (iv) The number of cases in category III for which the

1 department entered more than 1 determination that there was
2 evidence of child abuse or child neglect.

3 (v) The number of cases in category III that the department
4 reclassified from category III to category II.

5 (vi) The number of cases in category III that the department
6 reclassified from category III to category I.

7 (vii) The number of cases in category III that the department
8 reclassified from category III to category I that resulted in a
9 removal.

10 (d) The department policy, or changes to the department
11 policy, regarding children who have been exposed to the production
12 or manufacture of methamphetamines.

13 Sec. 516. From funds appropriated in part 1 for county child
14 care fund, the administrative or indirect cost payment equal to 10%
15 of a county's total monthly gross expenditures shall be distributed
16 to the county on a monthly basis and a county is not required to
17 submit documentation to the department for any of the expenditures
18 that are covered under the 10% payment as described in section
19 117a(4)(b)(ii) and (iv) of the social welfare act, 1939 PA 280, MCL
20 400.117a.

21 Sec. 517. The department shall retain the same title IV-E
22 appeals policy in place as of the fiscal year ending September 30,
23 2017.

24 Sec. 519. The department shall permit any private agency that
25 has an existing contract with this state to provide foster care
26 services to be also eligible to provide treatment foster care
27 services.

1 Sec. 520. To the extent that the data are available, the
2 department shall submit a report to the house and senate
3 appropriations subcommittees on the department budget, the house
4 and senate fiscal agencies, the house and senate policy offices,
5 and the state budget office by February 15 of the current fiscal
6 year on the number of days of care and expenditures by funding
7 source for the previous fiscal year for out-of-home placements by
8 specific placement programs for child abuse or child neglect and
9 juvenile justice, including, but not limited to, paid relative
10 placement, department direct family foster care, private agency
11 supervised foster care, private child caring institutions, county-
12 supervised facilities, court-supervised facilities, and independent
13 living. The report shall also identify days of care for department-
14 operated residential juvenile justice facilities by security
15 classification.

16 Sec. 522. (1) From the funds appropriated in part 1 for youth
17 in transition, the department shall allocate \$750,000.00 for
18 scholarships through the fostering futures scholarship program in
19 the Michigan education trust to youths who were in foster care
20 because of child abuse or child neglect and are attending a college
21 or a career technical educational institution located in this
22 state. Of the funds appropriated, 100% shall be used to fund
23 scholarships for the youths described in this section.

24 (2) By March 1 of the current fiscal year, the department
25 shall provide a report to the senate and house appropriations
26 subcommittees on the department budget, the senate and house fiscal
27 agencies, the senate and house policy offices, and the state budget

1 office that includes the number of youths who received scholarships
2 and the amount of each scholarship, and the total amount of funds
3 spent or encumbered in the current fiscal year.

4 Sec. 523. (1) By February 15 of the current fiscal year, the
5 department shall submit to the senate and house appropriations
6 subcommittees on the department budget, the senate and house fiscal
7 agencies, the senate and house policy offices, and the state budget
8 office a report on the families first, family reunification, and
9 families together building solutions family preservation programs.
10 The report shall provide population and outcome data based on
11 contractually required follow-up evaluations for families who
12 received family preservation services and shall include information
13 for each program on any innovations that may increase child safety
14 and risk reduction.

15 (2) From the funds appropriated in part 1 for youth in
16 transition and domestic violence prevention and treatment, the
17 department is authorized to make allocations of TANF funds only to
18 agencies that report necessary data to the department for the
19 purpose of meeting TANF eligibility reporting requirements.

20 Sec. 524. As a condition of receiving funds appropriated in
21 part 1 for strong families/safe children, counties must submit the
22 service spending plan to the department by October 1 of the current
23 fiscal year for approval. The department shall approve the service
24 spending plan within 30 calendar days after receipt of a properly
25 completed service spending plan.

26 Sec. 525. The department shall implement the same on-site
27 evaluation processes for privately operated child welfare and

1 juvenile justice residential facilities as is used to evaluate
2 state-operated facilities. Penalties for noncompliance shall be the
3 same for privately operated child welfare and juvenile justice
4 residential facilities and state-operated facilities.

5 Sec. 527. With the approval of the settlement monitor, for the
6 purposes of calculating adoption worker caseloads for private child
7 placing agencies, the department shall exclude the following case
8 types:

9 (a) Cases in which there are multiple applicants as that term
10 is defined in section 22(e) of chapter X of the probate code of
11 1939, 1939 PA 288, MCL 710.22, also known as a competing party
12 case, in which the case has a consent motion pending from
13 Michigan's children's institute or the court for more than 30 days.

14 (b) Cases in which a birth parent has an order or motion for a
15 rehearing or an appeal as of right that has been pending for more
16 than 15 days.

17 Sec. 528. The department shall provide private child placing
18 agencies, the senate and house appropriations subcommittees on the
19 department budget, and the senate and house fiscal agencies and
20 policy offices the federal law, federal rule, or federal rationale
21 or interpretation that requires fingerprinting of an individual as
22 a requirement to become both a foster parent and an adoptive
23 parent.

24 Sec. 531. The department shall notify the house and senate
25 appropriations subcommittees on the department budget, the house
26 and senate fiscal agencies, and the house and senate policy offices
27 of any changes to a child welfare master contract template,

1 including the adoption master contract template, the independent
2 living plus master contract template, the child placing agency
3 foster care master contract template, and the residential foster
4 care juvenile justice master contract template, not less than 30
5 days before the change takes effect.

6 Sec. 532. The department, in collaboration with
7 representatives of private child and family agencies, shall revise
8 and improve the annual licensing review process and the annual
9 contract compliance review process for child placing agencies and
10 child caring institutions. The improvement goals shall be safety
11 and care for children. Improvements to the review process shall be
12 directed toward alleviating administrative burdens so that agency
13 resources may be focused on children. The revision shall include
14 identification of duplicative staff activities and information
15 sought from child placing agencies and child caring institutions in
16 the annual review process. The department shall report to the
17 senate and house appropriations subcommittees on the department
18 budget, the senate and house fiscal agencies and policy offices,
19 and the state budget director on or before January 15 of the
20 current fiscal year on the findings of the annual licensing review
21 and include summaries of actions undertaken to revise, improve, and
22 identify weaknesses in the current annual licensing process and
23 annual contract compliance.

24 Sec. 533. The department shall make payments to child placing
25 facilities for in-home and out-of-home care services and adoption
26 services within 30 days of receiving all necessary documentation
27 from those agencies. It is the intent of the legislature that the

1 burden of ensuring that these payments are made in a timely manner
2 and no payments are in arrears is upon the department.

3 Sec. 534. The department shall submit 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 by March 1 of the current fiscal year a
7 report on the adoption subsidies expenditures from the previous
8 fiscal year. The report shall include, but is not limited to, the
9 range of annual adoption support subsidy amounts, for both title
10 IV-E eligible cases and state-funded cases, paid to adoptive
11 families, the number of title IV-E and state-funded cases, the
12 number of cases in which the adoption support subsidy request of
13 adoptive parents for assistance was denied by the department, and
14 the number of adoptive parents who requested a redetermination of
15 adoption support subsidy.

16 Sec. 537. (1) The department, in collaboration with child
17 placing agencies, shall develop a strategy to implement section
18 115o of the social welfare act, 1939 PA 280, MCL 400.115o. The
19 strategy shall include a requirement that a department caseworker
20 responsible for preparing a recommendation to a court concerning a
21 juvenile placement shall provide, as part of the recommendation,
22 information regarding the requirements of section 115o of the
23 social welfare act, 1939 PA 280, MCL 400.115o.

24 (2) By March 1 of the current fiscal year, the department
25 shall provide to the senate and house appropriations subcommittees
26 on the department budget, the senate and house fiscal agencies, the
27 senate and house policy offices, and the state budget office a

1 report on the strategy described in subsection (1).

2 Sec. 540. If a physician or psychiatrist who is providing
3 services to state or court wards placed in a residential facility
4 submits a formal request to the department to change the
5 psychotropic medication of a ward, the department shall, if the
6 ward is a state ward, make a determination on the proposed change
7 within 7 business days after the request or, if the ward is a
8 temporary court ward, seek parental consent within 7 business days
9 after the request. If parental consent is not provided within 7
10 business days, the department shall petition the court on the
11 eighth business day.

12 Sec. 546. (1) From the funds appropriated in part 1 for foster
13 care payments and from child care fund, the department shall pay
14 providers of general foster care, independent living, and trial
15 reunification services not less than a \$37.00 administrative rate.

16 (2) From the funds appropriated in part 1, the department
17 shall pay providers of independent living plus services statewide
18 per diem rates for staff-supported housing and host-home housing
19 based on proposals submitted in response to a solicitation for
20 pricing. The independent living plus program provides staff-
21 supported housing and services for foster youth ages 16 through 19
22 who, because of their individual needs and assessments, are not
23 initially appropriate for general independent living foster care.

24 (3) From the funds appropriated in part 1, the department
25 shall pay providers of foster care services an additional \$9.20
26 administrative rate, if section 117a of the social welfare act,
27 1939 PA 280, MCL 400.117a, is amended to eliminate the county match

1 rate for the additional administrative rate provided in this
2 subsection. Payments under this subsection shall be made, not less
3 than, on a monthly basis.

4 (4) If required by the federal government to meet title IV-E
5 requirements, providers of foster care services shall submit
6 quarterly reports on expenditures to the department to identify
7 actual costs of providing foster care services.

8 (5) From the funds appropriated in part 1, the department
9 shall provide an increase to each private provider of residential
10 services, if section 117a of the social welfare act, 1939 PA 280,
11 MCL 400.117a, is amended to eliminate the county match rate for the
12 additional rate provided in this section.

13 Sec. 547. (1) From the funds appropriated in part 1 for the
14 guardianship assistance program, the department shall pay a minimum
15 rate that is not less than the approved age-appropriate payment
16 rates for youth placed in family foster care.

17 (2) The department shall report quarterly to the state budget
18 office, the senate and house appropriations subcommittees on the
19 department budget, the senate and house fiscal agencies, and the
20 senate and house policy offices on the number of children enrolled
21 in the guardianship assistance and foster care - children with
22 serious emotional disturbance waiver programs.

23 Sec. 550. (1) The department shall not offset against
24 reimbursement payments to counties or seek reimbursement from
25 counties for charges that were received by the department more than
26 12 months before the department seeks to offset against
27 reimbursement. A county shall not request reimbursement for and

1 reimbursement payments shall not be paid for a charge that is more
2 than 12 months after the date of service or original status
3 determination when initially submitted by the county.

4 (2) All service providers shall submit a request for payment
5 within 12 months after the date of service. Any request for payment
6 submitted 12 months or more after the date of service requires the
7 provider to submit an exception request to the county or the
8 department for approval or denial.

9 (3) The county is not subject to any offset, chargeback, or
10 reimbursement liability for prior expenditures resulting from an
11 error in foster care fund source determinations.

12 Sec. 551. The department shall respond to counties within 30
13 days regarding any request for a clarification requested through
14 the department's child care fund management unit electronic mail
15 address.

16 Sec. 552. Sixty days after a county's child care fund on-site
17 review is completed, the department shall provide the results of
18 the review to the county. The department shall not evaluate the
19 relevancy, quality, effectiveness, efficiency, or impact of the
20 services provided to youth of the county's child care fund programs
21 in the review. Pursuant to state law, the department shall not
22 release the results of the review to a third-party without the
23 permission of the county being reviewed.

24 Sec. 558. (1) By January 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
27 agencies, the senate and house policy offices, and the state budget

1 office a report that identifies the policies, procedures, and other
2 relevant issues related to the modernization of the child welfare
3 training program.

4 (2) Based on the results of the study of issues related to the
5 modernization of the child welfare training program undertaken in
6 the previous fiscal year, the department shall make a payment to
7 private child placing agencies upon the completion of the child
8 welfare caseworker training.

9 Sec. 559. (1) From the funds appropriated in part 1 for
10 adoption support services, the department shall allocate
11 \$250,000.00 to the Adoptive Family Support Network by December 1 of
12 the current fiscal year to operate and expand its adoptive parent
13 mentor program to provide a listening ear, knowledgeable guidance,
14 and community connections to adoptive parents and children who were
15 adopted in this state or another state.

16 (2) The Adoptive Family Support Network shall submit to the
17 senate and house appropriations subcommittees on the department
18 budget, the senate and house fiscal agencies, the senate and house
19 policy offices, and the state budget office by March 1 of the
20 current fiscal year a report on the program described in subsection
21 (1), including, but not limited to, the number of cases served and
22 the number of cases in which the program prevented an out-of-home
23 placement.

24 Sec. 562. The department shall provide time and travel
25 reimbursements for foster parents who transport a foster child to
26 parent-child visitations. As part of the foster care parent
27 contract, the department shall provide written confirmation to

1 foster parents that states that the foster parents have the right
2 to request these reimbursements for all parent-child visitations.
3 The department shall provide these reimbursements within 60 days of
4 receiving a request for eligible reimbursements from a foster
5 parent.

6 Sec. 564. (1) The department shall develop a clear policy for
7 parent-child visitations. The local county offices, caseworkers,
8 and supervisors shall meet an 85% success rate, after accounting
9 for factors outside of the caseworkers' control.

10 (2) Per the court-ordered number of required meetings between
11 caseworkers and a parent, the caseworkers shall achieve a success
12 rate of 85%, after accounting for factors outside of the
13 caseworkers' control.

14 (3) By March 1 of the current fiscal year, the department
15 shall provide to the senate and house appropriations subcommittees
16 on the department budget, the senate and house fiscal agencies, the
17 senate and house policy offices, and the state budget office a
18 report on the following:

19 (a) The percentage of success rate for parent-child
20 visitations and court-ordered required meetings between caseworkers
21 referenced in subsections (1) and (2) for the previous year.

22 (b) The barriers to achieve the success rates in subsections
23 (1) and (2) and how this information is tracked.

24 Sec. 567. The department shall submit 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 March 1 of the current fiscal year a

1 report on transfer of medical passports for children in foster
2 care, including the following:

3 (a) From the total medical passports transferred, the
4 percentage that transferred within 2 weeks from the date of
5 placement or return to the home.

6 (b) From the total school records, the percentage that
7 transferred within 2 weeks from the date of placement or return to
8 the home.

9 (c) The implementation steps that have been taken to improve
10 the outcomes for the measures in subdivision (a).

11 Sec. 569. The department shall reimburse private child placing
12 agencies that complete adoptions at the rate according to the date
13 on which the petition for adoption and required support
14 documentation was accepted by the court and not according to the
15 date the court's order placing for adoption was entered.

16 Sec. 573. (1) The department may pay providers of foster care
17 services a per diem daily administrative rate for every case on a
18 caseworker's caseload for the duration of a case from referral
19 acceptance to the discharge of wardship.

20 (2) The department shall participate in a workgroup to
21 determine an equitable and fair method to compensate private child
22 placing agencies for case management and services provided to
23 children for which private child placing agencies are not paid an
24 administrative rate. The members of the workgroup shall include,
25 but not be limited to, the department, representatives from the
26 Michigan Federation for Children and Families, representatives from
27 the Association of Accredited Child and Family Agencies,

1 representatives from contracted private child placing agencies, and
2 members of the senate and the house of representatives. The
3 workgroup shall, at a minimum, address the following possibilities
4 and make recommendations to the department on the implementation of
5 any of the following items that the workgroup considers feasible:

6 (a) Whether the department and other stakeholders can obtain a
7 consensus agreement on the definition of an unpaid foster care
8 case.

9 (b) Whether the department's current compensation is suitable
10 for private child placing agencies for the case management of a
11 child who, as described by department policy as of September 30 of
12 the previous fiscal year, is not in foster care and for whom the
13 private child placing agency does not receive an administrative
14 rate, but, as of September 30 of the previous fiscal year, who was
15 factored into the calculation of caseloads for a foster care worker
16 as described by the settlement.

17 (c) Whether an indirect or administrative payment is feasible
18 to compensate private child placing agencies for the case
19 management of a child who, as described by department policy as of
20 September 30 of the previous fiscal year, is not in foster care and
21 does not receive an administrative rate, but, as of September 30 of
22 the previous fiscal year, who was factored into the calculation of
23 caseloads for a foster care worker as described by the settlement.

24 (3) The department and the participants in the workgroup
25 described in subsection (2) shall complete the determination by
26 March 1 of the current fiscal year.

27 Sec. 574. (1) From the funds appropriated in part 1 for foster

1 care payments, \$2,000,000.00 is allocated to support performance-
2 based contracts with child placing agencies to facilitate the
3 licensure of relative caregivers as foster parents. Agencies shall
4 receive \$4,500.00 for each facilitated licensure if completed
5 within 180 days after case acceptance, or, if a waiver was
6 previously approved, 180 days from the referral date. If the
7 facilitated licensure, or approved waiver, is completed after 180
8 days, the agency shall receive up to \$3,500.00. The agency
9 facilitating the licensure would retain the placement and continue
10 to provide case management services for the newly licensed cases
11 for which the placement was appropriate to the agency.

12 (2) From the funds appropriated for foster care payments,
13 \$375,000.00 is allocated to support family incentive grants to
14 private and community-based foster care service providers to assist
15 with home improvements or payment for physical exams for applicants
16 needed by foster families to accommodate foster children.

17 Sec. 583. By March 1 of the current fiscal year, the
18 department shall provide to the senate and house appropriations
19 subcommittees on the department budget, the senate and house
20 standing committees on families and human services, the senate and
21 house fiscal agencies and policy offices, and the state budget
22 office a report that includes:

23 (a) The number and percentage of foster parents that dropped
24 out of the program in the previous fiscal year and the reasons the
25 foster parents left the program and how those figures compare to
26 prior fiscal years.

27 (b) The number and percentage of foster parents successfully

1 retained in the previous fiscal year and how those figures compare
2 to prior fiscal years.

3 Sec. 585. The department shall make available at least 1 pre-
4 service training class each month in which new caseworkers for
5 private foster care and adoption agencies can enroll.

6 Sec. 588. Concurrently with public release, the department
7 shall transmit all reports from the court-appointed settlement
8 monitor, including, but not limited to, the needs assessment and
9 period outcome reporting, to the state budget office, the senate
10 and house appropriations subcommittees on the department budget,
11 and the senate and house fiscal agencies and policy offices,
12 without revision.

13 Sec. 589. (1) From the funds appropriated in part 1 for child
14 care fund, the department shall pay 100% of the administrative rate
15 for all new cases referred to providers of foster care services.

16 (2) On a monthly basis, the department shall report on the
17 number of all foster care cases administered by the department and
18 all foster care cases administered by private providers.

19 Sec. 590. From funds appropriated in part 1 for youth in
20 transition, \$280,000.00 shall be awarded to a charter high school
21 for students ages 16 to 22 who have previously dropped out or are
22 at risk of not graduating on time operating in a county with a
23 population of greater than 172,000 but less than 175,000 according
24 to the most recent federal decennial census. It is the intent of
25 the legislature that this is the third year out of 3 years that
26 funding is to be provided by the legislature for the charter high
27 school described in this section.

1 Sec. 593. The department may allow residential service
2 providers for child abuse and child neglect cases to implement a
3 staff ratio during working hours of 1 staff to 5 children.

4 Sec. 594. From the funds appropriated in part 1 for foster
5 care payments, the department shall support regional resource teams
6 to provide for the recruitment, retention, and training of foster
7 and adoptive parents and shall expand the Michigan youth
8 opportunities initiative to all Michigan counties. The purpose of
9 this funding is to increase the number of annual inquiries from
10 prospective foster parents, increase the number of nonrelative
11 foster homes that achieve licensure each year, increase the annual
12 retention rate of nonrelative foster homes, reduce the number of
13 older foster youth placed outside of family settings, and provide
14 older youth with enhanced support in transitioning to adulthood.

15 Sec. 596. From the funds appropriated in part 1 for youth in
16 transition, the department shall allocate \$500,000.00 state general
17 fund/general purpose revenue to increase funding to support the
18 runaway and homeless youth services program. The purpose of the
19 additional funding is to support current programs for contracted
20 providers that provide emergency shelter and services to homeless
21 and runaway youth.

22 Sec. 597. From the funds appropriated in part 1 for family
23 support subsidy, the department shall make monthly payments of
24 \$229.31 to the parents or legal guardians of children approved for
25 the family support subsidy by a CMHSP.

26 **PUBLIC ASSISTANCE**

1 Sec. 601. Whenever a client agrees to the release of his or
2 her name and address to the local housing authority, the department
3 shall request from the local housing authority information
4 regarding whether the housing unit for which vendoring has been
5 requested meets applicable local housing codes. Vendoring shall be
6 terminated for those units that the local authority indicates in
7 writing do not meet local housing codes until such time as the
8 local authority indicates in writing that local housing codes have
9 been met.

10 Sec. 602. The department shall conduct a full evaluation of an
11 individual's assistance needs if the individual has applied for
12 disability more than 1 time within a 1-year period.

13 Sec. 604. (1) The department shall operate a state disability
14 assistance program. Except as provided in subsection (3), persons
15 eligible for this program shall include needy citizens of the
16 United States or aliens exempted from the supplemental security
17 income citizenship requirement who are at least 18 years of age or
18 emancipated minors meeting 1 or more of the following requirements:

19 (a) A recipient of supplemental security income, social
20 security, or medical assistance due to disability or 65 years of
21 age or older.

22 (b) A person with a physical or mental impairment that meets
23 federal supplemental security income disability standards, except
24 that the minimum duration of the disability shall be 90 days.
25 Substance use disorder alone is not defined as a basis for
26 eligibility.

27 (c) A resident of an adult foster care facility, a home for

1 the aged, a county infirmary, or a substance use disorder treatment
2 center.

3 (d) A person receiving 30-day postresidential substance use
4 disorder treatment.

5 (e) A person diagnosed as having acquired immunodeficiency
6 syndrome.

7 (f) A person receiving special education services through the
8 local intermediate school district.

9 (g) A caretaker of a disabled person who meets the
10 requirements specified in subdivision (a), (b), (e), or (f).

11 (2) Applicants for and recipients of the state disability
12 assistance program shall be considered needy if they:

13 (a) Meet the same asset test as is applied for the family
14 independence program.

15 (b) Have a monthly budgetable income that is less than the
16 payment standards.

17 (3) Except for a person described in subsection (1)(c) or (d),
18 a person is not disabled for purposes of this section if his or her
19 drug addiction or alcoholism is a contributing factor material to
20 the determination of disability. "Material to the determination of
21 disability" means that, if the person stopped using drugs or
22 alcohol, his or her remaining physical or mental limitations would
23 not be disabling. If his or her remaining physical or mental
24 limitations would be disabling, then the drug addiction or
25 alcoholism is not material to the determination of disability and
26 the person may receive state disability assistance. Such a person
27 must actively participate in a substance abuse treatment program,

1 and the assistance must be paid to a third party or through vendor
2 payments. For purposes of this section, substance abuse treatment
3 includes receipt of inpatient or outpatient services or
4 participation in alcoholics anonymous or a similar program.

5 Sec. 605. The level of reimbursement provided to state
6 disability assistance recipients in licensed adult foster care
7 facilities shall be the same as the prevailing supplemental
8 security income rate under the personal care category.

9 Sec. 606. County department offices shall require each
10 recipient of family independence program and state disability
11 assistance who has applied with the social security administration
12 for supplemental security income to sign a contract to repay any
13 assistance rendered through the family independence program or
14 state disability assistance program upon receipt of retroactive
15 supplemental security income benefits.

16 Sec. 607. (1) The department's ability to satisfy
17 appropriation deductions in part 1 for state disability
18 assistance/supplemental security income recoveries and public
19 assistance recoupment revenues shall not be limited to recoveries
20 and accruals pertaining to state disability assistance, or family
21 independence assistance grant payments provided only in the current
22 fiscal year, but may include revenues collected during the current
23 year that are prior year related and not a part of the department's
24 accrued entries.

25 (2) The department may use supplemental security income
26 recoveries to satisfy the deduct in any line in which the revenues
27 are appropriated, regardless of the source from which the revenue

1 is recovered.

2 Sec. 608. Adult foster care facilities providing domiciliary
3 care or personal care to residents receiving supplemental security
4 income or homes for the aged serving residents receiving
5 supplemental security income shall not require those residents to
6 reimburse the home or facility for care at rates in excess of those
7 legislatively authorized. To the extent permitted by federal law,
8 adult foster care facilities and homes for the aged serving
9 residents receiving supplemental security income shall not be
10 prohibited from accepting third-party payments in addition to
11 supplemental security income if the payments are not for food,
12 clothing, shelter, or result in a reduction in the recipient's
13 supplemental security income payment.

14 Sec. 609. The state supplementation level under the
15 supplemental security income program for the personal care/adult
16 foster care and home for the aged categories shall not be reduced
17 during the current fiscal year. The legislature shall be notified
18 not less than 30 days before any proposed reduction in the state
19 supplementation level.

20 Sec. 610. (1) In developing good cause criteria for the state
21 emergency relief program, the department shall grant exemptions if
22 the emergency resulted from unexpected expenses related to
23 maintaining or securing employment.

24 (2) For purposes of determining housing affordability
25 eligibility for state emergency relief, a group is considered to
26 have sufficient income to meet ongoing housing expenses if their
27 total housing obligation does not exceed 75% of their total net

1 income.

2 (3) State emergency relief payments shall not be made to
3 individuals who have been found guilty of fraud in regard to
4 obtaining public assistance.

5 (4) State emergency relief payments shall not be made
6 available to persons who are out-of-state residents or illegal
7 immigrants.

8 (5) State emergency relief payments for rent assistance shall
9 be distributed directly to landlords and shall not be added to
10 Michigan bridge cards.

11 Sec. 611. The state supplementation level under the
12 supplemental security income program for the living independently
13 or living in the household of another categories shall not exceed
14 the minimum state supplementation level as required under federal
15 law or regulations.

16 Sec. 613. (1) The department shall provide reimbursements for
17 the final disposition of indigent persons. The reimbursements shall
18 include the following:

19 (a) The maximum allowable reimbursement for the final
20 disposition is \$800.00.

21 (b) The adult burial with services allowance is \$725.00.

22 (c) The adult burial without services allowance is \$490.00.

23 (d) The infant burial allowance is \$170.00.

24 (2) Reimbursement for a cremation permit fee of up to \$75.00
25 and for mileage at the standard rate will be made available for an
26 eligible cremation. The reimbursements under this section shall
27 take into consideration religious preferences that prohibit

1 cremation.

2 Sec. 614. The department shall report to the senate and house
3 of representatives appropriations subcommittees on the department
4 budget, the senate and house fiscal agencies, and the senate and
5 house policy offices by January 15 of the current fiscal year on
6 the number and percentage of state disability assistance recipients
7 who were determined to be eligible for federal supplemental
8 security income benefits in the previous fiscal year.

9 Sec. 615. Except as required by federal law or regulations,
10 funds appropriated in part 1 shall not be used to provide public
11 assistance to a person who is an illegal alien. This section shall
12 not prohibit the department from entering into contracts with food
13 banks, emergency shelter providers, or other human services
14 agencies who may, as a normal part of doing business, provide food
15 or emergency shelter.

16 Sec. 616. The department shall require retailers that
17 participate in the electronic benefits transfer program to charge
18 no more than \$2.50 in fees for cash back as a condition of
19 participation.

20 Sec. 618. By March 1 of the current fiscal year, the
21 department shall report to the senate and house appropriations
22 subcommittees on the department budget, the senate and house fiscal
23 agencies, the senate and house policy offices, and the state budget
24 office the quarterly number of supervised individuals who have
25 absconded from supervision and whom a law enforcement agency, the
26 department of corrections, or the department is actively seeking
27 according to section 84 of the corrections code of 1953, 1953 PA

1 232, MCL 791.284.

2 Sec. 619. (1) Subject to subsection (2), the department shall
3 not deny title IV-A assistance and food assistance benefits under
4 21 USC 862a to any individual who has been convicted of a single
5 felony that included the possession, use, or distribution of a
6 controlled substance, for which the act that resulted in the
7 conviction occurred after August 22, 1996, if the individual is not
8 in violation of his or her probation or parole requirements.
9 Benefits shall be provided to an individual, if the individual is
10 the grantee (head of household), as follows:

11 (a) Family independence program benefits must be paid in the
12 form of restricted payments when the grantee has been convicted,
13 for conduct occurring after August 22, 1996, of a felony for the
14 use, possession, or distribution of a controlled substance.

15 (b) An authorized representative shall be required for food
16 assistance receipt. If the individual with the conviction is not
17 the grantee, the food assistance shall be provided to the grantee.

18 (2) Subject to federal approval, an individual is not entitled
19 to the exemption in this section if the individual was convicted of
20 2 or more separate felony acts that included the possession, use,
21 or distribution of a controlled substance and both acts occurred
22 after August 22, 1996.

23 Sec. 620. (1) The department shall make a determination of
24 Medicaid eligibility not later than 90 days if disability is an
25 eligibility factor. For all other Medicaid applicants, including
26 patients of a nursing home, the department shall make a
27 determination of Medicaid eligibility within 45 days of

1 application.

2 (2) The department shall provide quarterly reports to the
3 senate and house appropriations subcommittees on the department
4 budget, the senate and house standing committees on families and
5 human services, the senate and house fiscal agencies, the senate
6 and house policy offices, and the state budget office on the
7 average Medicaid eligibility standard of promptness for each of the
8 required standards of promptness under subsection (1) and for
9 medical review team reviews achieved statewide and at each local
10 office.

11 Sec. 625. From the funds appropriated in part 1 for SSI
12 advocacy legal services grant, the department shall allocate
13 \$250,000.00 as a grant to the Legal Services Association of
14 Michigan (LSAM). The purpose of the grant is to assist current or
15 potential recipients of state disability assistance who have
16 applied for or wish to apply for SSI or other federal disability
17 benefits. LSAM shall provide a list of new recipients to the
18 department to verify services provided to department referrals. The
19 department shall distribute informational materials or literature
20 provided by LSAM to clients who have been referred to LSAM for
21 assistance under this section. LSAM and the department shall
22 develop release forms to share information in appropriate cases.
23 LSAM shall provide quarterly reports indicating cases opened, cases
24 closed, level of services provided on closed cases, and case
25 outcomes on closed cases.

26 Sec. 645. An individual or family is considered homeless, for
27 purposes of eligibility for state emergency relief, if living

1 temporarily with others in order to escape domestic violence. For
2 purposes of this section, domestic violence is defined and verified
3 in the same manner as in the department's policies on good cause
4 for not cooperating with child support and paternity requirements.

5 Sec. 650. An individual who is an able-bodied adult without
6 dependents is subject to the time-limited food assistance and work
7 requirement provisions of 7 CFR 273.24(a) to (d) regardless of the
8 individual's county of residence, redetermination date, or federal
9 waiver status effective October 1, 2018.

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 \$7,230,000.00 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) The department shall provide quarterly reports 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 quarterly reports that include 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, in quarterly reports,
7 compile and make available on its website all of the following
8 information about the family independence program, state disability
9 assistance, the food assistance program, Medicaid, and state
10 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, in quarterly reports, compile and
25 make available on its website the family independence program
26 information listed as follows:

27 (a) The number of new applicants who successfully met the

1 requirements of the 21-day assessment period for PATH.

2 (b) The number of new applicants who did not meet the
3 requirements of the 21-day assessment period for PATH.

4 (c) The number of cases sanctioned because of the school
5 truancy policy.

6 (d) The number of cases closed because of the 48-month and 60-
7 month lifetime limits.

8 (e) The number of first-, second-, and third-time sanctions.

9 (f) The number of children ages 0-5 living in FIP-sanctioned
10 households.

11 Sec. 688. From the funds appropriated in part 1 for the low-
12 income home energy assistance program, the department shall make an
13 additional \$20.01 payment to each food assistance program case that
14 is not currently eligible for the standard utility allowance to
15 enable each case to receive expanded food assistance benefits
16 through the program commonly known as the heat and eat program.

17 **CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE**

18 Sec. 701. Unless required from changes to federal or state law
19 or at the request of a provider, the department shall not alter the
20 terms of any signed contract with a private residential facility
21 serving children under state or court supervision without written
22 consent from a representative of the private residential facility.

23 Sec. 706. Counties shall be subject to 50% chargeback for the
24 use of alternative regional detention services, if those detention
25 services do not fall under the basic provision of section 117e of
26 the social welfare act, 1939 PA 280, MCL 400.117e, or if a county

1 operates those detention services programs primarily with
2 professional rather than volunteer staff.

3 Sec. 707. In order to be reimbursed for child care fund
4 expenditures, counties are required to submit department-developed
5 reports to enable the department to document potential federally
6 claimable expenditures. This requirement is in accordance with the
7 reporting requirements specified in section 117a(11) of the social
8 welfare act, 1939 PA 280, MCL 400.117a.

9 Sec. 708. (1) As a condition of receiving funds appropriated
10 in part 1 for the child care fund line item, by October 15 of the
11 current fiscal year, counties shall have an approved service
12 spending plan for the current fiscal year. Counties must submit the
13 service spending plan for the following fiscal year to the
14 department by August 15 of the current fiscal year for approval.
15 Upon submission of the county service spending plan, the department
16 shall approve within 30 calendar days after receipt of a properly
17 completed service plan that complies with the requirements of the
18 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b. The
19 department shall notify and submit county service spending plan
20 revisions to any county whose county service spending plan is not
21 accepted upon initial submission. The department shall not request
22 any additional revisions to a county service spending plan outside
23 of the requested revision notification submitted to the county by
24 the department. The department shall notify a county within 30 days
25 after approval that its service plan was approved.

26 (2) Counties must submit amendments to current fiscal year
27 county service plans no later than August 30. Counties must submit

1 current fiscal year payable estimates to the department no later
2 than September 15.

3 (3) The department shall submit a report to the house and
4 senate appropriations subcommittees on the department budget, the
5 house and senate fiscal agencies, the house and senate policy
6 offices, and the state budget office by February 15 of the current
7 fiscal year on the number of counties that fail to submit a service
8 spending plan by August 15 of the previous fiscal year and the
9 number of service spending plans not approved by October 15. The
10 report shall include the number of county service spending plans
11 that were not approved as first submitted by the counties, as well
12 as the number of plans that were not approved by the department
13 after being resubmitted by the county with the first revisions that
14 were requested by the department.

15 Sec. 709. The department's master contract for juvenile
16 justice residential foster care services shall prohibit contractors
17 from denying a referral for placement of a youth, or terminating a
18 youth's placement, if the youth's assessed treatment needs are in
19 alignment with the facility's residential program type, as
20 identified by the court or the department. In addition, the master
21 contract shall require that youth placed in juvenile justice
22 residential foster care facilities must have regularly scheduled
23 treatment sessions with a licensed psychologist or psychiatrist, or
24 both, and access to the licensed psychologist or psychiatrist as
25 needed.

26 Sec. 721. If the demand for placements at state-operated
27 juvenile justice residential facilities exceeds capacity, the

1 department shall not increase the available occupancy or services
2 at the facilities, and shall post a request for proposals for a
3 contract with not less than 1 private provider of residential
4 services for juvenile justice youth to be a residential facility of
5 last resort.

6 **FIELD OPERATIONS AND SUPPORT SERVICES**

7 Sec. 801. (1) Funds appropriated in part 1 for independent
8 living shall be used to support the general operations of centers
9 for independent living in delivering mandated independent living
10 services in compliance with federal rules and regulations for the
11 centers, by existing centers for independent living to serve
12 underserved areas, and for projects to build the capacity of
13 centers for independent living to deliver independent living
14 services. Applications for the funds shall be reviewed in
15 accordance with criteria and procedures established by the
16 department. The funds appropriated in part 1 may be used to
17 leverage federal vocational rehabilitation innovation and expansion
18 funds consistent with 34 CFR 361.35 up to \$5,543,000.00, if
19 available. If the possibility of matching federal funds exists, the
20 centers for independent living network will negotiate a mutually
21 beneficial contractual arrangement with Michigan rehabilitation
22 services. Funds shall be used in a manner consistent with the state
23 plan for independent living. Services provided should assist people
24 with disabilities to move toward self-sufficiency, including
25 support for accessing transportation and health care, obtaining
26 employment, community living, nursing home transition, information

1 and referral services, education, youth transition services,
2 veterans, and stigma reduction activities and community education.
3 This includes the independent living guide services that
4 specifically focus on economic self-sufficiency.

5 (2) The Michigan centers for independent living shall provide
6 a report by March 1 of the current fiscal year 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 on direct customer and system
10 outcomes and performance measures.

11 Sec. 802. The Michigan rehabilitation services shall work
12 collaboratively with the bureau of services for blind persons,
13 service organizations, and government entities to identify
14 qualified match dollars to maximize use of available federal
15 vocational rehabilitation funds.

16 Sec. 803. The department shall provide an annual report by
17 February 1 to the house and senate appropriations subcommittees on
18 the department budget, the house and senate fiscal agencies, the
19 house and senate policy offices, and the state budget office on
20 efforts taken to improve the Michigan rehabilitation services. The
21 report shall include all of the following items:

22 (a) Reductions and changes in administration costs and
23 staffing.

24 (b) Service delivery plans and implementation steps achieved.

25 (c) Reorganization plans and implementation steps achieved.

26 (d) Plans to integrate Michigan rehabilitative services
27 programs into other services provided by the department.

1 (e) Quarterly expenditures by major spending category.

2 (f) Employment and job retention rates from both Michigan
3 rehabilitation services and its nonprofit partners.

4 (g) Success rate of each district in achieving the program
5 goals.

6 Sec. 804. (1) From the funds appropriated in part 1 for
7 Michigan rehabilitation services, the department shall allocate
8 \$50,000.00 along with available federal match to support the
9 provision of vocational rehabilitation services to eligible
10 agricultural workers with disabilities. Authorized services shall
11 assist agricultural workers with disabilities in acquiring or
12 maintaining quality employment and independence.

13 (2) By March 1 of the current fiscal year, the department
14 shall report to the senate and house appropriations subcommittees
15 on the department budget, the senate and house fiscal agencies, the
16 senate and house policy offices, and the state budget office on the
17 total number of clients served and the total amount of federal
18 matching funds obtained throughout the duration of the program.

19 Sec. 805. It is the intent of the legislature that Michigan
20 rehabilitation services shall not implement an order of selection
21 for vocational and rehabilitative services. If the department is at
22 risk of entering into an order of selection for services, the
23 department shall notify the chairs of the senate and house
24 appropriations subcommittees on the department budget and the
25 senate and house fiscal agencies and policy offices within 2 weeks
26 of receiving notification.

27 Sec. 806. From the funds appropriated in part 1 for Michigan

1 rehabilitation services, the department shall allocate
2 \$6,100,300.00, including federal matching funds, to service
3 authorizations with community-based rehabilitation organizations
4 for an array of needed services throughout the rehabilitation
5 process.

6 Sec. 807. From the funds appropriated in part 1 for Elder Law
7 of Michigan MiCAFE contract, the department shall allocate not less
8 than \$350,000.00 to the Elder Law of Michigan MiCAFE to assist this
9 state's elderly population in participating in the food assistance
10 program. Of the \$350,000.00 allocated under this section, the
11 department shall use \$175,000.00, which are general fund/general
12 purpose funds, as state matching funds for not less than
13 \$175,000.00 in United States Department of Agriculture funding to
14 provide outreach program activities, such as eligibility screening
15 and information services, as part of a statewide food assistance
16 hotline.

17 Sec. 808. By March 1 of the current fiscal year, the
18 department shall provide a report 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 on the nutrition education program. The
22 report shall include planned allocation and actual expenditures for
23 the supplemental nutrition assistance program education funding,
24 planned and actual grant amounts for the supplemental nutrition
25 assistance program education funding, the total amount of expected
26 carryforward balance at the end of the current fiscal year for the
27 supplemental nutrition assistance program education funding, a list

1 of all supplemental nutrition assistance program education funding
2 programs by implementing agency, and the stated purpose of each
3 program.

4 Sec. 809. (1) The purpose of the pathways to potential program
5 is to reduce chronic absenteeism, decrease the number of students
6 who repeat grades, decrease the rate of dropouts, and increase
7 student graduation rates for schools that are current or future
8 participants in the pathways to potential program. Before any
9 deployment of resources into a participant school, the department
10 and the participant school shall establish performance objectives
11 for each participant school based on a 2-year baseline prior to
12 pathways to potential being established in the participant school
13 and shall evaluate the progress made in the above categories from
14 the established baseline. By March 1 of the current fiscal year,
15 the 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 a report listing
18 all participant schools, the funding allocation by participant
19 school, the number of staff assigned to each school by participant
20 school, and the percentage of participating schools that achieved
21 improved performance in each of the 4 outcomes listed above
22 compared to the previous year, by each individual outcome. It is
23 the intent of the legislature that after a 2-year period without
24 attaining an increase in success in meeting the 4 listed outcomes
25 from the established baseline, the department shall work with the
26 participant school to examine the cause of the lack of progress and
27 shall seek to implement a plan to increase success in meeting the

1 identified outcomes. It is the intent of the legislature that
2 progress or the lack of progress made in meeting the performance
3 objectives shall be used as a determinant in future pathways to
4 potential resource allocation decisions.

5 (2) As used in this section, "baseline" means the initial set
6 of data from the center for educational performance and information
7 in the department of technology, management, and budget of the 4
8 measured outcomes as described in subsection (1).

9 Sec. 825. From the funds appropriated in part 1, the
10 department shall provide individuals not more than \$500.00 for
11 vehicle repairs, including any repairs done in the previous 12
12 months. However, the department may in its discretion pay for
13 repairs up to \$900.00. Payments under this section shall include
14 the combined total of payments made by the department and work
15 participation program.

16 Sec. 850. (1) The department shall maintain out-stationed
17 eligibility specialists in community-based organizations, community
18 mental health agencies, nursing homes, adult placement and
19 independent living settings, federally qualified health centers,
20 and hospitals unless a community-based organization, community
21 mental health agency, nursing home, adult placement and independent
22 living setting, federally qualified health centers, or hospital
23 requests that the program be discontinued at its facility.

24 (2) From the funds appropriated in part 1 for donated funds
25 positions, the department shall enter into contracts with agencies
26 that are able and eligible under federal law to provide the
27 required matching funds for federal funding, as determined by

1 federal statute and regulations.

2 (3) A contract for an assistance payments donated funds
3 position must include, but not be limited to, the following
4 performance metrics:

5 (a) Meeting a standard of promptness for processing
6 applications for Medicaid and other public assistance programs
7 under state law.

8 (b) Meeting required standards for error rates in determining
9 programmatic eligibility as determined by the department.

10 (4) The department shall only fill additional donated funds
11 positions after a new contract has been signed. That position shall
12 also be abolished when the contract expires or is terminated.

13 (5) The department shall classify as limited-term FTEs any new
14 employees who are hired to fulfill the donated funds position
15 contracts or are hired to fill any vacancies from employees who
16 transferred to a donated funds position.

17 (6) By March 1 of the current fiscal year, the department
18 shall submit a report to the senate and house appropriations
19 subcommittees on the department budget, the senate and house fiscal
20 agencies and policy offices, and the state budget office detailing
21 information on the donated funds positions, including the total
22 number of occupied positions, the total private contribution of the
23 positions, and the total cost to the state for any nonsalary
24 expenditure for the donated funds position employees.

25 Sec. 851. A staffing enhancement for adult services field
26 staff was included in 2017 PA 107. The goal of the staffing
27 enhancement is to reduce the number of older adults who are victims

1 of crime and fraud by increasing the standard of promptness in
2 every county, as measured by commencing an investigation within 24
3 hours, establishing face-to-face contact with the client within 72
4 hours, and completing the investigation within 30 days.

5 **DISABILITY DETERMINATION SERVICES**

6 Sec. 890. From the funds appropriated in part 1 for disability
7 determination services, the department shall provide a 7% increase
8 to the unit rates in effect on September 30, 2018 for medical
9 consultants performing disability determination services, including
10 physicians, psychologists, and speech-language pathologists.

11 **BEHAVIORAL HEALTH SERVICES**

12 Sec. 901. Except for the pilot projects and demonstration
13 models described in section 298 of this part, the funds
14 appropriated in part 1 are intended to support a system of
15 comprehensive community mental health services under the full
16 authority and responsibility of local CMHSPs or PIHPs in accordance
17 with the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106,
18 the Medicaid provider manual, federal Medicaid waivers, and all
19 other applicable federal and state laws.

20 Sec. 902. (1) Except for the pilot projects and demonstration
21 models described in section 298 of this part, from the funds
22 appropriated in part 1, final authorizations to CMHSPs or PIHPs
23 shall be made upon the execution of contracts between the
24 department and CMHSPs or PIHPs. The contracts shall contain an
25 approved plan and budget as well as policies and procedures

1 governing the obligations and responsibilities of both parties to
2 the contracts. Each contract with a CMHSP or PIHP that the
3 department is authorized to enter into under this subsection shall
4 include a provision that the contract is not valid unless the total
5 dollar obligation for all of the contracts between the department
6 and the CMHSPs or PIHPs entered into under this subsection for the
7 current fiscal year does not exceed the amount of money
8 appropriated in part 1 for the contracts authorized under this
9 subsection.

10 (2) The department shall immediately report to the senate and
11 house appropriations subcommittees on the department budget, the
12 senate and house fiscal agencies, and the state budget director if
13 either of the following occurs:

14 (a) Any new contracts the department has entered into with
15 CMHSPs or PIHPs that would affect rates or expenditures.

16 (b) Any amendments to contracts the department has entered
17 into with CMHSPs or PIHPs that would affect rates or expenditures.

18 (3) The report required by subsection (2) shall include
19 information about the changes and their effects on rates and
20 expenditures.

21 Sec. 904. (1) By May 31 of the current fiscal year, the
22 department shall provide a report on the CMHSPs, PIHPs, and
23 designated regional entities for substance use disorder prevention
24 and treatment to the members of the house and senate appropriations
25 subcommittees on the department budget, the house and senate fiscal
26 agencies, and the state budget director that includes the
27 information required by this section.

1 (2) The report shall contain information for each CMHSP, PIHP,
2 and designated regional entity for substance use disorder
3 prevention and treatment, and a statewide summary, each of which
4 shall include at least the following information:

5 (a) A demographic description of service recipients that,
6 minimally, shall include reimbursement eligibility, client
7 population, age, ethnicity, housing arrangements, and diagnosis.

8 (b) Per capita expenditures in total and by client population
9 group and cultural and ethnic groups of the services area,
10 including the deaf and hard of hearing population.

11 (c) Financial information that, minimally, includes a
12 description of funding authorized; expenditures by diagnosis group,
13 service category, and reimbursement eligibility; and cost
14 information by Medicaid, Healthy Michigan plan, state appropriated
15 non-Medicaid mental health services, local funding, and other fund
16 sources, including administration and funds specified for all
17 outside contracts for services and products. Financial information
18 must include the amount of funding, from each fund source, used to
19 cover clinical services and supports. Service category includes all
20 department-approved services.

21 (d) Data describing service outcomes that include, but are not
22 limited to, an evaluation of consumer satisfaction, consumer
23 choice, and quality of life concerns including, but not limited to,
24 housing and employment.

25 (e) Information about access to CMHSPs and designated regional
26 entities for substance use disorder prevention and treatment that
27 includes, but is not limited to, the following:

1 (i) The number of people receiving requested services.

2 (ii) The number of people who requested services but did not
3 receive services.

4 (f) The number of second opinions requested under the mental
5 health code, 1974 PA 258, MCL 330.1001 to 330.2106, and the
6 determination of any appeals.

7 (g) Lapses and carryforwards during the previous fiscal year
8 for CMHSPs, PIHPs, and designated regional entities for substance
9 use disorder prevention and treatment.

10 (h) Performance indicator information required to be submitted
11 to the department in the contracts with CMHSPs, PIHPs, and
12 designated regional entities for substance use disorder prevention
13 and treatment.

14 (i) Administrative expenditures of each CMHSP, PIHP, and
15 designated regional entity for substance use disorder prevention
16 and treatment that include a breakout of the salary, benefits, and
17 pension of each executive-level staff and shall include the
18 director, chief executive, and chief operating officers and other
19 members identified as executive staff.

20 (3) The report shall contain the following information from
21 the previous fiscal year on substance use disorder prevention,
22 education, and treatment programs:

23 (a) Expenditures stratified by department-designated community
24 mental health entity, by central diagnosis and referral agency, by
25 fund source, by subcontractor, by population served, and by service
26 type.

27 (b) Expenditures per state client, with data on the

1 distribution of expenditures reported using a histogram approach.

2 (c) Number of services provided by central diagnosis and
3 referral agency, by subcontractor, and by service type.

4 Additionally, data on length of stay, referral source, and
5 participation in other state programs.

6 (d) Collections from other first- or third-party payers,
7 private donations, or other state or local programs, by department-
8 designated community mental health entity, by subcontractor, by
9 population served, and by service type.

10 (4) The department shall include data reporting requirements
11 listed in subsections (2) and (3) in the annual contract with each
12 individual CMHSP, PIHP, and designated regional entity for
13 substance use disorder treatment and prevention.

14 (5) The department shall take all reasonable actions to ensure
15 that the data required are complete and consistent among all
16 CMHSPs, PIHPs, and designated regional entities for substance use
17 disorder prevention and treatment.

18 Sec. 905. (1) From the funds appropriated in part 1 for
19 behavioral health program administration, the department shall
20 maintain a psychiatric transitional unit and children's behavioral
21 action team. These services will augment the continuum of
22 behavioral health services for high-need youth and provide
23 additional continuity of care and transition into supportive
24 community-based services.

25 (2) Outcomes and performance measures for this initiative
26 include, but are not limited to, the following:

27 (a) The rate of rehospitalization for youth served through the

1 program at 30 and 180 days.

2 (b) Measured change in the Child and Adolescent Functional
3 Assessment Scale for children served through the program.

4 Sec. 906. (1) The funds appropriated in part 1 for the state
5 disability assistance substance use disorder services program shall
6 be used to support per diem room and board payments in substance
7 use disorder residential facilities. Eligibility of clients for the
8 state disability assistance substance use disorder services program
9 shall include needy persons 18 years of age or older, or
10 emancipated minors, who reside in a substance use disorder
11 treatment center.

12 (2) The department shall reimburse all licensed substance use
13 disorder programs eligible to participate in the program at a rate
14 equivalent to that paid by the department to adult foster care
15 providers. Programs accredited by department-approved accrediting
16 organizations shall be reimbursed at the personal care rate, while
17 all other eligible programs shall be reimbursed at the domiciliary
18 care rate.

19 Sec. 907. (1) The amount appropriated in part 1 for community
20 substance use disorder prevention, education, and treatment shall
21 be expended to coordinate care and services provided to individuals
22 with severe and persistent mental illness and substance use
23 disorder diagnoses.

24 (2) The department shall approve managing entity fee schedules
25 for providing substance use disorder services and charge
26 participants in accordance with their ability to pay.

27 (3) The managing entity shall continue current efforts to

1 collaborate on the delivery of services to those clients with
2 mental illness and substance use disorder diagnoses with the goal
3 of providing services in an administratively efficient manner.

4 Sec. 909. From the funds appropriated in part 1 for community
5 substance use disorder prevention, education, and treatment, the
6 department shall use available revenue from the marihuana
7 regulatory fund established in section 604 of the medical marihuana
8 facilities licensing act, 2016 PA 281, MCL 333.27604, to improve
9 physical health; expand access to substance use disorder prevention
10 and treatment services; and strengthen the existing prevention,
11 treatment, and recovery systems.

12 Sec. 910. The department shall ensure that substance use
13 disorder treatment is provided to applicants and recipients of
14 public assistance through the department who are required to obtain
15 substance use disorder treatment as a condition of eligibility for
16 public assistance.

17 Sec. 911. (1) The department shall ensure that each contract
18 with a CMHSP or PIHP requires the CMHSP or PIHP to implement
19 programs to encourage diversion of individuals with serious mental
20 illness, serious emotional disturbance, or developmental disability
21 from possible jail incarceration when appropriate.

22 (2) Each CMHSP or PIHP shall have jail diversion services and
23 shall work toward establishing working relationships with
24 representative staff of local law enforcement agencies, including
25 county prosecutors' offices, county sheriffs' offices, county
26 jails, municipal police agencies, municipal detention facilities,
27 and the courts. Written interagency agreements describing what

1 services each participating agency is prepared to commit to the
2 local jail diversion effort and the procedures to be used by local
3 law enforcement agencies to access mental health jail diversion
4 services are strongly encouraged.

5 Sec. 912. The department shall contract directly with the
6 Salvation Army Harbor Light program to provide non-Medicaid
7 substance use disorder services if the local coordinating agency or
8 the department confirms the Salvation Army Harbor Light program
9 meets the standard of care. The standard of care shall include, but
10 is not limited to, utilization of the medication assisted treatment
11 option.

12 Sec. 915. (1) By March 1 of the current fiscal year, the
13 department shall report the following information on the mental
14 health and wellness commission to the house and senate
15 appropriations subcommittees on the department budget, the house
16 and senate fiscal agencies, the house and senate policy offices,
17 and the state budget office:

18 (a) Previous fiscal year expenditures by actionable
19 recommendation of the mental health and wellness commission.

20 (b) Programs utilized during the previous fiscal year to
21 address each actionable recommendation of the mental health and
22 wellness commission.

23 (c) Outcomes and performance measures achieved during the
24 previous fiscal year by actionable recommendation of the mental
25 health and wellness commission.

26 (d) Current fiscal year funding by actionable recommendation
27 of the mental health and wellness commission.

1 (e) Current fiscal year funding by program utilized to address
2 each actionable recommendation of the mental health and wellness
3 commission.

4 (2) By April 1 of the current fiscal year, the department
5 shall report on funding within the executive budget proposal for
6 the fiscal year ending September 30, 2020, by actionable
7 recommendation of the mental health and wellness commission to the
8 same report recipients listed in subsection (1).

9 Sec. 918. On or before the twenty-fifth of each month, the
10 department shall report to the senate and house appropriations
11 subcommittees on the department budget, the senate and house fiscal
12 agencies, and the state budget director on the amount of funding
13 paid to PIHPs to support the Medicaid managed mental health care
14 program in the preceding month. The information shall include the
15 total paid to each PIHP, per capita rate paid for each eligibility
16 group for each PIHP, and number of cases in each eligibility group
17 for each PIHP, and year-to-date summary of eligibles and
18 expenditures for the Medicaid managed mental health care program.

19 Sec. 920. (1) As part of the Medicaid rate-setting process for
20 behavioral health services, the department shall work with PIHP
21 network providers and actuaries to include any state and federal
22 wage and compensation increases that directly impact staff who
23 provide Medicaid-funded community living supports, personal care
24 services, respite services, skill-building services, and other
25 similar supports and services as part of the Medicaid rate.

26 (2) It is the intent of the legislature that any increased
27 Medicaid rate related to state minimum wage increases shall also be

1 distributed to direct care employees.

2 Sec. 924. From the funds appropriated in part 1 for autism
3 services, for the purposes of actuarially sound rate certification
4 and approval for Medicaid behavioral health managed care programs,
5 the department shall establish and implement a fee schedule for
6 autism services reimbursement rates for direct services by October
7 1 of the current fiscal year. Expenditures used for rate setting
8 shall not exceed those identified in the fee schedule. The rates
9 for behavioral technicians shall be reduced by 10% of the 2017
10 autism fee schedule, but shall not be less than \$50.00 per hour.

11 Sec. 925. From the funds appropriated in part 1 for community
12 mental health non-Medicaid services, each CMHSP is allocated not
13 less than the amount allocated to that CMHSP during the previous
14 fiscal year.

15 Sec. 926. From the funds appropriated in part 1 for community
16 substance use disorder prevention, education, and treatment,
17 \$500,000.00 is allocated for a specialized substance use disorder
18 detoxification pilot project administered by a 9-1-1 service
19 district in conjunction with a substance use and case management
20 provider and at a hospital in a city with a population between
21 95,000 and 97,000 within a county with a population of at least
22 1,500,000. The hospital must have a wing with at least 10 beds
23 dedicated to stabilizing patients suffering from addiction by
24 providing a specialized trauma therapist as well as a peer support
25 specialist to assist with treatment and counseling. The substance
26 use and case management provider shall collect and submit to the
27 department data on the outcomes of the pilot project throughout the

1 duration of the pilot project and shall provide a report on the
2 pilot project's outcomes to the house and senate appropriations
3 subcommittees on the department budget, the house and senate fiscal
4 agencies, and the state budget office.

5 Sec. 928. (1) Each PIHP shall provide, from internal
6 resources, local funds to be used as a part of the state match
7 required under the Medicaid program in order to increase capitation
8 rates for PIHPs. These funds shall not include either state funds
9 received by a CMHSP for services provided to non-Medicaid
10 recipients or the state matching portion of the Medicaid capitation
11 payments made to a PIHP.

12 (2) It is the intent of the legislature that any funds that
13 lapse from the funds appropriated in part 1 for Medicaid mental
14 health services shall be redistributed to individual CMHSPs as a
15 reimbursement of local funds on a proportional basis to those
16 CMHSPs whose local funds were used as state Medicaid match. By
17 April 1 of the current fiscal year, the department shall report to
18 the senate and house appropriations subcommittees on the department
19 budget, the senate and house fiscal agencies, the senate and house
20 policy offices, and the state budget office on the lapse by PIHP
21 from the previous fiscal year and the projected lapse by PIHP in
22 the current fiscal year.

23 Sec. 935. A county required under the provisions of the mental
24 health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide
25 matching funds to a CMHSP for mental health services rendered to
26 residents in its jurisdiction shall pay the matching funds in equal
27 installments on not less than a quarterly basis throughout the

1 fiscal year, with the first payment being made by October 1 of the
2 current fiscal year.

3 Sec. 940. (1) According to section 236 of the mental health
4 code, 1974 PA 258, MCL 330.1236, the department shall do both of
5 the following:

6 (a) Review expenditures for each CMHSP to identify CMHSPs with
7 projected allocation surpluses and to identify CMHSPs with
8 projected allocation shortfalls. The department shall encourage the
9 board of a CMHSP with a projected allocation surplus to concur with
10 the department's recommendation to reallocate those funds to CMHSPs
11 with projected allocation shortfalls.

12 (b) Withdraw unspent funds that have been allocated to a CMHSP
13 if other reallocated funds were expended in a manner not provided
14 for in the approved contract, including expending funds on services
15 and programs provided to individuals residing outside of the
16 CMHSP's geographic region.

17 (2) A CMHSP that has its funding allocation transferred out or
18 withdrawn during the current fiscal year as described in subsection
19 (1) is not eligible for any additional funding reallocations during
20 the remainder of the current fiscal year, unless that CMHSP is
21 responding to a public health emergency as determined by the
22 department.

23 (3) CMHSPs shall report to the department on any proposed
24 reallocations described in this section at least 30 days before any
25 reallocations take effect.

26 (4) The department shall notify the chairs of the
27 appropriation subcommittees on the department budget when a request

1 is made and when the department grants approval for reallocation or
2 withdraw as described in subsection (1). By September 30 of the
3 current fiscal year, the department shall provide a report on the
4 amount of funding reallocated or withdrawn to the senate and house
5 appropriation subcommittees on the department budget, the senate
6 and house fiscal agencies, the senate and house policy offices, and
7 the state budget office.

8 Sec. 942. A CMHSP shall provide at least 30 days' notice
9 before reducing, terminating, or suspending services provided by a
10 CMHSP to CMHSP clients, with the exception of services authorized
11 by a physician that no longer meet established criteria for medical
12 necessity.

13 Sec. 950. From the funds appropriated in part 1 for court-
14 appointed guardian and conservator reimbursements, the department
15 shall allocate not more than \$1,500,000.00 to reimburse counties
16 for 50% of the cost to reimburse court-appointed public guardians
17 and conservators for recipients who also receive CMHSP services.
18 The department shall only reimburse for 50% of the cost for
19 reimbursement up to \$83.00 per month per court-appointed public
20 guardian and conservator. By September 15 of the current fiscal
21 year, the department shall provide a report to the house and senate
22 appropriations subcommittees on the department budget, the house
23 and senate fiscal agencies, the house and senate policy offices,
24 and the state budget office on the number of counties that received
25 these funds, the number of court-appointed public guardians and
26 conservators who were reimbursed by the counties that received
27 these funds, and the per-month reimbursement rates provided by the

1 counties that received these funds.

2 Sec. 959. (1) The department shall establish a workgroup in
3 collaboration with the chairs of the house and senate
4 appropriations subcommittees on the department budget or their
5 designees, CMHSP members, autism services provider clinical and
6 administrative staff, community members, Medicaid autism services
7 clients, and family members of Medicaid autism services clients to
8 make recommendations to ensure appropriate cost and service
9 provision, including, but not limited to, the following:

10 (a) Ways to prevent fraud and overdiagnosis.

11 (b) Comparison of Medicaid rates for autism services to
12 commercial insurance rates.

13 (c) Comparison of diagnosis process between Medicaid, Tricare,
14 and commercial insurance.

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. 961. From the funds appropriated in part 1 for behavioral
20 health program administration, the department shall allocate
21 \$150,000.00 to establish and administer an electronic inpatient
22 psychiatric bed registry consistent with the requirements in
23 section 151 of the mental health code, 1974 PA 258, MCL 330.1151.

24 Sec. 994. (1) By January 1 of the current fiscal year, the
25 department shall seek, if necessary, federal approval through
26 either a waiver request or state plan amendment to allow a CMHSP,
27 PIHP, or subcontracting provider agency that is reviewed and

1 accredited by a national accrediting entity for behavioral health
2 care services to be considered in compliance with state program
3 review and audit requirements that are addressed and reviewed by
4 that national accrediting entity.

5 (2) By April 1 of the current fiscal year, the department
6 shall report to the house and senate appropriations subcommittees
7 on the department budget, the house and senate fiscal agencies, and
8 the state budget office all of the following:

9 (a) The status of the federal approval process required in
10 subsection (1).

11 (b) A list of each CMHSP, PIHP, and subcontracting provider
12 agency that is considered to be in compliance with state program
13 review and audit requirements under subsection (1).

14 (c) For each CMHSP, PIHP, or subcontracting provider agency
15 described in subdivision (b), both of the following:

16 (i) The state program review and audit requirements that the
17 CMHSP, PIHP, or subcontracting provider agency is considered to be
18 in compliance with.

19 (ii) The national accrediting entity that reviewed and
20 accredited the CMHSP, PIHP, or subcontracting provider agency.

21 (3) The department shall continue to comply with state and
22 federal law and shall not initiate an action that negatively
23 impacts beneficiary safety. Any cost savings attributed to this
24 action shall be reinvested back into services.

25 (4) As used in this section, "national accrediting entity"
26 means the Joint Commission, formerly known as the Joint Commission
27 on Accreditation of Healthcare Organizations, the Commission on

1 Accreditation of Rehabilitation Facilities, the Council on
2 Accreditation, the URAC, formerly known as the Utilization Review
3 Accreditation Commission, the National Committee for Quality
4 Assurance, or another appropriate entity, as approved by the
5 department.

6 Sec. 995. From the funds appropriated in part 1 for behavioral
7 health program administration, \$4,350,000.00 is intended to address
8 the recommendations of the mental health diversion council.

9 Sec. 997. The population data used in determining the
10 distribution of substance use disorder block grant funds shall be
11 from the most recent federal census.

12 Sec. 998. For distribution of state general funds to CMHSPs,
13 if the department decides to use census data, the department shall
14 use the most recent federal census data available.

15 Sec. 999. Within 30 days after the completion of a statewide
16 PIHP reimbursement audit, the department shall provide the audit
17 report to the house and senate appropriations subcommittees on the
18 department budget, the house and senate fiscal agencies, the house
19 and senate policy offices, and the state budget office.

20 Sec. 1001. By December 31 of the current fiscal year, each
21 CMHSP shall submit a report to the department that identifies
22 populations being served by the CMHSP broken down by program
23 eligibility category. The report shall also include the percentage
24 of the operational budget that is related to program eligibility
25 enrollment. By January 15 of the current fiscal year, the
26 department shall submit the report described in this section 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.

3 Sec. 1003. The department shall notify the Community Mental
4 Health Association of Michigan when developing policies and
5 procedures that will impact PIHPs or CMHSPs.

6 Sec. 1004. The department shall provide the senate and house
7 appropriations subcommittee on the department budget, the senate
8 and house fiscal agencies, and the state budget office any rebased
9 formula changes to either Medicaid behavioral health services or
10 non-Medicaid mental health services 90 days before implementation.
11 The notification shall include a table showing the changes in
12 funding allocation by PIHP for Medicaid behavioral health services
13 or by CMHSP for non-Medicaid mental health services.

14 Sec. 1005. For the purposes of special projects involving
15 high-need children or adults, including the not guilty by reason of
16 insanity population, the department may contract directly with
17 providers of services to these identified populations.

18 Sec. 1008. PIHPs and CMHSPs shall do all of the following:

19 (a) Work to reduce administration costs by ensuring that PIHP
20 and CMHSP responsible functions are efficient in allowing optimal
21 transition of dollars to those direct services considered most
22 effective in assisting individuals served. Any consolidation of
23 administrative functions must demonstrate, by independent analysis,
24 a reduction in dollars spent on administration resulting in greater
25 dollars spent on direct services. Savings resulting from increased
26 efficiencies shall not be applied to PIHP and CMHSP net assets,
27 internal service fund increases, building costs, increases in the

1 number of PIHP and CMHSP personnel, or other areas not directly
2 related to the delivery of improved services.

3 (b) Take an active role in managing mental health care by
4 ensuring consistent and high-quality service delivery throughout
5 its network and promote a conflict-free care management
6 environment.

7 (c) Ensure that direct service rate variances are related to
8 the level of need or other quantifiable measures to ensure that the
9 most money possible reaches direct services.

10 (d) Whenever possible, promote fair and adequate direct care
11 reimbursement, including fair wages for direct service workers.

12 Sec. 1009. (1) From the funds appropriated in part 1 for
13 Medicaid mental health services and Healthy Michigan plan -
14 behavioral health, the department shall maintain the \$0.50 hourly
15 wage increase for direct care workers as specified under subsection
16 (1) of section 1009 of article X of 2017 PA 107. Funds provided in
17 this section must be utilized by a PIHP to maintain the \$0.50
18 hourly wage increase for direct care worker wages, for the
19 employer's share of federal insurance contributions act costs,
20 purchasing worker's compensation insurance, or the employer's share
21 of unemployment costs.

22 (2) Each PIHP shall report to the department by February 1 of
23 the current fiscal year the range of wages paid to direct care
24 workers, including information on the number of direct care workers
25 at each wage level.

26 (3) The department shall report the information required to be
27 reported according to subsection (2) to the senate and house

1 appropriations subcommittees on the department budget, the senate
2 and house fiscal agencies, the senate and house policy offices, and
3 the state budget office by March 1 of the current fiscal year.

4 Sec. 1010. From the funds appropriated in part 1 for
5 behavioral health program administration, up to \$2,000,000.00 shall
6 be allocated to address the implementation of court-ordered
7 assisted outpatient treatment as provided under chapter 4 of the
8 mental health code, 1974 PA 258, MCL 330.1400 to 330.1490.

9 **STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES**

10 Sec. 1051. The department shall continue a revenue recapture
11 project to generate additional revenues from third parties related
12 to cases that have been closed or are inactive. A portion of
13 revenues collected through project efforts may be used for
14 departmental costs and contractual fees associated with these
15 retroactive collections and to improve ongoing departmental
16 reimbursement management functions.

17 Sec. 1052. The purpose of gifts and bequests for patient
18 living and treatment environments is to use additional private
19 funds to provide specific enhancements for individuals residing at
20 state-operated facilities. Use of the gifts and bequests shall be
21 consistent with the stipulation of the donor. The expected
22 completion date for the use of gifts and bequests donations is
23 within 3 years unless otherwise stipulated by the donor.

24 Sec. 1055. (1) The department shall not implement any closures
25 or consolidations of state hospitals, centers, or agencies until
26 CMHSPs or PIHPs have programs and services in place for those

1 individuals currently in those facilities and a plan for service
2 provision for those individuals who would have been admitted to
3 those facilities.

4 (2) All closures or consolidations are dependent upon adequate
5 department-approved CMHSP and PIHP plans that include a discharge
6 and aftercare plan for each individual currently in the facility. A
7 discharge and aftercare plan shall address the individual's housing
8 needs. A homeless shelter or similar temporary shelter arrangements
9 are inadequate to meet the individual's housing needs.

10 (3) Four months after the certification of closure required in
11 section 19(6) of the state employees' retirement act, 1943 PA 240,
12 MCL 38.19, the department shall provide a closure plan to the house
13 and senate appropriations subcommittees on the department budget
14 and the state budget director.

15 (4) Upon the closure of state-run operations and after
16 transitional costs have been paid, the remaining balances of funds
17 appropriated for that operation shall be transferred to CMHSPs or
18 PIHPs responsible for providing services for individuals previously
19 served by the operations.

20 Sec. 1056. The department may collect revenue for patient
21 reimbursement from first- and third-party payers, including
22 Medicaid and local county CMHSP payers, to cover the cost of
23 placement in state hospitals and centers. The department is
24 authorized to adjust financing sources for patient reimbursement
25 based on actual revenues earned. If the revenue collected exceeds
26 current year expenditures, the revenue may be carried forward with
27 approval of the state budget director. The revenue carried forward

1 shall be used as a first source of funds in the subsequent year.

2 Sec. 1058. Effective October 1 of the current fiscal year, the
3 department, in consultation with the department of technology,
4 management, and budget, may maintain a bid process to identify 1 or
5 more private contractors to provide food service and custodial
6 services for the administrative areas at any state hospital
7 identified by the department as capable of generating savings
8 through the outsourcing of such services.

9 Sec. 1059. The department shall identify specific outcomes and
10 performance measures for the center for forensic psychiatry,
11 including, but not limited to, the following:

12 (a) The average wait time for persons determined incompetent
13 to stand trial before admission to the center for forensic
14 psychiatry.

15 (b) The average wait time for persons determined incompetent
16 to stand trial before admission to other state-operated psychiatric
17 facilities.

18 (c) The number of persons waiting to receive services at the
19 center for forensic psychiatry.

20 (d) The number of persons waiting to receive services at other
21 state-operated hospitals and centers.

22 Sec. 1060. (1) The department shall continue to convene a
23 workgroup that meets at least quarterly in collaboration with the
24 chairs of the house and senate appropriations subcommittees on the
25 department budget or their designees, labor union representation,
26 civil service, and any other appropriate parties to recommend
27 solutions to address mandatory overtime, staff turnover, and staff

1 retention at the state psychiatric hospitals and centers,
2 including, but not limited to, permitting retired workers to return
3 and permitting hiring of part-time workers.

4 (2) By March 1 of the current fiscal year, the department
5 shall provide a status update on the implementation of the
6 workgroup's recommendations to the senate and house appropriations
7 subcommittees on the department budget, the senate and house fiscal
8 agencies, and the state budget office.

9 Sec. 1061. The funds appropriated in part 1 for Caro Regional
10 Mental Health Center shall only be utilized to support a
11 psychiatric hospital located at its current location. It is the
12 intent of the legislature that the Caro Regional Mental Health
13 Center shall remain open and operational at its current location on
14 an ongoing basis, and that any capital outlay funding shall be
15 utilized for planning and construction at the current location
16 instead of at a new location.

17 **HEALTH POLICY**

18 Sec. 1140. From the funds appropriated in part 1 for primary
19 care services, \$250,000.00 shall be allocated to free health
20 clinics operating in the state. The department shall distribute the
21 funds equally to each free health clinic. For the purpose of this
22 appropriation, "free health clinics" means nonprofit organizations
23 that use volunteer health professionals to provide care to
24 uninsured individuals.

25 Sec. 1142. The department shall continue to seek means to
26 increase retention of Michigan medical school students for

1 completion of their primary care residency requirements within this
2 state and ultimately, for some period of time, to remain in this
3 state and serve as primary care physicians. The department is
4 encouraged to work with Michigan institutions of higher education.

5 Sec. 1144. (1) From the funds appropriated in part 1 for
6 health policy administration, the department shall allocate the
7 federal state innovation model grant funding that supports
8 implementation of the health delivery system innovations detailed
9 in this state's "Reinventing Michigan's Health Care System:
10 Blueprint for Health Innovation" document. This initiative will
11 test new payment methodologies, support improved population health
12 outcomes, and support improved infrastructure for technology and
13 data sharing and reporting. The funds will be used to provide
14 financial support directly to regions participating in the model
15 test and to support statewide stakeholder guidance and technical
16 support.

17 (2) Outcomes and performance measures for the initiative under
18 subsection (1) include, but are not limited to, the following:

19 (a) Increasing the number of physician practices fulfilling
20 patient-centered medical home functions.

21 (b) Reducing inappropriate health utilization, specifically
22 reducing preventable emergency department visits, reducing the
23 proportion of hospitalizations for ambulatory sensitive conditions,
24 and reducing this state's 30-day hospital readmission rate.

25 (3) On a semiannual basis, the department shall submit a
26 written report to the house and senate appropriations subcommittees
27 on the department budget, the house and senate fiscal agencies, and

1 the state budget office on the status of the program and progress
2 made since the prior report.

3 (4) From the funds appropriated in part 1 for health policy
4 administration, any data aggregator created as part of the
5 allocation of the federal state innovation model grant funds must
6 meet the following standards:

7 (a) The primary purpose of the data aggregator must be to
8 increase the quality of health care delivered in this state, while
9 reducing costs.

10 (b) The data aggregator must be governed by a nonprofit
11 entity.

12 (c) All decisions regarding the establishment, administration,
13 and modification of the database must be made by an advisory board.
14 The membership of the advisory board must include the director of
15 the department or a designee of the director and representatives of
16 health carriers, consumers, and purchasers.

17 (d) The Michigan Data Collaborative shall be the data
18 aggregator to receive health care claims information from, without
19 limitation, commercial health carriers, nonprofit health care
20 corporations, health maintenance organizations, and third party
21 administrators that process claims under a service contract.

22 (e) The data aggregator must use existing data sources and
23 technological infrastructure, to the extent possible.

24 Sec. 1145. The department will take steps necessary to work
25 with Indian Health Service, tribal health program facilities, or
26 Urban Indian Health Program facilities that provide services under
27 a contract with a Medicaid managed care entity to ensure that those

1 facilities receive the maximum amount allowable under federal law
2 for Medicaid services.

3 Sec. 1146. From the funds appropriated in part 1 for bone
4 marrow transplant registry, \$250,000.00 shall be allocated to
5 Michigan Blood, the partner of the match registry of the national
6 marrow donor program. The funds shall be used to offset ongoing
7 tissue typing expenses associated with donor recruitment and
8 collection services and to expand those services to better serve
9 the citizens of this state.

10 Sec. 1147. (1) From the funds appropriated in part 1 for
11 primary care services, \$500,000.00 shall be appropriated for the
12 second year of a 6-year early primary care incentive program to
13 facilitate the placement of physicians in medically underserved
14 areas of this state. The early primary care incentive program
15 format includes all of the following:

16 (a) Recruitment of interested physicians before completion of
17 first year of residency.

18 (b) To participate in the pilot program, a physician must do
19 all of the following:

20 (i) Complete at least 1 year of postgraduate education.

21 (ii) Complete and pass all 3 parts of a national licensing
22 board examination.

23 (iii) Obtain an unrestricted license to engage in the practice
24 of osteopathic medicine and surgery or an unrestricted license to
25 engage in the practice of medicine in this state.

26 (c) A participating physician shall enter into a contract to
27 work with an employer for no less than 2 years in a federally

1 underserved rural or urban area in this state, beginning the year
2 following completion of at least 1 year of postgraduate education.

3 (d) The employer shall employ the physician at a competitive
4 salary. A contractual employer may include, but is not limited to,
5 a private practice physician or physician group, a hospital or
6 hospital system, a community clinic, or a federally qualified
7 health center.

8 (e) Assistance with repayment of medical education loans of
9 the participating physician shall be provided through local, state,
10 federal, or other sources during the employment period, with a
11 target assistance amount of \$50,000.00 over 2 years.

12 (f) Upon completion of the 2-year employment period,
13 participating physicians may reenter and complete a postgraduate
14 residency program.

15 (2) The department shall seek philanthropic support for the
16 early primary care incentive program to achieve increased
17 participation and may use state funds to match philanthropic
18 contributions.

19 (3) The department shall contract with the Michigan Health
20 Council for the purpose of administering the early primary care
21 incentive program. Funds shall be disbursed by the department to
22 the Michigan Health Council by December 1 of the current fiscal
23 year for this purpose.

24 (4) Use of funds for administration of the early primary care
25 incentive program is limited to no more than \$150,000.00.

26 (5) The department shall prepare a report on the status of the
27 early primary care incentive program that shall include, but is not

1 limited to, the number of physicians placed, location of placement,
2 type of employer, average student loan burden of the participating
3 physicians, and average loan relief provided under the program. By
4 April 1 of the current fiscal year, the department shall provide
5 the report described in this subsection to the house and senate
6 appropriations subcommittees on the department budget, the house
7 and senate fiscal agencies and policy offices, and the state budget
8 office.

9 (6) Unexpended and unencumbered funds up to a maximum of
10 \$500,000.00 general fund/general purpose revenue in part 1 for
11 primary care services are designated as work project
12 appropriations, and any unencumbered or unallotted funds shall not
13 lapse at the end of the fiscal year and shall be available for
14 expenditures for the early primary care incentive program under
15 this section until the project has been completed. All of the
16 following are in compliance with section 451a of the management and
17 budget act, 1984 PA 431, MCL 18.1451a:

18 (a) The purpose of the work project is to fund the cost of an
19 early primary care incentive program as provided by this section.

20 (b) The work project will be accomplished by administering the
21 partnering of participating physicians with qualifying employers
22 and coordinating the negotiation of medical school loan repayment
23 assistance for the participating physician.

24 (c) The total estimated cost of the work project is
25 \$500,000.00 of general fund/general purpose revenue.

26 (d) The tentative completion date of the work project is
27 September 30, 2023.

1 Sec. 1150. The department shall coordinate with the department
2 of licensing and regulatory affairs, the department of the attorney
3 general, all appropriate law enforcement agencies, and the Medicaid
4 health plans to reduce fraud related to opioid prescribing within
5 Medicaid, and to address other appropriate recommendations of the
6 prescription drug and opioid abuse task force outlined in its
7 report of October 2015. By October 1 of the current fiscal year,
8 the department shall submit a report to the senate and house
9 appropriations subcommittees on the department budget, the senate
10 and house fiscal agencies, the senate and house policy offices, and
11 the state budget office on steps the department has taken to
12 coordinate with the entities listed in this section and other
13 stakeholders to reduce fraud related to opioid prescribing, and to
14 address other appropriate recommendations of the task force.

15 Sec. 1151. The department shall coordinate with the department
16 of licensing and regulatory affairs, the department of the attorney
17 general, all appropriate law enforcement agencies, and the Medicaid
18 health plans to work with local substance use disorder agencies and
19 addiction treatment providers to help inform Medicaid beneficiaries
20 of all medically appropriate treatment options for opioid addiction
21 when their treating physician stops prescribing prescription opioid
22 medication for pain, and to address other appropriate
23 recommendations of the prescription drug and opioid abuse task
24 force outlined in its report of October 2015. By October 1 of the
25 current fiscal year, the department shall submit a 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 how the department
2 is working with local substance use disorder agencies and addiction
3 treatment providers to ensure that Medicaid beneficiaries are
4 informed of all available and medically appropriate treatment
5 options for opioid addiction when their treating physician stops
6 prescribing prescription opioid medication for pain, and to address
7 other appropriate recommendations of the task force. The report
8 shall include any potential barriers to medication-assisted
9 treatment, as recommended by the Michigan medication-assisted
10 treatment guidelines, for Medicaid beneficiaries in both office-
11 based opioid treatment and opioid treatment program facility
12 settings.

13 Sec. 1170. (1) From the funds appropriated in part 1 for
14 laboratory services, the department shall allocate \$1,000,000.00
15 for enhanced laboratory testing of opioids in cases of drug
16 overdose deaths in order to accurately identify all prescription
17 and nonprescription substances that may have impacted a drug
18 poisoning death. The following provisions apply:

19 (a) The department shall award funds for the following
20 purposes:

21 (i) Through contracts with county local public health
22 departments, to support grants to rural communities and provide
23 funding to participating counties to support the collection and
24 submission by a county medical examiner of toxicological testing of
25 human blood samples for targeted opioid analogs, and up to 5 other
26 nonopioid substances with a potential for public health impact, for
27 cases of overdose or suspected overdoses.

1 (ii) Not more than \$100,000.00 to continue the Michigan opioid
2 rapid testing project with Western Michigan University - Stryker
3 School of Medicine to perform postmortem toxicological testing of
4 human blood samples for targeted opioid analogs, and up to 5 other
5 nonopioid substances with a potential for public health impact, for
6 cases of overdose or suspected overdoses.

7 (b) The department shall explore the development of laboratory
8 capacity to test for natural or synthetic opioid analogs and up to
9 5 other nonopioid substances with a potential for public health
10 impact. The department shall provide a report by December 1 of the
11 current fiscal year on the requirements and estimated costs to
12 develop this laboratory capacity to the house and senate
13 appropriations subcommittees on the department budget, the house
14 and senate fiscal agencies, and the state budget director.

15 (2) Unexpended and unencumbered funds up to a maximum of
16 \$1,000,000.00 general fund/general purpose revenue in part 1 for
17 laboratory services are designated as work project appropriations,
18 and any unencumbered or unallotted funds shall not lapse at the end
19 of the fiscal year and shall be available for expenditures for the
20 enhanced laboratory testing of opioids project under this section
21 until the project has been completed. All of the following are in
22 compliance with section 451a of the management and budget act, 1984
23 PA 431, MCL 18.1451a:

24 (a) The purpose of the work project is to fund the cost of an
25 enhanced laboratory testing of opioids project as provided by this
26 section.

27 (b) The work project will be accomplished by supporting grants

1 to rural communities and counties, supporting continuation of the
2 Michigan opioid rapid testing project, and exploring the
3 development of laboratory capacity.

4 (c) The total estimated cost of the work project is
5 \$1,000,000.00 of general fund/general purpose revenue.

6 (d) The tentative completion date of the work project is
7 September 30, 2023.

8 **DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY**

9 Sec. 1180. From the funds appropriated in part 1 for
10 epidemiology administration and for childhood lead program, the
11 department shall maintain a public health drinking water unit and
12 maintain enhanced efforts to monitor child blood lead levels. The
13 public health drinking water unit shall ensure that appropriate
14 investigations of potential health hazards occur for all community
15 and noncommunity drinking water supplies where chemical exceedances
16 of action levels, health advisory levels, or maximum contaminant
17 limits are identified. The goals of the childhood lead program
18 shall include improving the identification of affected children,
19 the timeliness of case follow-up, and attainment of nurse care
20 management for children with lead exposure, and to achieve a long-
21 term reduction in the percentage of children in this state with
22 elevated blood lead levels.

23 Sec. 1181. From the funds appropriated in part 1 for
24 epidemiology administration, the department shall maintain a vapor
25 intrusion response unit. The vapor intrusion response unit shall
26 assess risks to public health at vapor intrusion sites and respond

1 to vapor intrusion risks where appropriate. The goals of the vapor
2 intrusion response unit shall include reducing the number of
3 residents of this state exposed to toxic substances through vapor
4 intrusion and improving health outcomes for individuals that are
5 identified as having been exposed to vapor intrusion.

6 Sec. 1182. (1) From the funds appropriated in part 1 for the
7 healthy homes program, no less than \$1,750,000.00 of general
8 fund/general purpose funds and \$23,480,000.00 of federal funds
9 shall be allocated for lead abatement of homes.

10 (2) By January 1 of the current fiscal year, the department
11 shall provide a report to the house and senate appropriations
12 subcommittees on the department budget, the house and senate fiscal
13 agencies, and the state budget office on the expenditures and
14 activities undertaken by the lead abatement program in the previous
15 fiscal year from the funds appropriated in part 1 for the healthy
16 homes program. The report shall include, but is not limited to, a
17 funding allocation schedule, expenditures by category of
18 expenditure and by subcontractor, revenues received, description of
19 program elements, and description of program accomplishments and
20 progress.

21 Sec. 1183. From the funds appropriated in part 1 for PFAS and
22 environmental contamination response, the department shall
23 appropriate \$50,000.00 to a local health department located in a
24 county with a population between 6,600 and 6,700 according to the
25 most recent federal decennial census for the purpose of purchasing
26 water sampling laboratory equipment. It is the intent of the
27 legislature that this funding be removed in the fiscal year

1 beginning October 1, 2019.

2 **LOCAL HEALTH AND ADMINISTRATIVE SERVICES**

3 Sec. 1220. The amount appropriated in part 1 for
4 implementation of the 1993 additions of or amendments to sections
5 9161, 16221, 16226, 17014, 17015, and 17515 of the public health
6 code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014,
7 333.17015, and 333.17515, shall be used to reimburse local health
8 departments for costs incurred related to implementation of section
9 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

10 Sec. 1221. If a county that has participated in a district
11 health department or an associated arrangement with other local
12 health departments takes action to cease to participate in such an
13 arrangement after October 1 of the current fiscal year, the
14 department shall have the authority to assess a penalty from the
15 local health department's operational accounts in an amount equal
16 to no more than 6.25% of the local health department's essential
17 local public health services funding. This penalty shall only be
18 assessed to the local county that requests the dissolution of the
19 health department.

20 Sec. 1222. (1) Funds appropriated in part 1 for essential
21 local public health services shall be prospectively allocated to
22 local health departments to support immunizations, infectious
23 disease control, sexually transmitted disease control and
24 prevention, hearing screening, vision services, food protection,
25 public water supply, private groundwater supply, and on-site sewage
26 management. Food protection shall be provided in consultation with

1 the department of agriculture and rural development. Public water
2 supply, private groundwater supply, and on-site sewage management
3 shall be provided in consultation with the department of
4 environmental quality.

5 (2) Local public health departments shall be held to
6 contractual standards for the services in subsection (1).

7 (3) Distributions in subsection (1) shall be made only to
8 counties that maintain local spending in the current fiscal year of
9 at least the amount expended in fiscal year 1992-1993 for the
10 services described in subsection (1).

11 (4) By December 1 of the current fiscal year, the department
12 shall provide a report to the house and senate appropriations
13 subcommittees on the department budget, the house and senate fiscal
14 agencies, and the state budget director on the planned allocation
15 of the funds appropriated for essential local public health
16 services.

17 Sec. 1223. (1) From the funds appropriated in part 1 for
18 dental programs, \$150,000.00 shall be allocated to the Michigan
19 Dental Association for the administration of a volunteer dental
20 program that provides dental services to the uninsured.

21 (2) By December 1 of the current fiscal year, the department
22 shall report to the senate and house appropriations subcommittees
23 on the department budget, the senate and house standing committees
24 on health policy, the senate and house fiscal agencies, and the
25 state budget office the number of individual patients treated,
26 number of procedures performed, and approximate total market value
27 of those procedures from the previous fiscal year.

1 Sec. 1224. The department shall use revenue from mobile
2 dentistry facility permit fees received under section 21605 of the
3 public health code, 1978 PA 368, MCL 333.21605, to offset the cost
4 of the permit program.

5 Sec. 1225. The department shall work with the Michigan health
6 endowment fund corporation established under section 653 of the
7 nonprofit health care corporation reform act, 1980 PA 350, MCL
8 550.1653, to explore ways to fund and evaluate current and future
9 policies and programs.

10 Sec. 1226. From the funds appropriated in part 1 for health
11 and wellness initiatives, \$1,000,000.00 shall be allocated for a
12 school children's healthy exercise program to promote and advance
13 physical health for school children in kindergarten through grade
14 8. The department shall recommend model programs for sites to
15 implement that incorporate evidence-based best practices. The
16 department shall grant no less than 1/2 of the funds appropriated
17 in part 1 for before- and after-school programs. The department
18 shall establish guidelines for program sites, which may include
19 schools, community-based organizations, private facilities,
20 recreation centers, or other similar sites. The program format
21 shall encourage local determination of site activities and shall
22 encourage local inclusion of youth in the decision-making regarding
23 site activities. Program goals shall include children experiencing
24 improved physical health and access to physical activity
25 opportunities, the reduction of obesity, providing a safe place to
26 play and exercise, and nutrition education. To be eligible to
27 participate, program sites shall provide a 20% match to the state

1 funding, which may be provided in full, or in part, by a
2 corporation, foundation, or private partner. The department shall
3 seek financial support from corporate, foundation, or other private
4 partners for the program or for individual program sites.

5 Sec. 1227. The department shall establish criteria for all
6 funds allocated under part 1 for health and wellness initiatives.
7 The criteria must include a requirement that all programs funded be
8 evidence-based and supported by research, include interventions
9 that have been shown to demonstrate outcomes that lower cost and
10 improve quality, and be designed for statewide impact. Preference
11 must be given to programs that utilize the funding as match for
12 additional resources, including, but not limited to, federal
13 sources.

14 Sec. 1228. From the funds appropriated in part 1 for injury
15 control intervention project, \$1,000,000.00 shall be allocated for
16 implementation of evidence-based, real-time, quality assurance
17 decision support software in the treatment of pediatric traumatic
18 brain injury and for protocols that are to be available to all
19 hospitals providing those trauma services. The funds shall be used
20 to purchase statewide licenses for pediatric traumatic brain injury
21 treatment software and related software services and to offset
22 hospital software integration costs. The department shall seek
23 federal matching funds that may be available for implementation of
24 this section.

25 Sec. 1229. (1) From the funds appropriated in part 1 for
26 dental programs, \$1,550,000.00 shall be distributed to local health
27 departments who partner with a qualified nonprofit provider of

1 dental services for the purpose of providing high-quality dental
2 homes for seniors, children, and adults enrolled in Medicaid, and
3 low-income uninsured.

4 (2) In order to be considered a qualified nonprofit provider
5 of dental services, the provider must demonstrate an effective
6 health insurance enrollment process for uninsured patients and
7 demonstrate to the department an effective process of charging
8 patients on a sliding scale based on the patient's ability to pay.

9 (3) Outcomes and performance measures for the program under
10 this section include, but are not limited to, the following:

11 (a) The number of uninsured patients who visited a
12 participating dentist over the prior year, broken down between
13 adults and children.

14 (b) The number of patients assisted with health insurance
15 enrollment, broken down between adults and children.

16 (c) A 5-year trend of the number of uninsured patients being
17 served, broken down between adults and children.

18 Sec. 1230. By October 1 of the current fiscal year, the
19 department shall provide a report to the house and senate
20 appropriations subcommittees on the department budget, the house
21 and senate fiscal agencies, and the state budget office on
22 estimated costs and timeline to implement a school-based pilot
23 program for children up to grade 7 that may include, but is not
24 limited to, oral health assessments, primary dental services, and
25 referrals. The school-based pilot program shall track the number of
26 children offered and receiving services at the school sites.
27 Program goals shall include improving oral and physical health

1 outcomes for children, improving rates of children receiving dental
2 sealants, and reduction of rates of childhood tooth decay.

3 Sec. 1231. From the funds appropriated for local health
4 services, up to \$4,750,000.00 shall be allocated for grants to
5 local public health departments to support PFAS response and
6 emerging public health threat activities. A portion of the funding
7 shall be allocated by the department in a collaborative fashion
8 with local public health departments in jurisdictions experiencing
9 PFAS contamination. The remainder of the funding shall be allocated
10 to address infectious and vector-borne disease threats, and other
11 environmental contamination issues such as vapor intrusion,
12 drinking water contamination, and lead exposure. The funding shall
13 be allocated to address issues including, but not limited to,
14 staffing, planning and response, and creation and dissemination of
15 materials related to PFAS contamination issues and other emerging
16 public health issues and threats.

17 Sec. 1232. It is the intent of the legislature that the United
18 States Department of Defense shall reimburse the state for costs
19 associated with PFAS and environmental contamination response at
20 military training sites and support facilities.

21 Sec. 1233. General fund and state restricted fund
22 appropriations in part 1 shall not be expended for PFAS and
23 environmental contamination response where federal funding or
24 private grant funding is available for the same expenditures.

25 Sec. 1234. (1) By February 1 of the current fiscal year, the
26 department shall develop and report to the senate and house
27 appropriations subcommittees on the department budget, the senate

1 and house fiscal agencies, the senate and house policy offices, and
2 the state budget office a revised distribution formula for the
3 allocation of essential local public health services funding to
4 local health departments.

5 (2) It is the intent of the legislature that the formula
6 developed under this section will be implemented during the fiscal
7 year beginning October 1, 2019.

8 Sec. 1235. If funds become available from the department of
9 corrections, funds shall be allocated to local health departments
10 as defined in section 1105 of the public health code, 1978 PA 368,
11 MCL 333.1105, and having those powers and duties as described in
12 part 24 of the public health code, 1978 PA 368, MCL 333.2401 to
13 333.2498, to evaluate and inspect food service kitchens of prisons
14 operated by the department of corrections. If the site where a
15 prison food service kitchen is in operation does not have an
16 existing local health department with the capabilities to evaluate
17 and inspect the prison food service kitchen, these funds shall be
18 available to a neighboring local health department in order to
19 evaluate and inspect the prison food service kitchen.

20 **FAMILY, MATERNAL, AND CHILD HEALTH**

21 Sec. 1301. (1) Before April 1 of the current fiscal year, the
22 department shall submit a report to the house and senate fiscal
23 agencies and the state budget director on planned allocations from
24 the amounts appropriated in part 1 for local MCH services, prenatal
25 care outreach and service delivery support, family planning local
26 agreements, and pregnancy prevention programs. Using applicable

1 federal definitions, the report shall include information on all of
2 the following:

3 (a) Funding allocations.

4 (b) Actual number of women, children, and adolescents served
5 and amounts expended for each group for the immediately preceding
6 fiscal year.

7 (c) A breakdown of the expenditure of these funds between
8 urban and rural communities.

9 (2) The department shall ensure that the distribution of funds
10 through the programs described in subsection (1) takes into account
11 the needs of rural communities.

12 (3) For the purposes of this section, "rural" means a county,
13 city, village, or township with a population of 30,000 or less,
14 including those entities if located within a metropolitan
15 statistical area.

16 Sec. 1302. Each family planning program receiving federal
17 title X family planning funds under 42 USC 300 to 300a-8 shall be
18 in compliance with all performance and quality assurance indicators
19 that the office of population affairs within the United States
20 Department of Health and Human Services specifies in the program
21 guidelines for project grants for family planning services. An
22 agency not in compliance with the indicators shall not receive
23 supplemental or reallocated funds.

24 Sec. 1303. The department shall not contract with an
25 organization that provides elective abortions, abortion counseling,
26 or abortion referrals, for services that are to be funded with
27 state restricted or state general fund/general purpose funds

1 appropriated in part 1 for family planning local agreements. An
2 organization under contract with the department shall not
3 subcontract with an organization that provides elective abortions,
4 abortion counseling, or abortion referrals, for services that are
5 to be funded with state restricted or state general fund/general
6 purpose funds appropriated in part 1 for family planning local
7 agreements.

8 Sec. 1304. The department shall not use state restricted funds
9 or state general funds appropriated in part 1 in the pregnancy
10 prevention program or family planning local agreements
11 appropriation line items for abortion counseling, referrals, or
12 services.

13 Sec. 1305. (1) From the funds appropriated in part 1 for
14 family planning local agreements and the pregnancy prevention
15 program, the department shall not contract with or award grants to
16 an entity that engages in 1 or more of the activities described in
17 section 1091(2) of 2002 PA 360, MCL 333.1091, if the entity is
18 located in a county or health district where family planning or
19 pregnancy prevention services are provided by the county, the
20 health district, or a qualified entity that does not engage in any
21 of the activities described in section 1091(2) of 2002 PA 360, MCL
22 333.1091.

23 (2) The department shall give priority to counties or health
24 districts where no contracts or grants currently exist for family
25 planning or pregnancy prevention services before contracting with
26 or awarding grants to an entity that engages in 1 or more of the
27 activities described in 1091(2) of 2002 PA 360, MCL 333.1091, if

1 that entity is located in a county where family planning and
2 pregnancy prevention services are provided by the county, the
3 health district, or another qualified entity that does not engage
4 in the activities described in 1091(2) of 2002 PA 360, MCL
5 333.1091.

6 Sec. 1307. From the funds appropriated in part 1 for prenatal
7 care outreach and service delivery support, \$700,000.00 shall be
8 allocated for a pregnancy and parenting support services program,
9 which must promote childbirth, alternatives to abortion, and grief
10 counseling. The department shall establish a program with a
11 qualified contractor that will contract with qualified service
12 providers to provide free counseling, support, and referral
13 services to eligible women during pregnancy through 12 months after
14 birth. As appropriate, the goals for client outcomes shall include
15 an increase in client support, an increase in childbirth choice, an
16 increase in adoption knowledge, an improvement in parenting skills,
17 and improved reproductive health through abstinence education. The
18 contractor of the program shall provide for program training,
19 client educational material, program marketing, and annual service
20 provider site monitoring. The department shall submit a report to
21 the house and senate appropriations subcommittees on the department
22 budget and the house and senate fiscal agencies by April 1 of the
23 current fiscal year on the number of clients served.

24 Sec. 1308. From the funds appropriated in part 1 for prenatal
25 care outreach and service delivery support, not less than
26 \$500,000.00 of funding shall be allocated for evidence-based
27 programs to reduce infant mortality including nurse family

1 partnership programs. The funds shall be used for enhanced support
2 and education to nursing teams or other teams of qualified health
3 professionals, client recruitment in areas designated as
4 underserved for obstetrical and gynecological services and other
5 high-need communities, strategic planning to expand and sustain
6 programs, and marketing and communications of programs to raise
7 awareness, engage stakeholders, and recruit nurses.

8 Sec. 1309. The department shall allocate funds appropriated in
9 section 117 of part 1 for family, maternal, and child health
10 according to section 1 of 2002 PA 360, MCL 333.1091.

11 Sec. 1311. From the funds appropriated in part 1 for prenatal
12 care outreach and service delivery support, not less than
13 \$2,750,000.00 state general fund/general purpose funds shall be
14 allocated for a rural home visit program. Equal consideration shall
15 be given to all eligible evidence-based providers in all regions in
16 contracting for rural home visitation services.

17 Sec. 1313. (1) The department shall continue developing an
18 outreach program on fetal alcohol syndrome services, targeting
19 health promotion, prevention, and intervention as described in the
20 Michigan fetal alcohol spectrum disorders 5-year plan 2015-2020.

21 (2) The department shall explore federal grant funding to
22 address prevention services for fetal alcohol syndrome and reduce
23 alcohol consumption among pregnant women.

24 Sec. 1314. The department shall seek to enhance education and
25 outreach efforts that encourage women of childbearing age to seek
26 confirmation at the earliest indication of possible pregnancy and
27 initiate continuous and routine prenatal care upon confirmation of

1 pregnancy. The department shall seek to ensure that department
2 programs, policies, and practices promote prenatal and obstetrical
3 care by doing the following:

4 (a) Supporting access to care.

5 (b) Reducing and eliminating barriers to care.

6 (c) Supporting recommendations for best practices.

7 (d) Encouraging optimal prenatal habits such as prenatal
8 medical visits, use of prenatal vitamins, and cessation of use of
9 tobacco, alcohol, or drugs.

10 (e) Tracking of birth outcomes to study improvements in
11 prevalence of fetal drug addiction, fetal alcohol syndrome, and
12 other preventable neonatal disease.

13 (f) Tracking of maternal increase in healthy behaviors
14 following childbirth.

15 Sec. 1340. The department shall include national brand peanut
16 butter on the list of approved women, infants, and children special
17 supplemental nutrition program basket items.

18 Sec. 1341. The department and county offices shall utilize
19 income eligibility and verification guidelines established by the
20 Food and Nutrition Service agency of the United States Department
21 of Agriculture in determining eligibility of individuals for the
22 special supplemental nutrition program for women, infants, and
23 children (WIC) as stated in current WIC policy.

24 **CHILDREN'S SPECIAL HEALTH CARE SERVICES**

25 Sec. 1360. The department may do 1 or more of the following:

26 (a) Provide special formula for eligible clients with

1 specified metabolic and allergic disorders.

2 (b) Provide medical care and treatment to eligible patients
3 with cystic fibrosis who are 21 years of age or older.

4 (c) Provide medical care and treatment to eligible patients
5 with hereditary coagulation defects, commonly known as hemophilia,
6 who are 21 years of age or older.

7 (d) Provide human growth hormone to eligible patients.

8 Sec. 1361. From the funds appropriated in part 1 for medical
9 care and treatment, the department may spend those funds for the
10 continued development and expansion of telemedicine capacity to
11 allow families with children in the children's special health care
12 services program to access specialty providers more readily and in
13 a more timely manner. The department may spend funds to support
14 chronic complex care management of children enrolled in the
15 children's special health care services program to minimize
16 hospitalizations and reduce costs to the program while improving
17 outcomes and quality of life.

18 **AGING AND ADULT SERVICES AGENCY**

19 Sec. 1402. The department may encourage the Food Bank Council
20 of Michigan to collaborate directly with each area agency on aging
21 and any other organizations that provide senior nutrition services
22 to secure the food access of vulnerable seniors.

23 Sec. 1403. (1) By February 1 of the current fiscal year, the
24 aging and adult services agency shall require each region to report
25 to the aging and adult services agency and to the legislature home-
26 delivered meals waiting lists based upon standard criteria.

1 Determining criteria shall include all of the following:

2 (a) The recipient's degree of frailty.

3 (b) The recipient's inability to prepare his or her own meals
4 safely.

5 (c) Whether the recipient has another care provider available.

6 (d) Any other qualifications normally necessary for the
7 recipient to receive home-delivered meals.

8 (2) Data required in subsection (1) shall be recorded only for
9 individuals who have applied for participation in the home-
10 delivered meals program and who are initially determined as likely
11 to be eligible for home-delivered meals.

12 Sec. 1417. The department shall provide to the senate and
13 house appropriations subcommittees on the department budget, senate
14 and house fiscal agencies, and state budget director a report by
15 March 30 of the current fiscal year that contains all of the
16 following:

17 (a) The total allocation of state resources made to each area
18 agency on aging by individual program and administration.

19 (b) Detail expenditure by each area agency on aging by
20 individual program and administration including both state-funded
21 resources and locally funded resources.

22 Sec. 1421. From the funds appropriated in part 1 for community
23 services, \$1,100,000.00 shall be allocated to area agencies on
24 aging for locally determined needs.

25 Sec. 1422. (1) From the funds appropriated in part 1 for aging
26 and adult services administration, not less than \$300,000.00 shall
27 be allocated for the department to contract with the Prosecuting

1 Attorneys Association of Michigan to provide the support and
2 services necessary to increase the capability of the state's
3 prosecutors, adult protective service system, and criminal justice
4 system to effectively identify, investigate, and prosecute elder
5 abuse and financial exploitation.

6 (2) By March 1 of the current fiscal year, the Prosecuting
7 Attorneys Association of Michigan shall provide a report on the
8 efficacy of the contract to the state budget office, the house and
9 senate appropriations subcommittees on the department budget, the
10 house and senate fiscal agencies, and the house and senate policy
11 offices.

12 Sec. 1425. The department shall coordinate with the department
13 of licensing and regulatory affairs to ensure that, upon receipt of
14 the order of suspension of a licensed adult foster care home, home
15 for the aged, or nursing home, the department of licensing and
16 regulatory affairs shall provide notice to the department, to the
17 house and senate appropriations subcommittees on the department
18 budget, and to the members of the house and senate that represent
19 the legislative districts of the county in which the facility lies.

20 MEDICAL SERVICES ADMINISTRATION

21 Sec. 1501. The unexpended funds appropriated in part 1 for the
22 electronic health records incentive program are designated as a
23 work project appropriation, and any unencumbered or unallotted
24 funds shall not lapse at the end of the fiscal year and shall be
25 available for expenditures for projects under this section until
26 the projects have been completed. The following is in compliance

1 with section 451a(1) of the management and budget act, 1984 PA 431,
2 MCL 18.1451a:

3 (a) The purpose of the work project is to implement the
4 Medicaid electronic health record program that provides financial
5 incentive payments to Medicaid health care providers to encourage
6 the adoption and meaningful use of electronic health records to
7 improve quality, increase efficiency, and promote safety.

8 (b) The projects will be accomplished by utilizing state
9 employees or contracts with service providers, or both, and
10 according to the approved federal advanced planning document.

11 (c) The total estimated cost of the work project is
12 \$96,087,400.00.

13 (d) The tentative completion date is September 30, 2023.

14 Sec. 1505. On a semiannual basis, the department shall submit
15 a report to the senate and house appropriations subcommittees on
16 the department budget, the senate and house fiscal agencies, and
17 the state budget office including both of the following:

18 (a) The department's projected annual increase in
19 reimbursement savings and cost offsets that will result from the
20 funds appropriated in part 1 for the office of inspector general
21 and third party liability efforts.

22 (b) The actual increase in reimbursement savings and cost
23 offsets that have resulted from the funds appropriated in part 1
24 for the office of inspector general and third party liability
25 efforts.

26 Sec. 1506. The department shall submit to the senate and house
27 appropriations subcommittees on the department budget, the senate

1 and house fiscal agencies, the senate and house policy offices, and
2 the state budget office quarterly reports on the implementation
3 status of the public assistance call center that include all of the
4 following information:

5 (a) Call volume during the prior quarter.

6 (b) Percentage of calls resolved through the public assistance
7 call center.

8 (c) Percentage of calls transferred to a local department
9 office or other office for resolution.

10 Sec. 1507. (1) From the funds appropriated for integrated
11 service delivery in part 1 in the technology supporting integrated
12 service and departmental administration and management line items,
13 the department shall maintain information technology tools and
14 enhance existing systems to improve the eligibility and enrollment
15 process for citizens accessing department administered programs.
16 This information technology system will consolidate beneficiary
17 information, support department caseworker efforts in building a
18 success plan for beneficiaries, and better support department staff
19 in supporting enrollees in assistance programs.

20 (2) Outcomes and performance measures for the initiative under
21 subsection (1) include, but are not limited to, the following:

22 (a) Successful consolidation of data warehouses maintained by
23 the department.

24 (b) The amount of time a department caseworker devotes to data
25 entry when initiating an enrollee application.

26 (c) A reduction in wait times for persons enrolled in
27 assistance programs to speak with department staff and get

1 necessary changes made.

2 (d) A reduction in department caseworker workload.

3 Sec. 1508. (1) From the funds appropriated in part 1 for
4 medical services administration, \$500,000.00 is appropriated for
5 the operation and maintenance of the Michigan dental registry in
6 support of the enhanced dental benefit for the Healthy Kids Dental
7 program. Additionally, the department shall explore the expansion
8 of the scope of the Michigan dental registry to enhance the
9 Medicaid adult dental benefit for pregnant women.

10 (2) The department shall monitor childhood caries preventative
11 services delivered to pediatric Medicaid recipients in both medical
12 and dental settings. By September 30 of the current fiscal year,
13 the department shall submit a report to the senate and house
14 appropriations subcommittees on the department budget, the senate
15 and house fiscal agencies, the senate and house policy offices, and
16 the state budget office on the results of the program. The report
17 shall include, but not be limited to, all of the following:

18 (a) Comparative data on completed referral rates from
19 pediatric medical providers to dental providers.

20 (b) The reduction of caries in the Medicaid child population.

21 (c) Any associated long-term or short-term cost savings to the
22 Medicaid program.

23 Sec. 1509. By September 30 of the current fiscal year or 6
24 months after the implementation of employment-related activity
25 requirements or work requirements for medical assistance from an
26 approved waiver from CMS, whichever date is sooner, the department
27 shall report to the senate and house appropriations subcommittees

1 on the department budget, the senate and house fiscal agencies, the
2 senate and house policy offices, and the state budget office on the
3 number of recipients who are noncompliant with the required self-
4 sufficiency goals, an explanation of the actions undertaken, and
5 the number of recipients subject to employment-related activity
6 requirements.

7 Sec. 1510. (1) From the funds appropriated in part 1 for
8 medical services administration, the department shall match 100% of
9 any private funds, up to \$100,000.00, with state general
10 fund/general purpose revenues for the purpose of contracting for an
11 independent feasibility study and actuarial model of public,
12 private, and public-private hybrid options to help individuals
13 prepare for, access, and afford long-term services and supports.
14 The study must include models for all of the following:

15 (a) An affordable annual long-term care benefit available to
16 all individuals who meet the minimum eligibility of needing
17 assistance with 2 activities of daily living, with the maximum
18 benefit amount to be determined by actuarial analysis.

19 (b) A public-private reinsurance or risk-sharing model, with
20 the purpose of providing a stable and ongoing source of
21 reimbursement to insurers for a portion of their catastrophic long-
22 term care services and supports losses in order to provide
23 additional insurance capacity for the state. The entity would
24 operate as a public-private partnership supporting the private
25 sector's role as the primary risk bearer.

26 (c) A long-term care benefit paid for and open to those that
27 are not currently eligible for the state Medicaid program.

1 (2) The awarded contractor shall provide a report to the
2 department on the independent feasibility study and actuarial model
3 that includes all of the following:

4 (a) An analysis of public and private long-term care programs
5 that exist in the state, the participation rates for those
6 programs, and any clear gaps that exist, including, but not limited
7 to, gaps in coverage, affordability, and participation.

8 (b) The expected costs and benefits for participants in a new
9 long-term care benefit program, when accounting for a living wage
10 rate for home care workers and compliance with the fair labor
11 standards act of 1938, 29 USC 201 to 219, the federal regulations
12 in 29 CFR 552 relating to that act, and state labor laws.

13 (c) The total anticipated number of participants.

14 (d) The impact on the current workforce.

15 (e) A recruitment and retention plan to meet anticipated
16 shortage in the workforce due to the increasing aging population.

17 (f) The impact of current services, access to a paid
18 workforce, and affordability of care on family caregivers,
19 including how many family members are providing care to the
20 individual, the impact that providing care has on a family
21 caregiver's job, family caregivers' access to training programs,
22 how many hours of care a family caregiver is providing, the types
23 of services a family caregiver is performing, if the primary
24 caregiver is also caring for a child, and if there are children
25 present in the home who also assist with caring for the aging adult
26 in the home.

27 (g) The projected savings to the state Medicaid program, if

1 any.

2 (h) Legal and financial risks to the state.

3 (3) The department shall provide oversight and direction for
4 the analysis described in subsection (2) and shall convene meetings
5 for interested stakeholders, including consumer and worker
6 representatives, to provide ongoing input on the feasibility study
7 design. The department shall hold not fewer than 3 meetings for
8 stakeholders to comply with the provisions of this subsection, as
9 follows: a meeting before the study begins, a meeting during the
10 study's implementation, and a meeting after the study is completed.

11 (4) The feasibility study and the actuarial analysis that is
12 included in the feasibility study must be completed and submitted
13 to the department no later than 270 days after the start date of
14 the feasibility study. The department shall hold a public hearing
15 presenting its findings. The department shall submit a report,
16 including the director's findings and recommendations based on the
17 feasibility study and actuarial analysis, to the legislature no
18 later than 60 days after the completion of the feasibility study.

19 **MEDICAL SERVICES**

20 Sec. 1601. The cost of remedial services incurred by residents
21 of licensed adult foster care homes and licensed homes for the aged
22 shall be used in determining financial eligibility for the
23 medically needy. Remedial services include basic self-care and
24 rehabilitation training for a resident.

25 Sec. 1603. (1) The department may establish a program for
26 individuals to purchase medical coverage at a rate determined by

1 the department.

2 (2) The department may receive and expend premiums for the
3 buy-in of medical coverage in addition to the amounts appropriated
4 in part 1.

5 (3) The premiums described in this section shall be classified
6 as private funds.

7 Sec. 1605. The protected income level for Medicaid coverage
8 determined pursuant to section 106(1)(b)(iii) of the social welfare
9 act, 1939 PA 280, MCL 400.106, shall be 100% of the related public
10 assistance standard.

11 Sec. 1606. For the purpose of guardian and conservator
12 charges, the department may deduct up to \$83.00 per month as an
13 allowable expense against a recipient's income when determining
14 medical services eligibility and patient pay amounts.

15 Sec. 1607. (1) An applicant for Medicaid, whose qualifying
16 condition is pregnancy, shall immediately be presumed to be
17 eligible for Medicaid coverage unless the preponderance of evidence
18 in her application indicates otherwise. The applicant who is
19 qualified as described in this subsection shall be allowed to
20 select or remain with the Medicaid participating obstetrician of
21 her choice.

22 (2) All qualifying applicants shall be entitled to receive all
23 medically necessary obstetrical and prenatal care without
24 preauthorization from a health plan. All claims submitted for
25 payment for obstetrical and prenatal care shall be paid at the
26 Medicaid fee-for-service rate in the event a contract does not
27 exist between the Medicaid participating obstetrical or prenatal

1 care provider and the managed care plan. The applicant shall
2 receive a listing of Medicaid physicians and managed care plans in
3 the immediate vicinity of the applicant's residence.

4 (3) In the event that an applicant, presumed to be eligible
5 pursuant to subsection (1), is subsequently found to be ineligible,
6 a Medicaid physician or managed care plan that has been providing
7 pregnancy services to an applicant under this section is entitled
8 to reimbursement for those services until such time as they are
9 notified by the department that the applicant was found to be
10 ineligible for Medicaid.

11 (4) If the preponderance of evidence in an application
12 indicates that the applicant is not eligible for Medicaid, the
13 department shall refer that applicant to the nearest public health
14 clinic or similar entity as a potential source for receiving
15 pregnancy-related services.

16 (5) The department shall develop an enrollment process for
17 pregnant women covered under this section that facilitates the
18 selection of a managed care plan at the time of application.

19 (6) The department shall mandate enrollment of women, whose
20 qualifying condition is pregnancy, into Medicaid managed care
21 plans.

22 (7) The department shall encourage physicians to provide
23 women, whose qualifying condition for Medicaid is pregnancy, with a
24 referral to a Medicaid participating dentist at the first
25 pregnancy-related appointment.

26 Sec. 1611. (1) For care provided to medical services
27 recipients with other third-party sources of payment, medical

1 services reimbursement shall not exceed, in combination with such
2 other resources, including Medicare, those amounts established for
3 medical services-only patients. The medical services payment rate
4 shall be accepted as payment in full. Other than an approved
5 medical services co-payment, no portion of a provider's charge
6 shall be billed to the recipient or any person acting on behalf of
7 the recipient. Nothing in this section shall be considered to
8 affect the level of payment from a third-party source other than
9 the medical services program. The department shall require a
10 nonenrolled provider to accept medical services payments as payment
11 in full.

12 (2) Notwithstanding subsection (1), medical services
13 reimbursement for hospital services provided to dual
14 Medicare/medical services recipients with Medicare part B coverage
15 only shall equal, when combined with payments for Medicare and
16 other third-party resources, if any, those amounts established for
17 medical services-only patients, including capital payments.

18 Sec. 1620. (1) For fee-for-service Medicaid recipients, the
19 professional dispensing fee for drugs indicated as specialty
20 medications on the Michigan pharmaceutical products list is \$20.02
21 or the pharmacy's usual or customary cash charge, whichever is
22 less.

23 (2) For fee-for-service Medicaid recipients, for drugs not
24 indicated as specialty drugs on the Michigan pharmaceutical
25 products list, the professional dispensing fee for medications is
26 as follows:

27 (a) For medications indicated as preferred on the department's

1 preferred drug list, \$10.80 or the pharmacy's usual or customary
2 cash charge, whichever is less.

3 (b) For medications not on the department's preferred drug
4 list, \$10.64 or the pharmacy's usual or customary cash charge,
5 whichever is less.

6 (c) For medications indicated as nonpreferred on the
7 department's preferred drug list, \$9.00 or the pharmacy's usual or
8 customary cash charge, whichever is less.

9 (3) The department shall require a prescription co-payment for
10 Medicaid recipients not enrolled in the Healthy Michigan plan or
11 with an income less than 100% of the federal poverty level of \$1.00
12 for a generic drug indicated as preferred on the department's
13 preferred drug list and \$3.00 for a brand-name drug indicated as
14 nonpreferred on the department's preferred drug list, except as
15 prohibited by federal or state law or regulation.

16 (4) The department shall require a prescription co-payment for
17 Medicaid recipients enrolled in the Healthy Michigan plan with an
18 income of at least 100% of the federal poverty level of \$4.00 for a
19 generic drug indicated as preferred on the department's preferred
20 drug list and \$8.00 for a brand-name drug indicated as nonpreferred
21 on the department's preferred drug list, except as prohibited by
22 federal or state law or regulation.

23 Sec. 1621. By March 1 of the current fiscal year, the
24 department shall report to the house and senate appropriations
25 subcommittees on the department budget, the house and senate fiscal
26 agencies, and the state budget office on strategies the department
27 is using to minimize the state cost of specialty drugs. Also, the

1 department may take additional measures in order to further reduce
2 state costs, while also ensuring that appropriate clinical care is
3 being utilized. The report shall also include information on
4 savings generated as a result of these additional measures that may
5 include additional cost sharing, step therapy, and prior
6 authorization.

7 Sec. 1629. The department shall utilize maximum allowable cost
8 pricing for generic drugs that is based on wholesaler pricing to
9 providers that is available from at least 2 wholesalers who deliver
10 in this state.

11 Sec. 1631. (1) The department shall require co-payments on
12 dental, podiatric, and vision services provided to Medicaid
13 recipients, except as prohibited by federal or state law or
14 regulation.

15 (2) Except as otherwise prohibited by federal or state law or
16 regulation, the department shall require Medicaid recipients not
17 enrolled in the Healthy Michigan plan or with an income less than
18 100% of the federal poverty level to pay not less than the
19 following co-payments:

20 (a) Two dollars for a physician office visit.

21 (b) Three dollars for a hospital emergency room visit.

22 (c) Fifty dollars for the first day of an inpatient hospital
23 stay.

24 (d) Two dollars for an outpatient hospital visit.

25 (3) Except as otherwise prohibited by federal or state law or
26 regulation, the department shall require Medicaid recipients
27 enrolled in the Healthy Michigan plan with an income of at least

1 100% of the federal poverty level to pay the following co-payments:

2 (a) Four dollars for a physician office visit.

3 (b) Eight dollars for a hospital emergency room visit.

4 (c) One hundred dollars for the first day of an inpatient
5 hospital stay.

6 (d) Four dollars for an outpatient hospital visit or any other
7 medical provider visit to the extent allowed by federal or state
8 law or regulation.

9 Sec. 1641. An institutional provider that is required to
10 submit a cost report under the medical services program shall
11 submit cost reports completed in full within 5 months after the end
12 of its fiscal year.

13 Sec. 1646. (1) From the funds appropriated in part 1 for long-
14 term care services, the department shall administer a nursing
15 facility quality measure initiative program. The initiative shall
16 be financed through an increase of the quality assurance assessment
17 for nursing homes and hospital long-term care units, and the funds
18 shall be distributed according to the following criteria:

19 (a) The department shall award more dollars to nursing
20 facilities that have a higher CMS 5-star quality measure domain
21 rating, then adjusted to account for both positive and negative
22 aspects of a patient satisfaction survey.

23 (b) A nursing facility with a CMS 5-star quality measure
24 domain star rating of 1 or 2 must file an action plan with the
25 department describing how it intends to use funds appropriated
26 under this section to increase quality outcomes before funding
27 shall be released.

1 (c) The total incentive dollars must reflect the following
2 Medicaid utilization scale:

3 (i) For nursing facilities with a Medicaid participation rate
4 of above 63%, the facility shall receive 100% of the incentive
5 payment.

6 (ii) For nursing facilities with a Medicaid participation rate
7 between 50% and 63%, the facility shall receive 75% of the
8 incentive payment.

9 (iii) For nursing facilities with a Medicaid participation
10 rate of less than 50%, the facility shall receive a payment
11 proportionate to their Medicaid participation rate.

12 (iv) For nursing facilities not enrolled in Medicaid, the
13 facility shall not receive an incentive payment.

14 (d) Facilities designated as special focus facilities are not
15 eligible for any payment under this section.

16 (e) Number of licensed beds.

17 (2) The department and nursing facility representatives shall
18 evaluate the program's effectiveness on quality, measured by the
19 change in the CMS 5-star quality measure domain rating since the
20 implementation of this section. By March 1 of the current fiscal
21 year, the department shall report to the senate and house
22 appropriations subcommittees on the department budget, the senate
23 and house fiscal agencies, and the senate and house policy offices
24 on the findings of the evaluation.

25 Sec. 1657. (1) Reimbursement for medical services to screen
26 and stabilize a Medicaid recipient, including stabilization of a
27 psychiatric crisis, in a hospital emergency room shall not be made

1 contingent on obtaining prior authorization from the recipient's
2 HMO. If the recipient is discharged from the emergency room, the
3 hospital shall notify the recipient's HMO within 24 hours of the
4 diagnosis and treatment received.

5 (2) If the treating hospital determines that the recipient
6 will require further medical service or hospitalization beyond the
7 point of stabilization, that hospital shall receive authorization
8 from the recipient's HMO prior to admitting the recipient.

9 (3) Subsections (1) and (2) do not require an alteration to an
10 existing agreement between an HMO and its contracting hospitals and
11 do not require an HMO to reimburse for services that are not
12 considered to be medically necessary.

13 Sec. 1659. The following sections of this part are the only
14 ones that shall apply to the following Medicaid managed care
15 programs, including the comprehensive plan, MIChoice long-term care
16 plan, and the mental health, substance use disorder, and
17 developmentally disabled services program: 904, 911, 918, 920, 924,
18 928, 942, 994, 999, 1008, 1009, 1607, 1657, 1662, 1696, 1699, 1700,
19 1702, 1763, 1764, 1791, 1806, 1809, 1810, 1820, 1850, 1871, 1875,
20 1882, and 1888.

21 Sec. 1662. (1) The department shall ensure that an external
22 quality review of each contracting HMO is performed that results in
23 an analysis and evaluation of aggregated information on quality,
24 timeliness, and access to health care services that the HMO or its
25 contractors furnish to Medicaid beneficiaries.

26 (2) The department shall require Medicaid HMOs to provide
27 EPSDT utilization data through the encounter data system, and HEDIS

1 well child health measures in accordance with the National
2 Committee for Quality Assurance prescribed methodology.

3 (3) The department shall provide a copy of the analysis of the
4 Medicaid HMO annual audited HEDIS reports and the annual external
5 quality review report to the senate and house of representatives
6 appropriations subcommittees on the department budget, the senate
7 and house fiscal agencies, and the state budget director, within 30
8 days of the department's receipt of the final reports from the
9 contractors.

10 Sec. 1670. (1) The appropriation in part 1 for the MIChild
11 program is to be used to provide comprehensive health care to all
12 children under age 19 who reside in families with income at or
13 below 212% of the federal poverty level, who are uninsured and have
14 not had coverage by other comprehensive health insurance within 6
15 months of making application for MIChild benefits, and who are
16 residents of this state. The department shall develop detailed
17 eligibility criteria through the medical services administration
18 public concurrence process, consistent with the provisions of this
19 part and part 1.

20 (2) The department may provide up to 1 year of continuous
21 eligibility to children eligible for the MIChild program unless the
22 family fails to pay the monthly premium, a child reaches age 19, or
23 the status of the children's family changes and its members no
24 longer meet the eligibility criteria as specified in the state
25 plan.

26 (3) The department may make payments on behalf of children
27 enrolled in the MIChild program as described in the MIChild state

1 plan approved by the United States Department of Health and Human
2 Services, or from other medical services.

3 Sec. 1673. The department may establish premiums for MICHild
4 eligible individuals in families with income at or below 212% of
5 the federal poverty level. The monthly premiums shall be \$10.00 per
6 month.

7 Sec. 1677. The MICHild program shall provide, at a minimum,
8 all benefits available under the Michigan benchmark plan that are
9 delivered through contracted providers and consistent with federal
10 law, including, but not limited to, the following medically
11 necessary services:

12 (a) Inpatient mental health services, other than substance use
13 disorder treatment services, including services furnished in a
14 state-operated mental hospital and residential or other 24-hour
15 therapeutically planned structured services.

16 (b) Outpatient mental health services, other than substance
17 use disorder services, including services furnished in a state-
18 operated mental hospital and community-based services.

19 (c) Durable medical equipment and prosthetic and orthotic
20 devices.

21 (d) Dental services as outlined in the approved MICHild state
22 plan.

23 (e) Substance use disorder treatment services that may include
24 inpatient, outpatient, and residential substance use disorder
25 treatment services.

26 (f) Care management services for mental health diagnoses.

27 (g) Physical therapy, occupational therapy, and services for

1 individuals with speech, hearing, and language disorders.

2 (h) Emergency ambulance services.

3 Sec. 1682. (1) In addition to the appropriations in part 1,
4 the department is authorized to receive and spend penalty money
5 received as the result of noncompliance with medical services
6 certification regulations. Penalty money, characterized as private
7 funds, received by the department shall increase authorizations and
8 allotments in the long-term care accounts.

9 (2) Any unexpended penalty money, at the end of the year,
10 shall carry forward to the following year.

11 Sec. 1692. (1) The department is authorized to pursue
12 reimbursement for eligible services provided in Michigan schools
13 from the federal Medicaid program. The department and the state
14 budget director are authorized to negotiate and enter into
15 agreements, together with the department of education, with local
16 and intermediate school districts regarding the sharing of federal
17 Medicaid services funds received for these services. The department
18 is authorized to receive and disburse funds to participating school
19 districts pursuant to such agreements and state and federal law.

20 (2) From the funds appropriated in part 1 for medical services
21 school-based services payments, the department is authorized to do
22 all of the following:

23 (a) Finance activities within the medical services
24 administration related to this project.

25 (b) Reimburse participating school districts pursuant to the
26 fund-sharing ratios negotiated in the state-local agreements
27 authorized in subsection (1).

1 (c) Offset general fund costs associated with the medical
2 services program.

3 Sec. 1693. The special Medicaid reimbursement appropriation in
4 part 1 may be increased if the department submits a medical
5 services state plan amendment pertaining to this line item at a
6 level higher than the appropriation. The department is authorized
7 to appropriately adjust financing sources in accordance with the
8 increased appropriation.

9 Sec. 1694. From the funds appropriated in part 1 for special
10 Medicaid reimbursement, \$386,700.00 of general fund/general purpose
11 revenue and any associated federal match shall be distributed for
12 poison control services to an academic health care system that has
13 a high indigent care volume.

14 Sec. 1696. It is the intent of the legislature that, beginning
15 in the fiscal year beginning October 1, 2019, if an applicant for
16 Medicaid coverage through the Healthy Michigan plan received
17 medical coverage in the previous fiscal year through traditional
18 Medicaid, and is still eligible for coverage through traditional
19 Medicaid, the applicant is not eligible to receive coverage through
20 the Healthy Michigan plan.

21 Sec. 1697. The department shall require that Medicaid health
22 plans administering Healthy Michigan plan benefits maintain a
23 network of dental providers in sufficient numbers, mix, and
24 geographic locations throughout their respective service areas in
25 order to provide adequate dental care for Healthy Michigan plan
26 enrollees.

27 Sec. 1699. (1) The department may make separate payments in

1 the amount of \$45,000,000.00 directly to qualifying hospitals
2 serving a disproportionate share of indigent patients and to
3 hospitals providing GME training programs. If direct payment for
4 GME and DSH is made to qualifying hospitals for services to
5 Medicaid recipients, hospitals shall not include GME costs or DSH
6 payments in their contracts with HMOs.

7 (2) The department shall allocate \$45,000,000.00 in DSH
8 funding using the distribution methodology used in fiscal year
9 2003-2004.

10 Sec. 1700. (1) By December 1 of the current fiscal year, the
11 department shall report to the senate and house appropriations
12 subcommittees on the department budget, the senate and house fiscal
13 agencies, and the state budget office on the distribution of
14 funding provided, and the net benefit if the special hospital
15 payment is not financed with general fund/general purpose revenue,
16 to each eligible hospital during the previous fiscal year from the
17 following special hospital payments:

18 (a) DSH, separated out by unique DSH pool.

19 (b) GME.

20 (c) Special rural hospital payments provided under section
21 1866 of this part.

22 (d) Lump-sum payments to rural hospitals for obstetrical care
23 provided under section 1802 of this part.

24 (2) By August 1 of the current fiscal year, the department
25 shall report to the senate and house appropriations subcommittees
26 on the department budget, the senate and house fiscal agencies, and
27 the state budget office on the projected distribution of funding,

1 and the projected net benefit if the special hospital payment is
2 not financed with general fund/general purpose revenue, to each
3 eligible hospital from the following special hospital payments:

4 (a) DSH, separated out by unique DSH pool.

5 (b) GME.

6 (c) Special rural hospital payments provided under section
7 1866 of this part.

8 (d) Lump-sum payments to rural hospitals for obstetrical care
9 provided under section 1802 of this part.

10 Sec. 1702. From the funds appropriated in part 1, the
11 department shall maintain the 15% rate increase provided during the
12 fiscal year ending September 30, 2017 for private duty nursing
13 services for Medicaid beneficiaries under the age of 21. These
14 additional funds must be used to attract and retain highly
15 qualified registered nurses and licensed practical nurses to
16 provide private duty nursing services so that medically frail
17 children can be cared for in the most homelike setting possible.

18 Sec. 1704. (1) From the funds appropriated in part 1 for
19 health plan services, the department shall allocate \$6,000,000.00
20 to support the enhancement of the Medicaid adult dental benefit for
21 pregnant women enrolled in a Medicaid program.

22 (2) The department shall report to the senate and house
23 appropriations subcommittees on the department budget, the senate
24 and house fiscal agencies, and the state budget office by October 1
25 of the current fiscal year on the steps taken by the department to
26 implement subsection (1).

27 (3) Outcomes and performance measures for the program change

1 under this section include, but are not limited to, the following:

2 (a) The number of pregnant women enrolled in Medicaid who
3 visited a dentist over the prior year.

4 (b) The number of dentists statewide who participate in
5 providing dental services to pregnant women enrolled in Medicaid.

6 Sec. 1730. The department shall continue to maintain enhanced
7 assessment tools established in collaboration with the department
8 of education that promote literacy development of pregnant women
9 and new mothers in the maternal infant health program. When
10 possible, the department shall include new fathers of the infants
11 in the literacy promotion efforts that are included in the
12 assessment tools and in the subsequent services provided. The
13 assessment tools shall expand the assessment of maternal and
14 parental literacy and provide support and referrals to resources to
15 enable program participants to achieve an increase in literacy that
16 may contribute to improvements in family health, economic, and life
17 outcomes.

18 Sec. 1757. The department shall obtain proof from all Medicaid
19 recipients that they are legal United States citizens or otherwise
20 legally residing in this country and that they are residents of
21 this state before approving Medicaid eligibility.

22 Sec. 1763. During the next contract renewal period, the
23 department shall issue an RFP for a 3-year contract for actuarial
24 services, including, but not limited to, capitation rate setting
25 for Medicaid and the Healthy Michigan plan. The department shall
26 notify the senate and house appropriations subcommittees on the
27 department budget, the senate and house fiscal agencies, and the

1 senate and house policy offices on what vendors submitted bids for
2 the contract, which vendor received the contract, the evaluation
3 process, and the criteria used once an award for actuarial services
4 has been made.

5 Sec. 1764. The department shall annually certify whether rates
6 paid to Medicaid health plans and specialty PIHPs are actuarially
7 sound in accordance with federal requirements and shall provide a
8 copy of the rate certification and approval of rates paid to
9 Medicaid health plans and specialty PIHPs within 5 business days
10 after certification or approval to the senate and house
11 appropriations subcommittees on the department budget, the senate
12 and house fiscal agencies, and the state budget office. Following
13 the rate certification, the department shall ensure that no new or
14 revised state Medicaid policy bulletin that is promulgated
15 materially impacts the capitation rates that have been certified in
16 a negative manner.

17 Sec. 1775. (1) 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, and the state budget office on progress in implementing
21 the waiver to implement managed care for individuals who are
22 eligible for both Medicare and Medicaid, known as MI Health Link,
23 including, but not limited to, a description of how the department
24 intends to ensure that service delivery is integrated, how key
25 components of the proposal are implemented effectively, and any
26 problems and potential solutions as identified by the ombudsman
27 described in subsection (2).

1 (2) The department shall ensure the existence of an ombudsman
2 program that is not associated with any project service manager or
3 provider to assist MI Health Link beneficiaries with navigating
4 complaint and dispute resolution mechanisms and to identify
5 problems in the demonstrations and in the complaint and dispute
6 resolution mechanisms.

7 Sec. 1782. Subject to federal approval, from the funds
8 appropriated in part 1 for health plan services, the department
9 shall allocate \$740,000.00 general fund/general purpose plus any
10 available work project funds and federal match through an
11 administered contract with oversight from Medical Services
12 Administration and Population Health. The funds shall be used to
13 support a statewide media campaign for improving this state's
14 immunization rates.

15 Sec. 1791. From the funds appropriated in part 1 for health
16 plan services and physician services, the department shall provide
17 Medicaid reimbursement rates for neonatal services at 75% of the
18 Medicare rate received for those services in effect on the date the
19 services are provided to eligible Medicaid recipients. The current
20 procedural terminology (CPT) codes that are eligible for this
21 reimbursement rate increase are 99468, 99469, 99471, 99472, 99475,
22 99476, 99477, 99478, 99479, and 99480.

23 Sec. 1792. By April 30 of the current fiscal year, the
24 department shall evaluate encounter data through the end of the
25 previous fiscal year. By May 30 of the current fiscal year, the
26 department shall report the evaluation results to the senate and
27 house appropriations subcommittees on the department budget, the

1 senate and house fiscal agencies, the senate and house policy
2 offices, the state budget office, and the Medicaid health plans.

3 Sec. 1800. For the distribution of each of the pools within
4 the \$85,000,000.00 outpatient disproportionate share hospital
5 payment, the department shall maintain a formula for the
6 distribution of each pool based on the quality of care, cost,
7 traditional disproportionate share hospital factors such as
8 Medicaid utilization and uncompensated care, and any other factor
9 that the department determines should be considered.

10 Sec. 1801. (1) From the funds appropriated in part 1 for
11 physician services and health plan services, the department shall
12 continue the increase to Medicaid rates for primary care services
13 provided only by primary care providers. For the purpose of this
14 section, a primary care provider is a physician, or a practitioner
15 working under the personal supervision of a physician, who is
16 either licensed under part 170 or part 175 of the public health
17 code, 1978 PA 368, MCL 333.17001 to 333.17084 and 333.17501 to
18 333.17556, and working as a primary care provider in general
19 practice or board-eligible or certified with a specialty
20 designation of family medicine, general internal medicine, or
21 pediatric medicine, or a provider who provides the department with
22 documentation of equivalency. Providers performing a service and
23 whose primary practice is as a non-primary-care subspecialty is not
24 eligible for the increase. The department shall establish policies
25 that most effectively limit the increase to primary care providers
26 for primary care services only.

27 (2) By March 1 of the current fiscal year, the department

1 shall provide to the senate and house appropriations subcommittees
2 on the department budget, the senate and house fiscal agencies, the
3 senate and house policy offices, and the state budget office a list
4 of medical specialties and licensed providers that were paid
5 enhanced primary care rates in the fiscal year ending September 30,
6 2017.

7 Sec. 1802. From the funds appropriated in part 1 for hospital
8 services and therapy, \$7,978,300.00 in general fund/general purpose
9 revenue shall be provided as lump-sum payments to hospitals that
10 qualified for rural hospital access payments in fiscal year 2013-
11 2014 and that provide obstetrical care in the current fiscal year.
12 Payment amounts shall be based on the volume of obstetrical care
13 cases and newborn care cases for all such cases billed by each
14 qualified hospital in the most recent year for which data is
15 available. Payments shall be made by January 1 of the current
16 fiscal year.

17 Sec. 1803. The department shall establish a Medicaid provider
18 type for the enrollment of providers of portable X-ray and
19 ultrasound services to nursing home and homebound beneficiaries as
20 "portable X-ray and ultrasound providers" under the "Michigan
21 Department of Health and Human Services Current-Typical Provider
22 Type Enrollment Grid", using provider language substantially
23 similar to Medicare requirements. The department shall treat this
24 service as a covered service. By December 1 of the current fiscal
25 year, the department shall report to the senate and house
26 subcommittees on the department budget, the senate and house fiscal
27 agencies, the senate and house policy offices, and the state budget

1 office, on the information required in this section.

2 Sec. 1804. The department, in cooperation with the department
3 of military and veterans affairs, shall work with the federal
4 public assistance reporting information system to identify Medicaid
5 recipients who are veterans and who may be eligible for federal
6 veterans health care benefits or other benefits.

7 Sec. 1805. Hospitals receiving medical services payments for
8 graduate medical education shall submit fully completed quality
9 data to a nonprofit organization with extensive experience in
10 collecting and reporting hospital quality data on a public website.
11 The reporting must utilize consensus-based nationally endorsed
12 standards that meet National Quality Forum-endorsed safe practices.
13 The organization collecting the data must be an organization that
14 uses severity-adjusted risk models and measures that will help
15 patients and payers identify hospital campuses likely to have
16 superior outcomes. The public website shall provide information to
17 allow consumers to compare safe practices by hospital campus,
18 including, but not limited to, perinatal care, hospital-acquired
19 infection, and serious reportable events. Hospitals receiving
20 medical services payments for graduate medical education shall also
21 make their fully completed quality data available on the hospital's
22 website. The department shall withhold 25% of a hospital's graduate
23 medical education payment if the hospital does not submit the data
24 to a qualifying nonprofit organization described in this section by
25 January 1 of the current fiscal year.

26 Sec. 1806. (1) The department shall contractually require the
27 Medicaid health plans to report to the department by February 1 of

1 the current fiscal year on the following:

2 (a) The progress of implementing the Medicaid health plan
3 common formulary.

4 (b) The participation by the Medicaid health plans in the
5 Medicaid health plan common formulary.

6 (c) The timeliness of prior authorization approvals or
7 disapprovals.

8 (2) By March 1 of the current fiscal year, the department
9 shall provide the Medicaid health plan report provided in
10 subsection (1) and identify any areas of inconsistency across the
11 Medicaid health plans' implementation and utilization of the
12 Medicaid health plan common formulary to the house and senate
13 appropriations subcommittees on the department budget, the house
14 and senate fiscal agencies, and the state budget office.

15 (3) The department shall maintain policies and procedures to
16 govern the operations of the Michigan Medicaid health plan common
17 formulary so that the department is able to receive fair and full
18 public participation.

19 Sec. 1809. The department shall establish separate contract
20 performance standards for Medicaid health plans that adhere to the
21 requirements of section 105d of the social welfare act, 1939 PA
22 280, MCL 400.105d, associated with the 0.75% and 0.25% capitation
23 withhold. The determination of the performance of the 0.75%
24 capitation withhold is at the discretion of the department but must
25 include recognized concepts such as 1-year continuous enrollment
26 and the HEDIS audited data. The determination of the performance of
27 the 0.25% capitation withhold is at the discretion of the

1 department but must include the utilization of high-value services
2 and discouraging the utilization of low-value services.

3 Sec. 1810. The department shall enhance encounter data
4 reporting processes and develop rules that would make each health
5 plan's encounter data as complete as possible, provide a fair
6 measure of acuity for each health plan's enrolled population for
7 risk adjustment purposes, capitation rate setting, diagnosis-
8 related group rate setting, and research and analysis of program
9 efficiencies while minimizing health plan administrative expense.
10 In advance of the annual rate setting development, Medicaid health
11 plans shall be given at least 60 days to dispute and correct any
12 discarded encounter data before rates are certified. The department
13 shall notify each contracting Medicaid health plan of any encounter
14 data that have not been accepted for the purposes of rate setting.

15 Sec. 1812. By June 1 of the current fiscal year, and using the
16 most recent available cost reports, the department shall complete a
17 report of all direct and indirect costs associated with residency
18 training programs for each hospital that receives funds
19 appropriated in part 1 for graduate medical education. The report
20 shall be submitted to the house and senate appropriations
21 subcommittees on the department budget, the house and senate fiscal
22 agencies, and the state budget office.

23 Sec. 1820. (1) In order to avoid duplication of efforts, the
24 department shall utilize applicable national accreditation review
25 criteria to determine compliance with corresponding state
26 requirements for Medicaid health plans that have been reviewed and
27 accredited by a national accrediting entity for health care

1 services.

2 (2) The department shall continue to comply with state and
3 federal law and shall not initiate an action that negatively
4 impacts beneficiary safety.

5 (3) As used in this section, "national accrediting entity"
6 means the National Committee for Quality Assurance, the URAC,
7 formerly known as the Utilization Review Accreditation Commission,
8 or other appropriate entity, as approved by the department.

9 Sec. 1837. The department shall continue, and expand where
10 appropriate, utilization of telemedicine and telepsychiatry as
11 strategies to increase access to services for Medicaid recipients
12 in medically underserved areas.

13 Sec. 1846. From the funds appropriated in part 1 for graduate
14 medical education, the department shall distribute the funds with
15 an emphasis on the following health care workforce goals:

16 (a) The encouragement of the training of physicians in
17 specialties, including primary care, that are necessary to meet the
18 future needs of residents of this state.

19 (b) The training of physicians in settings that include
20 ambulatory sites and rural locations.

21 Sec. 1850. The department may allow Medicaid health plans to
22 assist with the redetermination process through outreach activities
23 to ensure continuation of Medicaid eligibility and enrollment in
24 managed care. This may include mailings, telephone contact, or
25 face-to-face contact with beneficiaries enrolled in the individual
26 Medicaid health plan. Health plans may offer assistance in
27 completing paperwork for beneficiaries enrolled in their plan.

1 Sec. 1851. From the funds appropriated in part 1 for adult
2 home help services, the department shall allocate up to \$150,000.00
3 state general fund/general purpose revenue plus any associated
4 federal match to develop and deploy a mobile electronic visit
5 verification solution that shall include biometric identity
6 verification to create administrative efficiencies, reduce error,
7 and minimize fraud. The development of the solution shall be
8 predicated on input from the results of the 2017 stakeholder
9 survey.

10 Sec. 1855. From the funds appropriated in part 1 for program
11 of all-inclusive care for the elderly (PACE), to the extent that
12 funding is available in the PACE line item and unused program slots
13 are available, the department may do the following:

14 (a) Increase the number of slots for an already-established
15 local PACE program if the local PACE program has provided
16 appropriate documentation to the department indicating its ability
17 to expand capacity to provide services to additional PACE clients.

18 (b) Suspend the 10 member per month individual PACE program
19 enrollment increase cap in order to allow unused and unobligated
20 slots to be allocated to address unmet demand for PACE services.

21 Sec. 1856. (1) From the funds appropriated in part 1 for
22 hospice services, \$3,318,000.00 shall be expended to provide room
23 and board for Medicaid recipients who meet hospice eligibility
24 requirements and receive services at Medicaid enrolled hospice
25 residences in this state. The department shall distribute funds
26 through grants based on the total beds located in all eligible
27 residences that have been providing these services as of October 1,

1 2017. Any eligible grant applicant may inform the department of
2 their request to reduce the grant amount allocated for their
3 residence and the funds shall be distributed proportionally to
4 increase the total grant amount of the remaining grant-eligible
5 residences. Grant amounts shall be paid out monthly with 1/12 of
6 the total grant amount distributed each month to the grantees.

7 (2) By September 15 of the current fiscal year, each Medicaid-
8 enrolled hospice with a residence that receives funds under this
9 section shall provide a report to the department on the utilization
10 of the grant funding provided in subsection (1). The report shall
11 be provided in a format prescribed by the department and shall
12 include the following:

13 (a) The number of patients served.

14 (b) The number of days served.

15 (c) The daily room and board rates for the patients served.

16 (d) If there is not sufficient funding to cover the total room
17 and board need, the number of patients who did not receive care due
18 to insufficient grant funding.

19 (3) If there is funding remaining at the end of the current
20 fiscal year, the Medicaid-enrolled hospice with a residence shall
21 return funding to the state.

22 Sec. 1857. By July 1 of the current fiscal year, the
23 department shall explore the implementation of a managed care long-
24 term support service.

25 Sec. 1858. By April 1 of the current fiscal year, the
26 department shall report to the senate and house appropriations
27 subcommittees on the department budget and the senate and house

1 fiscal agencies on all of the following elements related to the
2 current Medicaid pharmacy carve-out of pharmaceutical products as
3 provided for in section 109h of the social welfare act, 1939 PA
4 280, MCL 400.109h:

5 (a) The number of prescriptions paid by the department during
6 the previous fiscal year and for the fiscal year ending September
7 30, 2017.

8 (b) The total amount of expenditures for prescriptions paid by
9 the department during the previous fiscal year and for the fiscal
10 year ending September 30, 2017.

11 (c) The number of and total expenditures for prescriptions
12 paid for by the department for generic equivalents during the
13 previous fiscal year and for the fiscal year ending September 30,
14 2017.

15 Sec. 1859. The department shall partner with the Michigan
16 Association of Health Plans (MAHP) and Medicaid health plans to
17 develop and implement strategies for the use of information
18 technology services for Medicaid research activities. The
19 department shall make available state medical assistance program
20 data, including Medicaid behavioral data, to MAHP and Medicaid
21 health plans or any vendor considered qualified by the department
22 for the purpose of research activities consistent with this state's
23 goals of improving health; increasing the quality, reliability,
24 availability, and continuity of care; and reducing the cost of care
25 for the eligible population of Medicaid recipients.

26 Sec. 1860. By March 1 of the current fiscal year, the
27 department shall provide a report to the senate and house

1 appropriations subcommittees, the senate and house fiscal agencies,
2 and the state budget office on uncollected co-pays and premiums in
3 the Healthy Michigan plan. The report shall include information on
4 the number of participants who have not paid their co-pays and
5 premiums, the total amount of uncollected co-pays and premiums, and
6 steps taken by the department and health plans to ensure greater
7 collection of co-pays and premiums.

8 Sec. 1861. From the funds appropriated in part 1 for
9 transportation, the department shall maintain the previous fiscal
10 year increase in the number of counties in which a local public
11 transportation entity is the primary administrator of the Medicaid
12 nonemergency transportation benefit. The department shall use a
13 nonprofit transportation brokerage already operating in the state
14 to carry out the requirements of this section. The purpose of the
15 program is to improve Medicaid beneficiary access to care, reduce
16 the number of missed physician appointments by Medicaid
17 beneficiaries, and reduce time spent by caseworkers facilitating
18 nonemergency transportation for Medicaid beneficiaries. Performance
19 goals include an increase in utilization of local public
20 transportation, a reduction in the rate of trips reported as missed
21 to no more than 0.5%, and the successful collection of data on
22 program utilization, access, and beneficiary satisfaction.

23 Sec. 1862. From the funds appropriated in part 1, the
24 department shall maintain payment rates for Medicaid obstetrical
25 services at 95% of Medicare levels effective October 1, 2014.

26 Sec. 1866. (1) From the funds appropriated in part 1 for
27 hospital services and therapy and Healthy Michigan plan,

1 \$18,000,000.00 in general fund/general purpose revenue and any
2 associated federal match shall be awarded as rural access payments
3 to hospitals that meet criteria established by the department for
4 services to low-income rural residents. One of the reimbursement
5 components of the distribution formula shall be assistance with
6 labor and delivery services.

7 (2) No hospital or hospital system shall receive more than
8 10.0% of the total funding referenced in subsection (1).

9 (3) To allow hospitals to understand their rural payment
10 amounts under this section, the department shall provide hospitals
11 with the methodology for distribution under this section and
12 provide each hospital with its applicable data that are used to
13 determine the payment amounts by August 1 of the current fiscal
14 year. The department shall publish the distribution of payments for
15 the current fiscal year and the immediately preceding fiscal year.

16 Sec. 1867. (1) The department shall continue a workgroup that
17 includes psychiatrists, other relevant prescribers, and pharmacists
18 to identify best practices and to develop a protocol for
19 psychotropic medications. Any changes proposed by the workgroup
20 shall protect a Medicaid beneficiary's current psychotropic
21 pharmaceutical treatment regimen by not requiring a physician
22 currently prescribing any treatment to alter or adjust that
23 treatment.

24 (2) By March 1 of the current fiscal year, the department
25 shall provide the workgroup's recommendations to the senate and
26 house appropriations subcommittees on the department budget, the
27 senate and house fiscal agencies, and the state budget office.

1 Sec. 1870. (1) From the funds appropriated in part 1 for
2 hospital services and therapy, the department shall appropriate
3 \$5,000,000.00 in general fund/general purpose revenue plus any
4 contributions from public entities, up to \$5,000,000.00, and any
5 associated federal match to the MiDocs consortium to create new
6 primary care residency slots in underserved communities. The new
7 primary care residency slots must be in 1 of the following
8 specialties: family medicine, general internal medicine, general
9 pediatrics, general OB-GYN, psychiatry, or general surgery.

10 (2) The department shall seek any necessary approvals from CMS
11 to allow the department to implement the program described in this
12 section.

13 (3) Assistance with repayment of medical education loans, loan
14 interest payments, or scholarships provided by MiDocs shall be
15 contingent upon a minimum 2-year commitment to practice in an
16 underserved community in this state post-residency and an agreement
17 to forego any sub-specialty training for at least 2 years post-
18 residency.

19 (4) The MiDocs shall work with the department to integrate the
20 Michigan inpatient psychiatric admissions discussion (MIPAD)
21 recommendations and, when possible, prioritize training
22 opportunities in state psychiatric hospitals and community mental
23 health organizations.

24 (5) In collaboration with the Michigan Health Council, the
25 MiDocs consortium shall reserve at least 3 residency slots per
26 class to be used for the Michigan early primary care incentive
27 program.

1 (6) The department shall create a MiDocs initiative advisory
2 council to help support implementation of the program described in
3 this section, and provide oversight. The advisory council shall be
4 composed of the MiDocs consortium, the Michigan Area Health
5 Education Centers, the Michigan Primary Care Association, the
6 Michigan Center for Rural Health, the Michigan Academy of Family
7 Physicians, and any other appointees designated by the department.

8 (7) By September 1 of the current fiscal year, MiDocs shall
9 report to the senate and house appropriations subcommittees on the
10 department budget, the senate and house fiscal agencies, the senate
11 and house policy offices, and the state budget office, on the
12 following:

13 (a) Audited financial statement of per-resident costs.

14 (b) Education and clinical quality data.

15 (c) Roster of trainees, including areas of specialty and
16 locations of training.

17 (d) Medicaid revenue by training site.

18 (8) Outcomes and performance measures for this program
19 include, but are not limited to, the following:

20 (a) Increasing this state's ability to recruit, train, and
21 retain primary care physicians and other select specialty
22 physicians in underserved communities.

23 (b) Maximizing training opportunities with community health
24 centers, rural critical access hospitals, solo or group private
25 practice physician practices, schools, and other community-based
26 clinics, in addition to required rotations at inpatient hospitals.

27 (c) Increasing the number of residency slots for family

1 medicine, general internal medicine, general pediatrics, general
2 OB-GYN, psychiatry, and general surgery.

3 (9) Unexpended and unencumbered funds up to a maximum
4 \$5,000,000.00 in general fund/general purpose revenue plus any
5 contributions from public entities, up to \$5,000,000.00, and any
6 associated federal match remaining in accounts appropriated in part
7 1 for hospital services and therapy are designated as work project
8 appropriations, and any unencumbered or unallotted funds shall not
9 lapse at the end of the fiscal year and shall be available for
10 expenditures for the MiDocs consortium to create new primary care
11 residency slots in underserved communities under this section until
12 the work project has been completed. All of the following are in
13 compliance with section 451a(1) of the management and budget act,
14 1984 PA 431, MCL 18.1451a:

15 (a) The purpose of the work project is to fund the cost of the
16 MiDocs consortium to create new primary care residency slots in
17 underserved communities.

18 (b) The work project will be accomplished by contracting with
19 the MiDocs consortium to oversee the creation of new primary care
20 residency slots.

21 (c) The total estimated completion cost of the work project is
22 \$28,129,400.00

23 (d) The tentative completion date is September 30, 2023.

24 Sec. 1871. The funds appropriated in part 1 for the Healthy
25 Michigan plan healthy behaviors incentives program shall only
26 provide reductions in cost-sharing responsibilities and shall not
27 include other financial rewards such as gift cards.

1 Sec. 1872. From the funds appropriated in part 1 for personal
2 care services, beginning October 1, 2018, the department shall
3 increase the monthly Medicaid personal care supplement paid to
4 adult foster care facilities and homes for the aged that provide
5 personal care services to Medicaid recipients by \$32.00.

6 Sec. 1873. From the funds appropriated in part 1 for long-term
7 care services, the department may allocate up to \$3,700,000.00 for
8 the purpose of outreach and education to nursing home residents and
9 the coordination of housing in order to move out of the facility.
10 In addition, any funds appropriated shall be used for other quality
11 improvement activities of the program. The department shall
12 consider working with all relevant stakeholders to develop a plan
13 for the ongoing sustainability of the nursing facility transition
14 initiative.

15 Sec. 1874. The department shall ensure, in counties where
16 program of all-inclusive care for the elderly or PACE services are
17 available, that the program of all-inclusive care for the elderly
18 (PACE) is included as an option in all options counseling and
19 enrollment brokering for aging services and managed care programs,
20 including, but not limited to, Area Agencies on Aging, centers for
21 independent living, and the MiChoice home and community-based
22 waiver. Such options counseling must include approved marketing and
23 discussion materials.

24 Sec. 1875. (1) The department and its contractual agents may
25 not subject Medicaid prescriptions to prior authorization
26 procedures during the current fiscal year if that drug is carved
27 out or is not subject to prior authorization procedures as of May

1 9, 2016, and is generally recognized in a standard medical
2 reference or the American Psychiatric Association's Diagnostic and
3 Statistical Manual for the Treatment of a Psychiatric Disorder.

4 (2) The department and its contractual agents may not subject
5 Medicaid prescriptions to prior authorization procedures during the
6 current fiscal year if that drug is carved out or is not subject to
7 prior authorization procedures as of May 9, 2016 and is a
8 prescription drug that is generally recognized in a standard
9 medical reference for the treatment of human immunodeficiency virus
10 or acquired immunodeficiency syndrome, epilepsy or seizure
11 disorder, or organ replacement therapy.

12 (3) As used in this section, "prior authorization" means a
13 process implemented by the department or its contractual agents
14 that conditions, delays, or denies delivery or particular pharmacy
15 services to Medicaid beneficiaries upon application of
16 predetermined criteria by the department or its contractual agents
17 to those pharmacy services. The process of prior authorization
18 often requires that a prescriber do 1 or both of the following:

19 (a) Obtain preapproval from the department or its contractual
20 agents before prescribing a given drug.

21 (b) Verify to the department or its contractual agents that
22 the use of a drug prescribed for an individual meets predetermined
23 criteria from the department or its contractual agents for a
24 prescription drug that is otherwise available under the Medicaid
25 program in this state.

26 Sec. 1878. By March 1 of the current fiscal year, the
27 department shall provide a report to the senate and house

1 appropriations subcommittees on the department budget, the senate
2 and house fiscal agencies, the senate and house policy offices, and
3 the state budget office on hepatitis C tracking data. At a minimum,
4 the report shall include information on the following for
5 individuals treated with Harvoni or any other treatment used to
6 cure hepatitis C during the current fiscal year or a previous
7 fiscal year:

8 (a) The total number of people treated broken down by those
9 treated through traditional Medicaid and those treated through the
10 Healthy Michigan plan.

11 (b) The total cost of treatment.

12 (c) The total cost of treatment broken down by those treated
13 through traditional Medicaid and those treated through the Healthy
14 Michigan plan.

15 (d) The cure rate broken down by Metavir Score, genotype,
16 Medicaid match rate, and drug used during treatment.

17 (e) The reinfection rate broken down by Metavir Score,
18 genotype, Medicaid match rate, and drug used during treatment.

19 Sec. 1882. By December 31 of the current fiscal year, 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 office, documentation of the
23 expenses incurred during the immediate preceding fiscal year by
24 Medicaid health plans and PIHPs for the purpose of meeting the
25 contractual requirements to join the Michigan Health Information
26 Network Shared Services and incentivizing providers to become
27 members of the Health Information Exchange Qualified Organization.

1 The report should also include an estimation of the expenses to be
2 incurred in the current fiscal year by Medicaid health plans and
3 PIHPs for the same purpose of meeting their contractual
4 obligations.

5 Sec. 1888. The department shall establish contract performance
6 standards associated with the capitation withhold provisions for
7 Medicaid health plans at least 3 months in advance of the
8 implementation of those standards. The determination of whether
9 performance standards have been met shall be based primarily on
10 recognized concepts such as 1-year continuous enrollment and the
11 healthcare effectiveness data and information set, HEDIS, audited
12 data.

13 Sec. 1894. (1) By July 1 of the current fiscal year, the
14 department shall provide a report to the senate and house
15 appropriations subcommittees on the department budget, the senate
16 and house fiscal agencies, and the state budget office on outcomes
17 and performance measures of the Healthy Kids Dental program.

18 (2) Outcomes and performance measures for the Healthy Kids
19 Dental program include, but are not limited to, the following:

20 (a) The number of children enrolled in the Healthy Kids Dental
21 program who visited the dentist during the previous fiscal year.

22 (b) The number of dentists who will accept payment from the
23 Healthy Kids Dental program.

24 (c) The annual change in dental utilization of children
25 enrolled in the Healthy Kids Dental program.

26 **INFORMATION TECHNOLOGY**

1 Sec. 1901. (1) The department shall provide a report on a
2 semiannual basis 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 all of the following information:

6 (a) The process used to define requests for proposals for each
7 expansion of information technology projects, including timelines,
8 project milestones, and intended outcomes.

9 (b) If the department decides not to contract the services out
10 to design and implement each element of the information technology
11 expansion, the department shall submit its own project plan that
12 includes, at a minimum, the requirements in subdivision (a).

13 (c) A recommended project management plan with milestones and
14 time frames.

15 (d) The proposed benefits from implementing the information
16 technology expansion, including customer service improvement, form
17 reductions, potential time savings, caseload reduction, and return
18 on investment.

19 (e) Details on the implementation of the integrated service
20 delivery project, and the progress toward meeting the outcomes and
21 performance measures listed in section 1507(2) of this part.

22 (2) Once an award for an expansion of information technology
23 is made, the department shall report 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 a projected cost of the expansion broken
27 down by use and type of expense.

1 Sec. 1902. From the funds appropriated in part 1 for the
2 Michigan Medicaid information system (MMIS) line item, private
3 revenue may be received from and allocated for other states
4 interested in participating as part of the broader MMIS initiative.
5 By March 1 of the current fiscal year, the department shall provide
6 a report on the use of MMIS by other states for the previous fiscal
7 year, including a list of states, type of use, and revenue and
8 expenditures related to the agreements with the other states to use
9 the MMIS. The report shall be provided to the house and senate
10 appropriations subcommittees on the department budget, the house
11 and senate fiscal agencies, and the state budget office.

12 Sec. 1903. (1) The department shall report to the senate and
13 house appropriations subcommittees on the department budget, the
14 senate and house fiscal agencies, the senate and house policy
15 offices, and the state budget office by November 1 of the current
16 fiscal year the status of an implementation plan regarding the
17 appropriation in part 1 to modernize the MiSACWIS. The report shall
18 include, but not be limited to, efforts to bring the system in
19 compliance with the settlement and other federal guidelines set
20 forth by the United States Department of Health and Human Services
21 Administration for Children and Families.

22 (2) The department shall report 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 by November 1 of the current fiscal year a
26 status report on the planning, implementation, and operation,
27 regardless of the current operational status, regarding the

1 appropriation in part 1 to implement the MiSACWIS. The report shall
2 provide details on the planning, implementation, and operation of
3 the system, including, but not limited to, all of the following:

4 (a) Areas where implementation went as planned.

5 (b) The number of known issues.

6 (c) The average number of help tickets submitted per day.

7 (d) Any additional overtime or other staffing costs to address
8 known issues and volume of help tickets.

9 (e) Any contract revisions to address known issues and volume
10 of help tickets.

11 (f) Other strategies undertaken to improve implementation.

12 (g) Progress developing cross-system trusted data exchange
13 with MiSACWIS.

14 (h) Progress in moving away from a statewide automated child
15 welfare information system (SACWIS) to a comprehensive child
16 welfare information system (CCWIS).

17 (i) Progress developing and implementing a program to monitor
18 data quality.

19 (j) Progress developing and implementing custom integrated
20 systems for private agencies.

21 (k) A list of all change orders, planned or in progress.

22 (l) The status of all change orders, planned or in progress.

23 (m) The estimated costs for all planned change orders.

24 (n) The estimated and actual costs for all change orders in
25 progress.

26 Sec. 1904. From the funds appropriated in part 1 for
27 information technology services and projects, the department shall

1 make child care fund reimbursements to counties for undisputed
2 charges within 45 business days of the receipt of the required
3 forms and documentation. The department shall notify a county
4 within 15 business days of a disputed reimbursement request. The
5 department shall reimburse for corrected charges within 45 business
6 days of a properly corrected submission.

7 **ONE-TIME APPROPRIATIONS**

8 Sec. 1905. From the funds appropriated in part 1 for the
9 drinking water declaration of emergency, the department shall
10 allocate funds to address needs in a city in which a declaration of
11 emergency was issued because of drinking water contamination. These
12 funds may support, but are not limited to, the following
13 activities:

14 (a) Nutrition assistance, nutritional and community education,
15 food bank resources, and food inspections.

16 (b) Epidemiological analysis and case management of
17 individuals at risk of elevated blood lead levels.

18 (c) Support for child and adolescent health centers,
19 children's healthcare access program, and pathways to potential
20 programming.

21 (d) Nursing services, breastfeeding education, evidence-based
22 home visiting programs, intensive services, and outreach for
23 children exposed to lead coordinated through local community mental
24 health organizations.

25 (e) Department field operations costs.

26 (f) Lead poisoning surveillance, treatment, and abatement.

1 (g) Nutritional incentives provided to local residents through
2 the Double Up Food Bucks Expansion Program.

3 (h) Genesee County health department food inspectors to
4 perform water testing at local food service establishments.

5 Sec. 1907. From the funds appropriated in part 1 for child
6 lead poisoning elimination board, the department shall implement
7 recommendations of the board offered in the board's report of
8 November 2016. The recommendations implemented by the department
9 under this section shall be based in science and best practices,
10 and the department shall give priority to the implementation of the
11 recommendations that are most in agreement with recommendations of
12 nationally recognized organizations and authorities.

13 Sec. 1908. From the funds appropriated in part 1 for Asian
14 American health care and wellness initiative, the department shall
15 appropriate \$150,000.00 to a nonprofit organization organized under
16 the laws of this state that is exempt from federal income tax under
17 section 501(c)(3) of the internal revenue code of 1986, 26 USC 501,
18 and is located in a county with a population between 602,000 and
19 603,000 according to the most recent decennial census to implement
20 a pilot program to provide health care services in a culturally and
21 linguistically competent manner. To be eligible to receive funding,
22 the organization must have a stated vision of building a
23 collaborative, active, and committed Asian American community in
24 west Michigan with a focus on health care, education, and
25 empowerment.

26 Sec. 1909. From the funds appropriated in part 1 for Western
27 Michigan University clinics, the department shall appropriate

1 \$1,500,000.00 to a community clinic operated by a 4-year state
2 university located in a county with a population between 250,000
3 and 251,000 according to the most recent decennial census to
4 operate a multispecialty group practice that provides clinical
5 training experiences for students of the university. To be eligible
6 to receive funding, the community clinic must have a stated mission
7 to seek, create, and facilitate opportunities for collaboration
8 among members that will help to improve the quality of life by
9 educating and providing services to strengthen individuals and
10 families.

11 Sec. 1912. From the funds appropriated in part 1 for infant
12 mortality program grant, the department shall appropriate
13 \$100,000.00 to a multi-agency community initiative led by a
14 nonprofit organization organized under the laws of this state that
15 is exempt from federal income tax under section 501(c)(3) of the
16 internal revenue code of 1986, 26 USC 501, and is located in a
17 county with a population between 250,000 and 251,000 according to
18 the most recent decennial census. To be eligible to receive
19 funding, the organization must have stated goals of ensuring health
20 equity of programs, policies, and providers; building a perinatal
21 home visitation network; promoting and educating about infant safe-
22 sleep programs; and providing reproductive health education and
23 support.

24 Sec. 1913. (1) The department shall spend available work
25 project revenue and any associated federal matching funds to
26 continue the implementation of the direct primary care pilot
27 program as specified in section 705 of article XX.

1 (2) On a quarterly basis, the department shall report to the
2 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 on the implementation
5 of the direct primary care pilot program under section 705 of
6 article XX and this section. The report shall include, but not be
7 limited to, the following performance metrics:

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

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

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

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

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

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

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

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

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

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

4 (k) The category savings subtotal. As used in this
5 subdivision, "category savings subtotal" means the per-member-per-
6 month rate paid in fiscal year 2016-2017 minus the per-member-per-
7 month actual cost, times the number of enrollees in the eligibility
8 category.

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

13 Sec. 1914. From the funds appropriated in part 1 for primary
14 care and dental health services, \$300,000.00 shall be allocated for
15 primary care clinic and dental health clinic services for indigent
16 individuals to be provided in clinic locations in the city of
17 Detroit and Wayne County by a public nonprofit organization with a
18 stated mission of providing medical, behavioral, and mental health
19 services, as well as other related support services, to underserved
20 populations in Detroit, Wayne County, surrounding counties, and
21 throughout Michigan.

22 Sec. 1916. From the funds appropriated in part 1 for refugee
23 assistance grant, the department shall allocate \$175,000.00 to a
24 nonprofit corporation organized under the laws of this state that
25 is exempt from federal income tax under section 501(c)(3) of the
26 internal revenue code of 1986, 26 USC 501, to operate an initiative
27 to transition low-income refugee families to self-sufficiency. To

1 be eligible to receive funding, the organization must have a stated
2 core purpose of providing programs that guide support, and empower
3 individuals to achieve self-sufficiency with dignity and hope. This
4 initiative must utilize a measurable, evidence-based approach that
5 integrates treatment for poverty across health care, human
6 services, educational, faith-based, and governmental programs. The
7 organization receiving funds under this section must report to the
8 department by September 30 of the current fiscal year on metrics
9 used to measure the success and viability of the initiative.

10 Sec. 1917. (1) From the funds appropriated in part 1 for
11 autism train the trainer grant, the department shall appropriate
12 \$55,000.00 to implement a pilot project to train school employees
13 on the principles and practices of applied behavior analysis and
14 research-based intervention strategies. The pilot project must do
15 both of the following:

16 (a) Train paraprofessionals and teachers in a school district
17 with a headquarters located in a city with a population between
18 6,900 and 7,000 according to the most recent federal decennial
19 census in applied behavior analysis skills that match the national
20 standard for behavior technician-level work and research-based
21 intervention strategies.

22 (b) Train teacher consultants, school social workers, school
23 psychologists, and other school personnel responsible for
24 conducting functional behavioral assessments and the development of
25 behavior support plans in a school district with a headquarters
26 located in a city with a population between 6,900 and 7,000
27 according to the most recent federal decennial census methods for

1 assuring implementation of a behavior plan with fidelity and
2 strategies for sharing understanding of evidence-based behavioral
3 health approaches with other school-based personnel.

4 (2) Outcomes and performance measures for the pilot project
5 funded under this section shall include, but not be limited to, the
6 following:

7 (a) A decrease in the number of center-program and self-
8 contained-classroom referrals.

9 (b) A decrease in the number of suspensions, removals, and
10 expulsions.

11 (c) A decrease in paraprofessional absences.

12 (d) An increase in teacher retention.

13 (e) An increase in safety.

14 (3) By September 1 of the current fiscal year, the department
15 shall report to the senate and house appropriations subcommittees
16 on the department budget, the senate and house fiscal agencies, the
17 senate and house policy offices, and the state budget office on the
18 information required in subsection (2).

19 Sec. 1918. (1) From the funds appropriated in part 1 for
20 Michigan medical resident loan repayment program, \$5,000,000.00 is
21 allocated for a 5-year Michigan medical resident loan repayment
22 program to incentivize placement of primary care physicians and
23 other select specialty physicians in rural and urban medically
24 underserved areas of this state following medical residency and
25 provide financial assistance for medical education loan repayment
26 of up to \$50,000.00 to the participating physician before the
27 service period. The Michigan medical resident loan repayment

1 program shall include the following provisions:

2 (a) The program shall incentivize medical residents only in
3 the following specialties: family medicine, general internal
4 medicine, general pediatrics, general OB-GYN, psychiatry, and
5 general surgery.

6 (b) Upon signing an initial agreement to participate in the
7 program, an amount of up to \$50,000.00 shall be provided to the
8 participating physician for the repayment of medical education
9 loans or interest, or both, according to a payment schedule as
10 prescribed and agreed upon by the department and the participant.

11 (c) Beginning the year following completion of a medical
12 residency, a physician participating in the program shall enter
13 into a contract to work with an employer for no less than 2 years
14 in a federally designated rural or urban medically underserved area
15 in this state.

16 (d) A physician participating in the program shall agree to
17 forego any subspecialty fellowship training for at least 2 years
18 postresidency.

19 (2) The department shall contract with the Michigan Health
20 Council for the purpose of administering the Michigan medical
21 resident loan repayment program. Funds shall be disbursed by the
22 department to the Michigan Health Council by December 1 of the
23 current fiscal year for this purpose.

24 (3) The department shall prepare a report on the status of the
25 Michigan medical resident loan repayment program that shall
26 include, but is not limited to, the number of physicians placed,
27 location of placement, type of employer, average medical education

1 loan burden of the participating physicians, and average loan
2 relief provided under the program. By April 1 of the current fiscal
3 year, the department shall provide the report described in this
4 subsection to the house and senate appropriations subcommittees on
5 the department budget, the house and senate fiscal agencies and
6 policy offices, and the state budget office.

7 (4) Unexpended and unencumbered funds up to a maximum of
8 \$5,000,000.00 general fund/general purpose revenue in part 1 for
9 Michigan medical resident loan repayment program are designated as
10 work project appropriations, and any unencumbered or unallotted
11 funds shall not lapse at the end of the fiscal year and shall be
12 available for expenditures for the Michigan medical resident loan
13 repayment program under this section until the project has been
14 completed. All of the following are in compliance with section 451a
15 of the management and budget act, 1984 PA 431, MCL 18.1451a:

16 (a) The purpose of the work project is to fund the cost of a
17 Michigan medical resident loan repayment program as provided by
18 this section.

19 (b) The work project shall be accomplished by administering
20 the placement of participating physicians with qualifying employers
21 and providing medical education loan repayment assistance to
22 participating physicians.

23 (c) The total estimated cost of the work project is
24 \$5,000,000.00 of general fund/general purpose revenue.

25 (d) The tentative completion date of the work project is
26 September 30, 2023.

27 Sec. 1919. (1) The funds appropriated in part 1 for employment

1 first are appropriated to support the objectives stated in
2 Executive Order No. 2015-15.

3 (2) The department shall use the funds to provide consultation
4 and technical assistance to support best practices to increase
5 competitive integrated employment for people with disabilities in
6 areas such as statewide capacity building of professionals
7 providing job preparation, placement, and retention supports and
8 services; provider transformation among community rehabilitation
9 organizations; rate restructuring of employment supports and
10 services; blending and braiding of resources; seamless transition
11 outcomes from education to employment; employer engagement;
12 education and outreach to clients and their families, including
13 information on benefits coordination and planning; and other
14 systemic change activities leading to competitive integrated
15 employment.

16 Sec. 1920. (1) From the funds appropriated in part 1 for
17 autism navigator, the department shall require any contractor
18 receiving funds from this line item to comply with performance-
19 related metrics to maintain eligibility for funding. The
20 organizational metrics shall include, but not be limited to, all of
21 the following:

22 (a) Each contractor shall have accreditations that attest to
23 their competency and effectiveness in providing services.

24 (b) Each contractor shall demonstrate cost-effectiveness.

25 (c) Each contractor shall ensure their ability to leverage
26 private dollars to strengthen and maximize service provision.

27 (d) Each contractor shall provide quarterly reports to the

1 department regarding the number of clients served, units of service
2 provision, and ability to meet their stated goals.

3 (2) The department shall require an annual report from any
4 contractor receiving funding from the autism navigator line item.
5 The annual report, due to the department 60 days following the end
6 of the contract period, shall include specific information on
7 services and programs provided, the client base to which the
8 services and programs were provided, and the expenditures for those
9 services. The department shall provide the annual reports to the
10 senate and house appropriations subcommittees on the department
11 budget, the senate and house fiscal agencies, and the state budget
12 office.

13 (3) From the funds appropriated in part 1 for autism
14 navigator, the department shall fund an independent evaluation of
15 the services provided by contractors paid from the autism navigator
16 line item in fiscal year 2017-2018. This evaluation, which shall
17 examine cost effectiveness of services, avoidance of duplication of
18 services, and outcomes, shall be completed by June 1 of the current
19 fiscal year and shall be provided to the senate and house
20 appropriations subcommittees on the department budget, the senate
21 and house fiscal agencies, and the state budget office.

22 Sec. 1921. (1) From the funds appropriated in part 1 for
23 census related services, for every \$4.00 in private matching funds
24 received, this state shall allocate \$1.00, up to \$500,000.00 in
25 state contributions, to support census outreach and preparation for
26 citizen participation in the upcoming 2020 federal census. The
27 purpose of the funding is to prepare for the census to ensure an

1 accurate citizen count. The funding shall be used to support a 2020
2 Michigan complete count committee, staffing related to census
3 outreach, and implementation of outreach strategies, including, but
4 not limited to, training for local officials, support of local
5 complete count committees, and coordination with the Michigan
6 nonprofit complete count committee.

7 (2) Unexpended and unencumbered funds up to a maximum
8 \$500,000.00 in general fund/general purpose revenue plus any
9 contributions of private matching funds, up to \$2,000,000.00
10 remaining in accounts appropriated in part 1 for census related
11 services are designated as work project appropriations, and any
12 unencumbered or unallotted funds shall not lapse at the end of the
13 fiscal year and shall be available for expenditures to support
14 census outreach and preparation for citizen participation in the
15 2020 federal census under this section until the work project has
16 been completed. All of the following are in compliance with section
17 451a(1) of the management and budget act, 1984 PA 431, MCL
18 18.1451a:

19 (a) The purpose of the work project is to fund the cost of the
20 Michigan Nonprofits Count Campaign to support census outreach and
21 citizen participation preparation for the 2020 federal census.

22 (b) The work project will be accomplished by partnering with
23 the Michigan Nonprofit Association.

24 (c) The total estimated completion cost of the work project is
25 \$2,500,000.00.

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

27 Sec. 1922. From the funds appropriated in part 1 for opioid

1 outreach coordinator, \$115,000.00 is allocated to Growth Works for
 2 the purposes of hiring a health educator, training, and outreach
 3 related to the United States Department of Health and Human
 4 Services priorities on the opioid crisis. The funds allocated must
 5 be used to prepare and disseminate public education materials and
 6 to conduct educational sessions within a county with a population
 7 of more than 1,500,000, including, but not limited to, school
 8 districts and community-based organizations.

9 ARTICLE XI

10 DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

11 PART 1

12 LINE-ITEM APPROPRIATIONS

13 Sec. 101. There is appropriated for the department of
 14 insurance and financial services for the fiscal year ending
 15 September 30, 2019, from the following funds:

16 **DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

17 APPROPRIATION SUMMARY

18	Full-time equated unclassified positions	6.0	
19	Full-time equated classified positions	336.5	
20	GROSS APPROPRIATION.....		\$ 67,971,900
21	Interdepartmental grant revenues:		
22	Total interdepartmental grants and intradepartmental		
23	transfers		713,800
24	ADJUSTED GROSS APPROPRIATION.....		\$ 67,258,100
25	Federal revenues:		

1	Total federal revenues.....		2,017,300
2	Special revenue funds:		
3	Total other state restricted revenues.....		64,690,800
4	State general fund/general purpose.....	\$	550,000
5	State general fund/general purpose schedule:		
6	Ongoing state general fund/general		
7	purpose		150,000
8	One-time state general fund/general		
9	purpose		400,000
10	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
11	Full-time equated unclassified positions		6.0
12	Full-time equated classified positions		22.5
13	Unclassified salaries--6.0 FTE positions.....	\$	784,500
14	Administrative hearings.....		182,500
15	Department services--19.0 FTE positions.....		3,801,200
16	Executive director programs--3.5 FTE positions.....		1,075,900
17	Property management.....		1,245,400
18	Worker's compensation.....		<u>4,200</u>
19	GROSS APPROPRIATION.....	\$	7,093,700
20	Appropriated from:		
21	Special revenue funds:		
22	Bank fees.....		512,300
23	Captive insurance regulatory and supervision fund.....		2,900
24	Consumer finance fees.....		201,100
25	Credit union fees.....		862,200
26	Deferred presentment service transaction fees.....		272,000
27	Insurance bureau fund.....		2,451,800

1	Insurance continuing education fees.....		64,200
2	Insurance licensing and regulation fees.....		1,915,600
3	MBLSLA fund.....		660,300
4	Multiple employer welfare arrangement.....		1,300
5	State general fund/general purpose.....	\$	150,000
6	Sec. 103. INSURANCE AND FINANCIAL SERVICES REGULATION		
7	Full-time equated classified positions	314.0	
8	Consumer services and protection--64.0 FTE positions..	\$	8,803,600
9	Financial institutions evaluation--132.0 FTE positions		24,633,100
10	Insurance evaluation--118.0 FTE positions.....		<u>24,789,600</u>
11	GROSS APPROPRIATION.....	\$	58,226,300
12	Appropriated from:		
13	Interdepartmental grant revenues:		
14	IDG from LARA, debt management.....		713,800
15	Federal revenues:		
16	Federal revenues.....		2,017,300
17	Special revenue funds:		
18	Bank fees.....		5,737,100
19	Captive insurance regulatory and supervision fund.....		289,200
20	Consumer finance fees.....		2,997,200
21	Credit union fees.....		8,141,100
22	Deferred presentment service transaction fees.....		3,315,400
23	Insurance bureau fund.....		21,406,800
24	Insurance continuing education fees.....		957,000
25	Insurance licensing and regulation fees.....		6,421,100
26	MBLSLA fund.....		5,946,800
27	Multiple employer welfare arrangement.....		283,500

1	State general fund/general purpose.....	\$	0
2	Sec. 104. INFORMATION TECHNOLOGY		
3	Information technology services and projects.....	\$	<u>2,251,900</u>
4	GROSS APPROPRIATION.....	\$	2,251,900
5	Appropriated from:		
6	Special revenue funds:		
7	Bank fees.....		225,500
8	Consumer finance fees.....		93,000
9	Credit union fees.....		369,100
10	Deferred presentment service transaction fees.....		113,300
11	Insurance bureau fund.....		440,700
12	Insurance continuing education fees.....		22,800
13	Insurance licensing and regulation fees.....		727,600
14	MBLSLA fund.....		259,900
15	State general fund/general purpose.....	\$	0
16	Sec. 105. ONE-TIME APPROPRIATIONS		
17	Insurance evaluation enhancement.....	\$	<u>400,000</u>
18	GROSS APPROPRIATION.....	\$	400,000
19	Appropriated from:		
20	State general fund/general purpose.....	\$	400,000

21 PART 2
 22 PROVISIONS CONCERNING APPROPRIATIONS
 23 FOR FISCAL YEAR 2018-2019

24 **GENERAL SECTIONS**

25 Sec. 201. Pursuant to section 30 of article IX of the state

1 constitution of 1963, total state spending from state sources under
2 part 1 for fiscal year 2018-2019 is \$65,240,800.00 and state
3 spending from state sources to be paid to local units of government
4 for fiscal year 2018-2019 is \$0.

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

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

9 (a) "Department" means the department of insurance and
10 financial services.

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

12 (c) "FTE" means full-time equated.

13 (d) "IDG" means interdepartmental grant.

14 (e) "LARA" means the department of licensing and regulatory
15 affairs.

16 (f) "MBLSLA fund" means the restricted account established
17 under section 8 of the mortgage brokers, lenders, and servicers
18 licensing act, 1987 PA 173, MCL 445.1658.

19 (g) "Subcommittees" means the subcommittees of the house of
20 representatives and senate appropriations committees with
21 jurisdiction over the budget for the department.

22 Sec. 204. The department and agencies receiving appropriations
23 in this part and 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 this part and part 1 must not
2 be used for 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 must be given to goods
5 or services, or both, manufactured or provided by Michigan
6 businesses, if they are competitively priced and of comparable
7 quality. In addition, preference must 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. The
14 director shall strongly encourage firms with which the department
15 contracts to subcontract with certified businesses in depressed and
16 deprived communities for services, supplies, or both.

17 Sec. 207. (1) Out-of-state travel shall be limited to
18 situations where the travel is approved by a departmental
19 employee's immediate supervisor and in which 1 or more of the
20 following conditions apply:

21 (a) The travel is required by legal mandate or court order or
22 for law enforcement purposes.

23 (b) The travel is necessary to protect the health or safety of
24 Michigan citizens or visitors or to assist other states in similar
25 circumstances.

26 (c) The travel is necessary to produce budgetary savings or to
27 increase state revenues, including protecting existing federal

1 funds or securing additional federal funds.

2 (d) The travel is necessary to comply with federal
3 requirements.

4 (e) The travel is necessary to secure specialized training for
5 staff that is not available within this state.

6 (f) The travel is financed entirely by federal or nonstate
7 funds.

8 (2) The department shall not approve the travel of more than 1
9 departmental employee to a specific professional development
10 conference or training seminar that is located outside of this
11 state unless a professional development conference or training
12 seminar is funded by a federal or private funding source and
13 requires more than 1 individual from the department to attend, or
14 the conference or training seminar includes multiple issues in
15 which 1 employee from the department does not have expertise.

16 (3) Not later than January 1, the department shall prepare a
17 travel report listing all travel by classified and unclassified
18 employees outside this state in the immediately preceding fiscal
19 year that was funded in whole or in part with funds appropriated in
20 the department's budget. The department shall submit the report to
21 the senate and house of representatives standing committees on
22 appropriations, the senate and house fiscal agencies, and the state
23 budget director. The report must include the following information:

24 (a) The name of each person receiving reimbursement for travel
25 outside this state or whose travel costs were paid by this state.

26 (b) The destination of each travel occurrence.

27 (c) The dates of each travel occurrence.

1 (d) A brief statement of the reason for each travel
2 occurrence.

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

8 (f) A total of all out-of-state travel funded for the
9 immediately preceding fiscal year.

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

16 Sec. 209. Not later than November 30, the state budget office
17 shall prepare and transmit a report that provides for estimates of
18 the total general fund/general purpose appropriation lapses at the
19 close of the prior fiscal year. This report must summarize the
20 projected year-end general fund/general purpose appropriation
21 lapses by major departmental program or program areas. The state
22 budget office shall transmit the report to the chairpersons of the
23 senate and house of representatives appropriations committees and
24 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 \$1,000,000.00 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 \$5,000,000.00 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 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 for each department or agency:

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, the department shall cooperate with the
24 state budget office to provide the senate and house of
25 representatives appropriations committee chairs, the senate and
26 house 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, 2018 and September 30, 2019.

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, 2019 are estimated at \$9,513,100.00. From this amount, total
11 agency appropriations for pension-related legacy costs are
12 estimated at \$4,385,700.00. Total agency appropriations for retiree
13 health care legacy costs are estimated at \$5,127,400.00.

14 Sec. 215. Unless prohibited by law, the department may accept
15 credit card or other electronic means of payment for licenses,
16 fees, or permits.

17 Sec. 218. The department shall not take disciplinary action
18 against an employee for communicating with a member of the
19 legislature or his or her staff.

20 Sec. 219. The department shall not develop or produce any
21 television or radio productions.

22 Sec. 220. The department, in conjunction with the department
23 of health and human services, shall maintain an accounting
24 structure within this state's accounting system that will allow
25 expenditures associated with the administration of the Healthy
26 Michigan plan to be identified.

27 Sec. 221. The amount appropriated from the general fund in

1 part 1 for executive director programs may only be expended to
2 comply with reporting requirements regarding the Healthy Michigan
3 plan under section 105d(9) of the social welfare act, 1939 PA 280,
4 MCL 400.105d.

5 Sec. 222. From the funds appropriated in part 1 from the
6 insurance bureau fund, funds may be expended to support legislative
7 participation in insurance activities coordinated by insurance and
8 legislative associations, in accordance with section 225 of the
9 insurance code of 1956, 1956 PA 218, MCL 500.225.

10 **INSURANCE AND FINANCIAL SERVICES REGULATION**

11 Sec. 301. The department shall provide a report to the
12 subcommittees, the senate and house fiscal agencies, and the state
13 budget director by September 30 based on the annual rate filings
14 from health insurance issuers that includes all of the following:

15 (a) The number that are approved by the department.

16 (b) The number that are denied by the department.

17 (c) The percentage of rate filings processed within the
18 applicable statutory time frames.

19 (d) The average number of calendar days to process rate
20 filings.

21 Sec. 302. In addition to the funds appropriated in part 1, the
22 funds collected by the department in connection with a
23 conservatorship under section 32 of the mortgage brokers, lenders,
24 and servicers licensing act, 1987 PA 173, MCL 445.1682, and funds
25 collected by the department from corporations being liquidated
26 under the insurance code of 1956, 1956 PA 218, MCL 500.100 to

1 500.8302, must be appropriated for all expenses necessary to
2 provide for the required services. Funds are available for
3 expenditure when they are received by the department of treasury
4 and must not lapse to the general fund at the end of the fiscal
5 year.

6 Sec. 303. The department may make available to interested
7 entities customized listings of nonconfidential information in its
8 possession. The department may establish and collect a reasonable
9 charge to provide this service. The revenue from this service is
10 appropriated when received and must be used to offset expenses to
11 provide the service. Any balance of this revenue collected and
12 unexpended at the end of the fiscal year must lapse to the
13 appropriate restricted fund.

14 **ONE-TIME APPROPRIATIONS**

15 Sec. 401. (1) From the funds appropriated in part 1 for
16 insurance evaluation enhancement, by January 31, 2019, the
17 department must complete a study led by an actuarial firm capable
18 of supporting this state's pursuit of a state innovation waiver
19 under section 1332 of the patient protection and affordable care
20 act. The study must meet all criteria for a section 1332 state
21 innovation waiver found at 45 CFR Part 155. The study must include
22 analyses, actuarial certifications data, assumptions, targets, and
23 other information sufficient to provide the secretary of the United
24 States Department of Health and Human Services and the secretary of
25 the United States Department of Treasury with the necessary data to
26 determine whether this state's proposed waiver would do all of the

1 following:

2 (a) Provide coverage that is at least as comprehensive as the
3 coverage defined in section 1203(b) of the patient protection and
4 affordable care act.

5 (b) Provide coverage and cost sharing protections against
6 excessive out-of-pocket spending that are at least as affordable as
7 the provisions of title I of the patient protection and affordable
8 care act.

9 (c) Provide coverage to a comparable number of its residents
10 as the provisions of title I of the patient protection and
11 affordable care act would provide.

12 (d) Not increase the federal deficit.

13 (2) The study under subsection (1) must create any actuarial
14 analyses and certifications necessary to determine whether the
15 estimates will comply with the above requirements. The study must
16 produce an economic analysis to provide a detailed 10 year budget
17 plan that is deficit neutral to the federal government and detailed
18 analyses regarding the estimated impact of the waiver on health
19 insurance coverage in this state.

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, 2019, from the following funds:

1	JUDICIARY		
2	APPROPRIATION SUMMARY		
3	Full-time equated exempted positions	502.0	
4	GROSS APPROPRIATION.....		\$ 304,079,100
5	Interdepartmental grant revenues:		
6	Total interdepartmental grants and intradepartmental		
7	transfers		1,551,300
8	ADJUSTED GROSS APPROPRIATION.....		\$ 302,527,800
9	Federal revenues:		
10	Total federal revenues.....		5,987,400
11	Special revenue funds:		
12	Total local revenues.....		6,499,800
13	Total private revenues.....		981,600
14	Total other state restricted revenues.....		92,979,500
15	State general fund/general purpose.....		\$ 196,079,500
16	Sec. 102. SUPREME COURT		
17	Full-time equated exempted positions	248.0	
18	Community dispute resolution--3.0 FTE positions.....		\$ 2,815,800
19	Direct trial court automation support--44.0 FTE		
20	positions		6,499,800
21	Drug treatment courts.....		11,833,000
22	Foster care review board--10.0 FTE positions.....		1,331,900
23	Judicial information systems--22.0 FTE positions.....		4,431,800
24	Judicial institute--13.0 FTE positions.....		1,848,000
25	Mental health courts and diversion services--1.0 FTE		
26	position		5,466,800
27	Next generation Michigan court system.....		4,116,000

1	Other federal grants.....	275,100
2	State court administrative office--63.0 FTE positions.	11,110,400
3	Supreme court administration--92.0 FTE positions.....	14,059,100
4	Swift and sure sanctions program.....	4,000,000
5	Veterans courts.....	<u>936,400</u>
6	GROSS APPROPRIATION.....	\$ 68,724,100
7	Appropriated from:	
8	Interdepartmental grant revenues:	
9	IDG from department of corrections.....	51,300
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...	2,219,000
14	HHS, access and visitation grant.....	482,500
15	HHS, children's justice grant.....	238,900
16	HHS, court improvement project.....	915,700
17	HHS, title IV-D child support program.....	812,300
18	HHS, title IV-E foster care program.....	400,400
19	Other federal grant revenues.....	275,100
20	Special revenue funds:	
21	Local - user fees.....	6,499,800
22	Private.....	195,600
23	Private - interest on lawyers' trust accounts.....	269,500
24	Private - state justice institute.....	430,600
25	Community dispute resolution fund.....	2,390,800
26	Court of appeals filing/motion fees.....	1,450,000
27	Drug court fund.....	1,920,500

1	Justice system fund.....	587,900
2	Law exam fees.....	730,600
3	Miscellaneous revenue.....	243,400
4	State court fund.....	392,700
5	State general fund/general purpose.....	\$ 46,417,500
6	Sec. 103. COURT OF APPEALS	
7	Full-time equated exempted positions	175.0
8	Court of appeals operations--175.0 FTE positions.....	\$ <u>24,360,500</u>
9	GROSS APPROPRIATION.....	\$ 24,360,500
10	Appropriated from:	
11	State general fund/general purpose.....	\$ 24,360,500
12	Sec. 104. BRANCHWIDE APPROPRIATIONS	
13	Full-time equated exempted positions	4.0
14	Branchwide appropriations--4.0 FTE positions.....	\$ <u>9,128,300</u>
15	GROSS APPROPRIATION.....	\$ 9,128,300
16	Appropriated from:	
17	State general fund/general purpose.....	\$ 9,128,300
18	Sec. 105. JUSTICES' AND JUDGES' COMPENSATION	
19	Full-time judges positions	590.0
20	Supreme court justices' salaries--7.0 justices.....	\$ 1,152,300
21	Circuit court judges' state base salaries--216.0	
22	judges	22,140,600
23	Circuit court judicial salary standardization.....	9,854,900
24	Court of appeals judges' salaries--27.0 judges.....	4,337,700
25	District court judges' state base salaries--237.0	
26	judges	23,936,400
27	District court judicial salary standardization.....	10,836,700

1	Probate court judges' state base salaries--103.0	
2	judges	10,500,400
3	Probate court judicial salary standardization.....	4,669,600
4	Judges' retirement system defined contributions.....	4,858,100
5	OASI, Social Security.....	<u>6,210,700</u>
6	GROSS APPROPRIATION.....	\$ 98,497,400
7	Appropriated from:	
8	Special revenue funds:	
9	Court fee fund.....	3,315,200
10	State general fund/general purpose.....	\$ 95,182,200
11	Sec. 106. JUDICIAL AGENCIES	
12	Full-time equated exempted positions7.0	
13	Judicial tenure commission--7.0 FTE positions.....	\$ <u>1,162,900</u>
14	GROSS APPROPRIATION.....	\$ 1,162,900
15	Appropriated from:	
16	State general fund/general purpose.....	\$ 1,162,900
17	Sec. 107. INDIGENT DEFENSE - CRIMINAL	
18	Full-time equated exempted positions51.0	
19	Appellate public defender program--51.0 FTE positions.	\$ <u>8,143,400</u>
20	GROSS APPROPRIATION.....	\$ 8,143,400
21	Appropriated from:	
22	Federal revenues:	
23	Other federal grant revenues.....	343,500
24	Special revenue funds:	
25	Private - interest on lawyers' trust accounts.....	85,900
26	Miscellaneous revenue.....	92,300
27	State general fund/general purpose.....	\$ 7,621,700

1	Sec. 108. INDIGENT CIVIL LEGAL ASSISTANCE	
2	Indigent civil legal assistance.....	\$ <u>7,937,000</u>
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 positions6.0	
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--1.0 FTE position....	6,602,400
15	Statewide e-file system--5.0 FTE positions.....	<u>8,511,700</u>
16	GROSS APPROPRIATION.....	\$ 84,294,800
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.....	8,511,700
23	Judicial technology improvement fund.....	4,815,000
24	Juror compensation fund.....	6,602,400
25	State general fund/general purpose.....	\$ 10,375,700
26	Sec. 110. ONE-TIME APPROPRIATIONS	
27	Full-time equated exempted positions11.0	

1	Compliance with <i>Montgomery v Louisiana</i> --11.0 FTE		
2	positions	\$	700,000
3	Expansion of problem solving courts.....		750,000
4	Pretrial risk assessment.....		305,700
5	Youthful sex offender treatment pilot program.....		<u>75,000</u>
6	GROSS APPROPRIATION.....	\$	1,830,700
7	Appropriated from:		
8	State general fund/general purpose.....	\$	1,830,700

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2018-2019

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 2018-2019 is \$289,059,000.00 and state spending from state sources to be paid to local units of government for fiscal year 2018-2019 is \$148,614,500.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

JUDICIARY

SUPREME COURT

22	Drug treatment courts.....	\$	11,833,000
23	Mental health courts and diversion services.....		5,466,800
24	Next generation Michigan court system.....		4,116,000
25	State court administrative office.....		200,000

1	Swift and sure sanctions program.....		4,000,000
2	Veterans courts.....		936,400
3	JUSTICES' AND JUDGES' COMPENSATION		
4	Circuit court judicial salary standardization.....	\$	9,854,900
5	District court judicial salary standardization.....		10,836,700
6	Probate court judges' state base salaries.....		10,500,400
7	Probate court judicial salary standardization.....		4,669,600
8	Grant to OASI contribution fund, employer's share,		
9	Social Security		1,080,900
10	TRIAL COURT OPERATIONS		
11	Court equity fund reimbursements.....	\$	60,815,700
12	Drug case-flow program.....		250,000
13	Drunk driving case-flow program.....		3,300,000
14	Judicial technology improvement fund.....		4,815,000
15	Juror compensation reimbursement.....		6,602,400
16	Statewide e-file system.....		8,511,700
17	ONE-TIME APPROPRIATIONS		
18	Expansion of problem solving courts.....	\$	750,000
19	Youthful sex offender treatment pilot program.....		<u>75,000</u>
20	TOTAL.....	\$	148,614,500

21 Sec. 202. (1) The appropriations authorized under this part
22 and part 1 are subject to the management and budget act, 1984 PA
23 431, MCL 18.1101 to 18.1594.

24 (2) Funds appropriated in part 1 to an entity within the
25 judicial branch shall not be expended or transferred to another
26 account without written approval of the authorized agent of the
27 judicial entity. If the authorized agent of the judicial entity

1 notifies the state budget director of its approval of an
2 expenditure or transfer, the state budget director shall
3 immediately make the expenditure or transfer. The authorized
4 judicial entity agent shall be designated by the chief justice of
5 the supreme court.

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

7 (a) "DOJ" means the United States Department of Justice.

8 (b) "DOT" means the United States Department of
9 Transportation.

10 (c) "FTE" means full-time equated.

11 (d) "HHS" means the United States Department of Health and
12 Human Services.

13 (e) "IDG" means interdepartmental grant.

14 (f) "OASI" means old age survivor's insurance.

15 (g) "SADO" means the state appellate defender office created
16 under the appellate defender act, 1978 PA 620, MCL 780.711 to
17 780.719.

18 (h) "Title IV-D" means the part of the federal social security
19 act, 42 USC 301 to 1397mm, pertaining to the child support
20 enforcement program.

21 (i) "Title IV-E" means the part of the federal social security
22 act, 42 USC 301 to 1397mm, pertaining to the foster care program.

23 Sec. 204. The reporting requirements of this part shall be
24 completed with the approval of, and at the direction of, the
25 supreme court, except as otherwise provided in this part. The
26 judicial branch shall use the internet to fulfill the reporting
27 requirements of this part. This may include transmission of reports

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

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

14 Sec. 207. Not later than January 1 of each year, the state
15 court administrative office shall prepare a report on out-of-state
16 travel listing all travel by judicial branch employees outside this
17 state in the immediately preceding fiscal year that was funded in
18 whole or in part with funds appropriated in the budget for the
19 judicial branch. The report shall be submitted to the senate and
20 house appropriations committees, the senate and house fiscal
21 agencies, and the state budget office. The report shall include the
22 following information:

23 (a) The dates of each travel occurrence.

24 (b) The transportation and related costs of each travel
25 occurrence, including the proportion funded with state general
26 fund/general purpose revenues, the proportion funded with state
27 restricted revenues, the proportion funded with federal revenues,

1 and the proportion funded with other revenues.

2 Sec. 209. Not later than November 30, the state budget office
3 shall prepare and transmit a report that provides for estimates of
4 the total general fund/general purpose appropriation lapses at the
5 close of the prior fiscal year. This report shall summarize the
6 projected year-end general fund/general purpose appropriation
7 lapses by major program or program areas. The report shall be
8 transmitted to the chairpersons of the senate and house
9 appropriations committees and the senate and house fiscal agencies.

10 Sec. 211. From the funds appropriated in part 1, the judicial
11 branch shall maintain a searchable website accessible by the public
12 at no cost that includes all expenditures made by the judicial
13 branch within a fiscal year. The posting shall include the purpose
14 for which each expenditure is made. The judicial branch shall not
15 provide financial information on its website under this section if
16 doing so would violate a federal or state law, rule, regulation, or
17 guideline that establishes privacy or security standards applicable
18 to that financial information.

19 Sec. 212. Within 14 days after the release of the executive
20 budget recommendation, the judicial branch shall cooperate with the
21 state budget office to provide the senate and house appropriations
22 committee chairs, the senate and house appropriations subcommittee
23 chairs, and the senate and house fiscal agencies with an annual
24 report on estimated state restricted fund balances, state
25 restricted fund projected revenues, and state restricted fund
26 expenditures for the prior 2 fiscal years.

27 Sec. 213. The judiciary shall maintain, on a publicly

1 accessible website, a scorecard that identifies, tracks, and
2 regularly updates key metrics that are used to monitor and improve
3 the judiciary'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, 2019 are estimated at \$14,127,500.00. From this amount, total
7 judiciary appropriations for pension-related legacy costs are
8 estimated at \$6,513,000.00. Total judiciary appropriations for
9 retiree health care legacy costs are estimated at \$7,614,500.00.

10 Sec. 215. The judicial branch shall not take disciplinary
11 action against an employee for communicating with a member of the
12 legislature or his or her staff.

13 Sec. 216. It is the intent of the legislature that judges who
14 are presiding over a hearing on a foster care case shall publicly
15 acknowledge and request the input of the foster parent or foster
16 parents during the hearing.

17 Sec. 217. If the judicial branch makes any changes to a foster
18 care family service plan before its finalization, it is the intent
19 of the legislature that the presiding judge provide an explanation
20 for any changes to that plan in the court record.

21 Sec. 218. From the funds appropriated in part 1, the state
22 court administrative office shall identify programs, within the
23 department of health and human services, the department of talent
24 and economic development, and the department of corrections, that
25 have programmatic connections with the participants in the swift
26 and sure sanctions program. The purpose of this relationship is to
27 leverage collaborations and to determine avenues of success for

1 offenders who are eligible for state-provided programs. The state
2 court administrative office shall provide guidance to courts
3 participating in the swift and sure sanctions program, under the
4 probation swift and sure sanctions act, chapter XIA of the code of
5 criminal procedure, 1927 PA 175, MCL 771A.1 to 771A.8, of the
6 available department of health and human services, department of
7 talent and economic development, and department of corrections
8 programming.

9 Sec. 219. The judicial branch shall receive and retain copies
10 of all reports funded from appropriations in part 1. Federal and
11 state guidelines for short-term and long-term retention of records
12 shall be followed. The judicial branch may electronically retain
13 copies of reports unless otherwise required by federal and state
14 guidelines.

15 **JUDICIAL BRANCH**

16 Sec. 301. From the funds appropriated in part 1, the direct
17 trial court automation support program of the state court
18 administrative office shall recover direct and overhead costs from
19 trial courts by charging for services rendered. The fee shall cover
20 the actual costs incurred to the direct trial court automation
21 support program in providing the service, including development of
22 future versions of case management systems.

23 Sec. 302. Funds appropriated within the judicial branch shall
24 not be expended by any component within the judicial branch without
25 the approval of the supreme court.

26 Sec. 303. Of the amount appropriated in part 1 for the

1 judicial branch, \$711,900.00 is allocated for circuit court
2 reimbursement under section 3 of 1978 PA 16, MCL 800.453, and for
3 costs associated with the court of claims.

4 Sec. 304. A member of the legislature may request a report or
5 data from the data collected in the judicial data warehouse. The
6 report shall be made available to the public upon request, unless
7 disclosure is prohibited by court order or state or federal law.
8 Any data provided under this section shall be public and non-
9 identifying information.

10 Sec. 305. From the funds appropriated in part 1 for community
11 dispute resolution, community dispute resolution centers shall
12 provide dispute resolution services specified in the community
13 dispute resolution act, 1988 PA 260, MCL 691.1551 to 691.1564, and
14 shall help to reduce suspensions and truancy, and improve school
15 climate. Funding appropriated in part 1 for community dispute
16 resolution may be used to develop or expand juvenile diversion
17 services in cooperation with local prosecutors. Participation in
18 the dispute resolution processes is voluntary for all parties.

19 Sec. 306. By February 1, the state court administrative office
20 shall produce a statistical report, categorized by county,
21 regarding both the collected and uncollected amounts of restitution
22 payments, court fees, and any other applicable judgments placed
23 upon persons within the county, reported for the year 2017.

24 Sec. 307. From the funds appropriated in part 1 for mental
25 health courts and diversion services, \$1,730,000.00 is intended to
26 address the recommendations of the mental health diversion council.

27 Sec. 308. If sufficient funds are not available from the court

1 fee fund to pay judges' compensation, the difference between the
2 appropriated amount from that fund for judges' compensation and the
3 actual amount available after the amount appropriated for trial
4 court reimbursement is made shall be appropriated from the state
5 general fund for judges' compensation. If an appropriation is made
6 under this section, the state court administrative office shall
7 notify, within 14 days of the appropriation, the senate and house
8 standing committees on appropriations, the senate and house
9 appropriations subcommittees on judiciary, the senate and house
10 fiscal agencies, and the state budget office.

11 Sec. 309. By April 1, the state court administrative office
12 shall provide a report on drug treatment, mental health, and
13 veterans court programs in this state. The report shall include
14 information on the number of each type of program that has been
15 established, the number of program participants in each
16 jurisdiction, and the impact of the programs on offender criminal
17 involvement and recidivism. The report shall be submitted to the
18 senate and house appropriations subcommittees on judiciary, the
19 senate and house fiscal agencies, and the state budget office.

20 Sec. 311. (1) The funds appropriated in part 1 for drug
21 treatment courts as that term is defined in section 1060 of the
22 revised judicature act of 1961, 1961 PA 236, MCL 600.1060, shall be
23 administered by the state court administrative office to operate
24 drug treatment court programs. A drug treatment court shall be
25 responsible for handling cases involving substance abusing
26 nonviolent offenders through comprehensive supervision, testing,
27 treatment services, and immediate sanctions and incentives. A drug

1 treatment court shall use all available county and state personnel
2 involved in the disposition of cases including, but not limited to,
3 parole and probation agents, prosecuting attorneys, defense
4 attorneys, and community corrections providers. The funds may be
5 used in connection with other federal, state, and local funding
6 sources.

7 (2) From the funds appropriated in part 1, the chief justice
8 shall allocate sufficient funds for the Michigan judicial institute
9 to provide in-state training for those identified in subsection
10 (1), including training for new drug treatment court judges.

11 (3) For drug treatment court grants, consideration for
12 priority may be given to those courts where higher instances of
13 substance abuse cases are filed.

14 (4) The judiciary shall receive \$1,500,000.00 in Byrne formula
15 grant funding as an interdepartmental grant from the department of
16 state police to be used for expansion of drug treatment courts, to
17 assist in avoiding prison bed space growth for nonviolent offenders
18 in collaboration with the department of corrections.

19 Sec. 312. From the funds appropriated in part 1, the state
20 court administrator shall produce a statistical report regarding
21 the implementation of the parental rights restoration act, 1990 PA
22 211, MCL 722.901 to 722.908, as it pertains to minors seeking
23 court-issued waivers of parental consent. The state court
24 administrative office shall report the total number of petitions
25 filed and the total number of petitions granted under that act.

26 Sec. 316. (1) From the funds appropriated in part 1 for
27 pretrial risk assessment, the state court administrative office

1 shall pilot a pretrial risk assessment tool in an effort to provide
2 relevant information to judges so they can make evidence-based bond
3 decisions that will increase public safety and reduce costs
4 associated with unnecessary pretrial detention.

5 (2) The state court administrative office shall submit a
6 status report by February 1 to the senate and house appropriations
7 subcommittees on judiciary, the senate and house fiscal agencies,
8 and the state budget office on progress made toward implementing
9 the pretrial risk assessment tool and associated costs.

10 Sec. 317. Funds appropriated in part 1 shall not be used for
11 the permanent assignment of state-owned vehicles to justices or
12 judges or any other judicial branch employee. This section does not
13 preclude the use of state-owned motor pool vehicles for state
14 business in accordance with approved guidelines.

15 Sec. 320. (1) From the funds appropriated in part 1 for the
16 swift and sure sanctions program, created under section 3 of
17 chapter XIA of the code of criminal procedure, 1927 PA 175, MCL
18 771A.3, the state court administrative office shall administer a
19 program to distribute grants to qualifying courts in accordance
20 with the objectives and requirements of the probation swift and
21 sure sanctions act, chapter XIA of the code of criminal procedure,
22 1927 PA 175, MCL 771A.1 to 771A.8. Of the funds designated for the
23 program, not more than \$100,000.00 shall be available to the state
24 court administrative office to pay for employee costs associated
25 with the administration of the program funds. Of the funds
26 designated for the program, \$500,000.00 is reserved for programs in
27 counties that had more than 325 individuals sentenced to prison in

1 the previous calendar year. Courts interested in participating in
2 the swift and sure sanctions program may apply to the state court
3 administrative office for a portion of the funds appropriated in
4 part 1 under this section.

5 (2) By April 1, the state court administrative office, in
6 cooperation with the department of corrections, shall provide a
7 report on the courts that receive funding under the swift and sure
8 sanctions program described in subsection (1) to the senate and
9 house appropriations subcommittees on judiciary, the senate and
10 house fiscal agencies, and the state budget office. The report
11 shall include all of the following:

12 (a) The number of offenders who participate in the program.

13 (b) The criminal history of offenders who participate in the
14 program.

15 (c) The recidivism rate of offenders who participate in the
16 program, including the rate of return to jail, prison, or both.

17 (d) A detailed description of the establishment and parameters
18 of the program.

19 (3) As used in this section, "program" means a swift and sure
20 sanctions program described in subsection (1).

21 Sec. 321. From the funds appropriated in part 1, the judicial
22 branch shall support a statewide legal self-help internet website
23 and local nonprofit self-help centers that use the statewide
24 website to provide assistance to individuals representing
25 themselves in civil legal proceedings. The state court
26 administrative office shall summarize the costs of maintaining the
27 website, provide statistics on the number of people visiting the

1 website, and provide information on content usage, form completion,
2 and user feedback. By March 1, the state court administrative
3 office shall report this information for the preceding fiscal year
4 to the senate and house appropriations subcommittees on judiciary,
5 the senate and house fiscal agencies, and the state budget office.

6 Sec. 322. If Byrne formula grant funding is awarded to the
7 state appellate defender, the state appellate defender office may
8 receive and expend Byrne formula grant funds in an amount not to
9 exceed \$250,000.00 as an interdepartmental grant from the
10 department of state police. If the appellate defender appointed
11 under section 3 of the appellate defender act, 1978 PA 620, MCL
12 780.713, receives federal grant funding from the United States
13 Department of Justice in excess of the amount appropriated in part
14 1, the office of appellate defender may receive and expend grant
15 funds in an amount not to exceed \$300,000.00 as other federal
16 grants.

17 Sec. 324. From the funds appropriated in part 1 for the
18 medication-assisted treatment program, the judiciary shall maintain
19 a medication-assisted treatment program to provide treatment for
20 opioid-addicted and alcohol-addicted individuals who are referred
21 to and voluntarily participate in the medication-assisted treatment
22 program.

23 **ONE-TIME APPROPRIATIONS**

24 Sec. 402. (1) From the funds appropriated in part 1, the state
25 appellate defender office attorneys and support staff shall ensure
26 Michigan compliance with *Montgomery v Louisiana*, 577 US _____

1 (2016). The purpose of the program expansion is to ensure
2 competent, resourced, and supervised counsel in cases involving the
3 resentencing of juvenile lifers. The representation by SADO counsel
4 will create opportunities for release, saving prison costs for the
5 state.

6 (2) The state appellate defender office shall submit a report
7 by September 30 to the senate and house appropriations
8 subcommittees on judiciary, the senate and house fiscal agencies,
9 and the state budget office on the number of juvenile lifer cases
10 investigated and prepared by the state appellate defender office.
11 The report shall include a calculation of hours spent and focus on
12 incremental costs associated with investigating and conducting a
13 robust examination of each case, with particular emphasis on those
14 costs that may be avoided after the cases have been disposed.

15 Sec. 403. (1) Funds appropriated in part 1 for the youthful
16 sex offender treatment pilot program shall be allocated to the
17 prosecutor's office in a county with a population of not less than
18 600,000 or more than 700,000 according to the most recent federal
19 decennial census.

20 (2) Funding appropriated in part 1 for the youthful sex
21 offender treatment pilot program shall be used for assessing sex
22 offenders, between the ages of 17 and 24, for risk, and for
23 providing treatment for eligible offenders for individual and group
24 counseling sessions. Duration of treatment will be determined by
25 and depend on the assessment-based level of identified risk.
26 Victims shall approve of offenders' enrollment in the program.

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PART 2A
PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
FOR FISCAL YEAR 2019-2020

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2020 for the line items listed in part 1. Fiscal year 2019-2020 appropriations are anticipated to be the same as those for fiscal year 2018-2019, 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 2019 consensus revenue estimating 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, 2019, 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.....		\$ 517,762,200

1	Interdepartmental grant revenues:	
2	Total interdepartmental grants and intradepartmental	
3	transfers	48,414,300
4	ADJUSTED GROSS APPROPRIATION.....	\$ 469,347,900
5	Federal revenues:	
6	Total federal revenues.....	65,744,400
7	Special revenue funds:	
8	Total local revenues.....	100,000
9	Total private revenues.....	111,800
10	Total other state restricted revenues.....	276,471,400
11	State general fund/general purpose.....	\$ 126,920,300
12	State general fund/general purpose schedule:	
13	Ongoing state general fund/general	
14	purpose	126,920,300
15	One-time state general fund/general	
16	purpose	0
17	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
18	Full-time equated unclassified positions	57.5
19	Full-time equated classified positions	108.0
20	Unclassified salaries--57.5 FTE positions.....	\$ 5,107,700
21	Administrative services--77.0 FTE positions.....	8,810,100
22	Executive director programs--24.0 FTE positions.....	3,256,500
23	FOIA coordination--3.0 FTE positions.....	314,900
24	Office for new Americans--4.0 FTE positions.....	480,200
25	Property management.....	11,488,900
26	Worker's compensation.....	<u>318,500</u>
27	GROSS APPROPRIATION.....	\$ 29,776,800

1	Appropriated from:	
2	Interdepartmental grant revenues:	
3	IDG from MDIFS, accounting services.....	150,000
4	IDG from MDTED, unemployment hearings.....	601,100
5	Federal revenues:	
6	DED, vocational rehabilitation and independent living.	897,400
7	DOE, heating oil and propane.....	25,000
8	DOL, occupational safety and health.....	712,200
9	EPA, underground storage tanks.....	29,100
10	HHS-Medicaid, certification of health care providers	
11	and suppliers	405,200
12	HHS-Medicare, certification of health care providers	
13	and suppliers	589,000
14	Special revenue funds:	
15	Aboveground storage tank fees.....	92,400
16	Accountancy enforcement fund.....	46,100
17	Asbestos abatement fund.....	150,100
18	Boiler inspection fund.....	278,300
19	Builder enforcement fund.....	100,400
20	Construction code fund.....	760,000
21	Corporation fees.....	5,644,500
22	Elevator fees.....	302,100
23	Fire alarm fees.....	7,100
24	Fire safety standard and enforcement fund.....	2,100
25	Fire service fees.....	483,400
26	Fireworks safety fund.....	51,000
27	Health professions regulatory fund.....	1,569,800

1	Health systems fees.....	246,400
2	Licensing and regulation fund.....	783,000
3	Liquor license revenue.....	300,000
4	Liquor purchase revolving fund.....	3,807,100
5	Marihuana registry fund.....	670,500
6	Michigan unarmed combat fund.....	5,900
7	Mobile home code fund.....	317,100
8	Nurse professional fund.....	37,500
9	PMECSEMA fund.....	45,000
10	Private occupational school license fees.....	55,200
11	Property development fees.....	7,400
12	Public utility assessments.....	2,779,400
13	Radiological health fees.....	223,500
14	Real estate appraiser education fund.....	2,600
15	Real estate education fund.....	11,000
16	Real estate enforcement fund.....	11,300
17	Refined petroleum fund.....	185,800
18	Restructuring mechanism assessments.....	31,600
19	Retired engineers technical assistance program fund...	7,000
20	Safety education and training fund.....	850,800
21	Second injury fund.....	236,700
22	Securities fees.....	3,678,200
23	Securities investor education and training fund.....	9,200
24	Security business fund.....	7,000
25	Self-insurers security fund.....	120,300
26	Silicosis and dust disease fund.....	102,300
27	Survey and remonumentation fund.....	97,000

1	Tax tribunal fund.....	885,300
2	Utility consumer representation fund.....	54,000
3	Worker's compensation administrative revolving fund...	103,800
4	State general fund/general purpose.....	\$ 1,208,600
5	Sec. 103. ENERGY AND UTILITY PROGRAMS	
6	Full-time equated classified positions208.0	
7	Michigan agency for energy--26.0 FTE positions.....	\$ 7,132,800
8	Public service commission--182.0 FTE positions.....	<u>31,879,000</u>
9	GROSS APPROPRIATION.....	\$ 39,011,800
10	Appropriated from:	
11	Federal revenues:	
12	DOE, heating oil and propane.....	3,795,000
13	DOT, gas pipeline safety.....	2,212,800
14	Special revenue funds:	
15	Public utility assessments.....	31,332,300
16	Restructuring mechanism assessments.....	620,900
17	Retired engineers technical assistance program fund...	491,200
18	State general fund/general purpose.....	\$ 559,600
19	Sec. 104. LIQUOR CONTROL COMMISSION	
20	Full-time equated classified positions143.0	
21	Liquor licensing and enforcement--115.0 FTE positions.	\$ 16,006,400
22	Management support services--28.0 FTE positions.....	<u>4,518,400</u>
23	GROSS APPROPRIATION.....	\$ 20,524,800
24	Appropriated from:	
25	Special revenue funds:	
26	Direct shipper enforcement revolving fund.....	300,700
27	Liquor control enforcement and license investigation	

1	revolving fund	175,000
2	Liquor license fee enhancement fund.....	76,400
3	Liquor license revenue.....	7,580,700
4	Liquor purchase revolving fund.....	12,392,000
5	State general fund/general purpose.....	\$ 0
6	Sec. 105. OCCUPATIONAL REGULATION	
7	Full-time equated classified positions	1,143.9
8	Bureau of community and health systems--426.9 FTE	
9	positions	\$ 63,085,000
10	Bureau of construction codes--182.0 FTE positions.....	23,839,300
11	Bureau of fire services--78.0 FTE positions.....	11,175,500
12	Bureau of professional licensing--206.0 FTE positions.	39,834,200
13	Corporations, securities, and commercial licensing	
14	bureau--118.0 FTE positions	15,431,400
15	Medical marihuana facilities licensing and tracking--	
16	108.0 FTE positions	10,000,000
17	Medical marihuana program--25.0 FTE positions.....	<u>5,001,300</u>
18	GROSS APPROPRIATION.....	\$ 168,366,700
19	Appropriated from:	
20	Interdepartmental grant revenues:	
21	IDG from MDE, child care licensing.....	17,794,900
22	Federal revenues:	
23	DHS, fire training systems.....	28,000
24	DOT, hazardous materials training and planning.....	60,000
25	EPA, underground storage tanks.....	804,400
26	HHS-Medicaid, certification of health care providers	
27	and suppliers	8,379,900

1	HHS-Medicare, certification of health care providers	
2	and suppliers	13,638,100
3	Special revenue funds:	
4	Aboveground storage tank fees.....	206,800
5	Accountancy enforcement fund.....	689,600
6	Boiler inspection fund.....	3,399,700
7	Builder enforcement fund.....	644,000
8	Construction code fund.....	7,910,200
9	Corporation fees.....	7,143,500
10	Distance education fund.....	355,500
11	Division on deafness fund.....	93,400
12	Elevator fees.....	4,356,300
13	Fire alarm fees.....	130,100
14	Fire safety standard and enforcement fund.....	40,400
15	Fire service fees.....	2,553,300
16	Fireworks safety fund.....	703,900
17	Health professions regulatory fund.....	24,158,800
18	Health systems fees.....	3,792,200
19	Licensing and regulation fund.....	11,851,200
20	Liquor purchase revolving fund.....	143,200
21	Marihuana registry fund.....	5,001,300
22	Marihuana regulatory fund.....	10,500,000
23	Michigan unarmed combat fund.....	76,900
24	Mobile home code fund.....	3,045,200
25	Nurse aide registration fund.....	600,000
26	Nurse professional fund.....	1,964,900
27	Nursing home administrative penalties.....	100,000

1	PMECSEMA fund.....		1,855,600
2	Private occupational school license fees.....		478,600
3	Property development fees.....		318,100
4	Real estate appraiser education fund.....		65,400
5	Real estate education fund.....		345,400
6	Real estate enforcement fund.....		704,400
7	Refined petroleum fund.....		2,643,400
8	Securities fees.....		4,779,800
9	Securities investor education and training fund.....		502,300
10	Security business fund.....		233,600
11	Survey and remonumentation fund.....		864,900
12	State general fund/general purpose.....	\$	25,409,500
13	Sec. 106. EMPLOYMENT SERVICES		
14	Full-time equated classified positions	464.4	
15	Bureau of employment relations--22.0 FTE positions....		\$ 4,289,800
16	Bureau of services for blind persons--113.0 FTE		
17	positions		24,931,000
18	Compensation supplement fund.....		1,820,000
19	First responder presumed coverage fund claims.....		5,245,000
20	Insurance funds administration--23.0 FTE positions....		5,031,200
21	Michigan occupational safety and health		
22	administration--197.0 FTE positions		29,418,000
23	Radiation safety section--21.4 FTE positions.....		3,299,300
24	Wage and hour program--32.0 FTE positions.....		3,826,100
25	Workers' compensation agency--56.0 FTE positions.....		<u>8,177,000</u>
26	GROSS APPROPRIATION.....	\$	86,037,400
27	Appropriated from:		

1	Federal revenues:	
2	DED, vocational rehabilitation and independent living.	18,725,100
3	DOL, occupational safety and health.....	12,047,700
4	HHS, mammography quality standards.....	513,300
5	Special revenue funds:	
6	Blind services, local.....	100,000
7	Blind services, private.....	111,800
8	Asbestos abatement fund.....	817,300
9	Corporation fees.....	9,619,100
10	First responder presumed coverage fund.....	5,445,000
11	Michigan business enterprise program fund.....	327,800
12	Radiological health fees.....	2,786,000
13	Safety education and training fund.....	9,922,200
14	Second injury fund.....	2,627,000
15	Securities fees.....	8,807,300
16	Self-insurers security fund.....	1,587,000
17	Silicosis and dust disease fund.....	817,200
18	Worker's compensation administrative revolving fund...	1,682,500
19	State general fund/general purpose.....	\$ 10,101,100
20	Sec. 107. MICHIGAN ADMINISTRATIVE HEARING SYSTEM	
21	Full-time equated classified positions236.0	
22	Michigan administrative hearing system--218.0 FTE	
23	positions	\$ 38,607,100
24	Michigan compensation appellate commission--18.0 FTE	
25	positions	<u>4,649,000</u>
26	GROSS APPROPRIATION.....	\$ 43,256,100
27	Appropriated from:	

1	Interdepartmental grant revenues:	
2	IDG from MDTED, unemployment hearings.....	4,306,700
3	IDG revenues, administrative hearings and rules.....	25,561,600
4	Federal revenues:	
5	DOL, occupational safety and health.....	153,900
6	Special revenue funds:	
7	Construction code fund.....	26,000
8	Corporation fees.....	4,026,000
9	Health professions regulatory fund.....	392,800
10	Health systems fees.....	156,600
11	Licensing and regulation fund.....	849,200
12	Liquor purchase revolving fund.....	967,000
13	Public utility assessments.....	2,547,600
14	Safety education and training fund.....	62,600
15	Securities fees.....	2,418,900
16	Tax tribunal fund.....	954,000
17	Worker's compensation administrative revolving fund...	137,400
18	State general fund/general purpose.....	\$ 695,800
19	Sec. 108. COMMISSIONS	
20	Full-time equated classified positions19.0	
21	Asian Pacific American affairs commission--1.0 FTE	
22	position	\$ 137,400
23	Commission on Middle Eastern American affairs--1.0 FTE	
24	position	125,000
25	Hispanic/Latino commission of Michigan--1.0 FTE	
26	position	288,300
27	Michigan indigent defense commission--16.0 FTE	

1	positions	<u>2,420,700</u>
2	GROSS APPROPRIATION.....	\$ 2,971,400
3	Appropriated from:	
4	State general fund/general purpose	\$ 2,971,400
5	Sec. 109. DEPARTMENT GRANTS	
6	Firefighter training grants.....	\$ 2,000,000
7	Liquor law enforcement grants.....	8,400,000
8	Medical marihuana operation and oversight grants.....	3,000,000
9	Michigan indigent defense commission grants.....	84,100,100
10	Remonumentation grants.....	7,300,000
11	Subregional libraries state aid.....	451,800
12	Utility consumer representation.....	<u>750,000</u>
13	GROSS APPROPRIATION.....	\$ 106,001,900
14	Appropriated from:	
15	Special revenue funds:	
16	Fireworks safety fund.....	2,000,000
17	Liquor license revenue.....	8,400,000
18	Local indigent defense reimbursement.....	100
19	Marihuana registry fund.....	3,000,000
20	Survey and remonumentation fund.....	7,300,000
21	Utility consumer representation fund.....	750,000
22	State general fund/general purpose.....	\$ 84,551,800
23	Sec. 110. INFORMATION TECHNOLOGY	
24	Information technology services and projects.....	\$ <u>21,815,300</u>
25	GROSS APPROPRIATION.....	\$ 21,815,300
26	Appropriated from:	
27	Federal revenues:	

1	DED, vocational rehabilitation and independent living.	1,229,800
2	DOE, heating oil and propane.....	24,000
3	DOL, occupational safety and health.....	367,300
4	DOT, gas pipeline safety.....	45,000
5	EPA, underground storage tanks.....	100,200
6	HHS-Medicaid, certification of health care providers	
7	and suppliers	331,600
8	HHS-Medicare, certification of health care providers	
9	and suppliers	630,400
10	Special revenue funds:	
11	Aboveground storage tank fees.....	54,600
12	Accountancy enforcement fund.....	1,100
13	Asbestos abatement fund.....	55,400
14	Boiler inspection fund.....	388,800
15	Construction code fund.....	1,064,400
16	Corporation fees.....	3,676,100
17	Distance education fund.....	11,600
18	Elevator fees.....	431,100
19	Fire safety standard and enforcement fund.....	3,000
20	Fire service fees.....	199,200
21	Fireworks safety fund.....	35,200
22	Health professions regulatory fund.....	1,258,900
23	Health systems fees.....	233,800
24	Licensing and regulation fund.....	1,858,700
25	Liquor purchase revolving fund.....	2,934,000
26	Marihuana registry fund.....	301,700
27	Michigan unarmed combat fund.....	6,800

1	Mobile home code fund.....	311,400
2	PMECSEMA fund.....	178,600
3	Private occupational school license fees.....	21,900
4	Public utility assessments.....	1,506,200
5	Radiological health fees.....	143,300
6	Real estate appraiser education fund.....	1,000
7	Real estate education fund.....	4,900
8	Refined petroleum fund.....	170,800
9	Restructuring mechanism assessments.....	40,100
10	Retired engineers technical assistance program fund...	5,000
11	Safety education and training fund.....	398,400
12	Second injury fund.....	474,100
13	Securities fees.....	1,108,700
14	Securities investor education and training fund.....	1,000
15	Self-insurers security fund.....	348,700
16	Silicosis and dust disease fund.....	138,400
17	Survey and remonumentation fund.....	74,100
18	Tax tribunal fund.....	223,500
19	State general fund/general purpose..... \$	1,422,500

20

PART 2

21

PROVISIONS CONCERNING APPROPRIATIONS

22

FOR FISCAL YEAR 2018-2019

23

GENERAL SECTIONS

24

Sec. 201. Pursuant to section 30 of article IX of the state

25

constitution of 1963, total state spending from state sources under

1 part 1 for fiscal year 2018-2019 is \$403,391,700.00 and state
 2 spending from state sources to be paid to local units of government
 3 for fiscal year 2018-2019 is \$105,251,900.00. The itemized
 4 statement below identifies appropriations from which spending to
 5 local units of government will occur:

6 DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

7	Firefighter training grants.....	\$	2,000,000
8	Liquor law enforcement grants.....		8,400,000
9	Medical marihuana operation and oversight grants.....		3,000,000
10	Michigan indigent defense commission grants.....		84,100,100
11	Remonumentation grants.....		7,300,000
12	Subregional libraries state aid.....		<u>451,800</u>
13	Total department of licensing and regulatory affairs..	\$	105,251,900

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

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

18 (a) "DED" means the United States Department of Education.

19 (b) "Department" means the department of licensing and
 20 regulatory affairs.

21 (c) "DHS" means the United States Department of Homeland
 22 Security.

23 (d) "DIFS" means the department of insurance and financial
 24 services.

25 (e) "Director" means the director of the department.

26 (f) "DOE" means the United States Department of Energy.

27 (g) "DOL" means the United States Department of Labor.

1 (h) "DOT" means the United States Department of
2 Transportation.

3 (i) "EPA" means the United States Environmental Protection
4 Agency.

5 (j) "FOIA" means the freedom of information act, 1976 PA 442,
6 MCL 15.231 to 15.246.

7 (k) "FTE" means full-time equated.

8 (l) "HHS" means the United States Department of Health and
9 Human Services.

10 (m) "IDG" means interdepartmental grant.

11 (n) "IT" means information technology.

12 (o) "MDE" means the Michigan department of education.

13 (p) "PMECSEMA" means pain management education and controlled
14 substances electronic monitoring and antidiversion.

15 (q) "Subcommittees" means the subcommittees of the house and
16 senate appropriations committees with jurisdiction over the budget
17 for the department.

18 (r) "TED" means the Michigan department of talent and economic
19 development.

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

26 Sec. 205. Funds appropriated in this part and part 1 shall not
27 be used for the purchase of foreign goods or services, or both, if

1 competitively priced and of comparable quality American goods or
2 services, or both, are available. Preference shall be given to
3 goods or services, or both, manufactured or provided by Michigan
4 businesses, if they are competitively priced and of comparable
5 quality. In addition, preference shall be given to goods or
6 services, or both, that are manufactured or provided by Michigan
7 businesses owned and operated by veterans, if they are
8 competitively priced and of comparable quality.

9 Sec. 206. The director shall take all reasonable steps to
10 ensure businesses in deprived and depressed communities compete for
11 and perform contracts to provide services or supplies, or both. The
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. (1) Out-of-state travel shall be limited to
16 situations when travel is approved by a departmental employee's
17 immediate supervisor and in which 1 or more of the following
18 conditions apply:

19 (a) The travel is required by legal mandate or court order or
20 for law enforcement purposes.

21 (b) The travel is necessary to protect the health or safety of
22 Michigan citizens or visitors or to assist other states in similar
23 circumstances.

24 (c) The travel is necessary to produce budgetary savings or to
25 increase state revenues, including protecting existing federal
26 funds or securing additional federal funds.

27 (d) The travel is necessary to comply with federal

1 requirements.

2 (e) The travel is necessary to secure specialized training for
3 staff that is not available within this state.

4 (f) The travel is financed entirely by federal or nonstate
5 funds.

6 (2) The department shall not approve the travel of more than 1
7 departmental employee to a specific professional development
8 conference or training seminar that is located outside of this
9 state unless a professional development conference or training
10 seminar is funded by a federal or private funding source and
11 requires more than 1 individual from the department to attend, or
12 the conference or training seminar includes multiple issues in
13 which 1 employee from the department does not have expertise.

14 (3) Not later than January 1, the department shall prepare a
15 travel report listing all travel by classified and unclassified
16 employees outside this state in the immediately preceding fiscal
17 year that was funded in whole or in part with funds appropriated in
18 the department's budget. The report shall be submitted to the house
19 and senate appropriations committees, the senate and house fiscal
20 agencies, and the state budget director. The report shall include
21 all of the following information:

22 (a) The name of each person receiving reimbursement for travel
23 outside this state or whose travel costs were paid by this state.

24 (b) The destination of each travel occurrence.

25 (c) The dates of each travel occurrence.

26 (d) A brief statement of the reason for each travel
27 occurrence.

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

6 (f) A total of all out-of-state travel funded for the
7 immediately preceding fiscal year.

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

14 Sec. 209. Not later than November 30, the state budget office
15 shall prepare and transmit a report that provides for estimates of
16 the total general fund/general purpose appropriation lapses at the
17 close of the prior fiscal year. This report shall summarize the
18 projected year-end general fund/general purpose appropriation
19 lapses by major departmental program or program areas. The report
20 shall be transmitted to the chairpersons of the senate and house
21 appropriations committees and the 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 \$10,000,000.00 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.

1 (2) In addition to the funds appropriated in part 1, there is
2 appropriated an amount not to exceed \$25,000,000.00 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 \$1,000,000.00 for local
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 \$500,000.00 for private
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. 211. The department shall cooperate with the department
20 of technology, management, and budget to maintain a searchable
21 website accessible by the public at no cost that includes, but is
22 not limited to, all of the following for the department and each
23 agency:

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

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

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

1 payment description.

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

4 (e) Job specifications and wage rates.

5 Sec. 212. Within 14 days after the release of the executive
6 budget recommendation, the department shall cooperate with the
7 state budget office to provide the senate and house appropriations
8 chairs, the senate and house appropriations subcommittees chairs,
9 and the senate and house fiscal agencies with an annual report on
10 estimated state restricted fund balances, state restricted fund
11 projected revenues, and state restricted fund expenditures for the
12 fiscal years ending September 30, 2018 and September 30, 2019.

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

17 Sec. 214. Total authorized appropriations from all sources
18 under part 1 for legacy costs for the fiscal year ending September
19 30, 2019 are estimated at \$57,167,300.00. From this amount, total
20 agency appropriations for pension-related legacy costs are
21 estimated at \$26,355,100.00. Total agency appropriations for
22 retiree health care legacy costs are estimated at \$30,812,200.00.

23 Sec. 215. Unless prohibited by law, the department may accept
24 credit card or other electronic means of payment for licenses,
25 fees, or permits.

26 Sec. 218. The department shall not take disciplinary action
27 against an employee for communicating with a member of the

1 legislature or his or her staff.

2 Sec. 219. The department shall not develop or produce any
3 television or radio productions.

4 Sec. 220. The department, in conjunction with the department
5 of health and human services, shall maintain an accounting
6 structure within this state's accounting system that will allow
7 expenditures associated with the administration of the Healthy
8 Michigan plan to be identified.

9 Sec. 221. The department may carry into the succeeding fiscal
10 year unexpended federal pass-through funds to local institutions
11 and governments that do not require additional state matching
12 funds. Federal pass-through funds to local institutions and
13 governments that are received in amounts in addition to those
14 included in part 1 and that do not require additional state
15 matching funds are appropriated for the purposes intended. Within
16 14 days after the receipt of federal pass-through funds, the
17 department shall notify the house and senate chairpersons of the
18 subcommittees, the senate and house fiscal agencies, and the state
19 budget director of pass-through funds appropriated under this
20 section.

21 Sec. 222. (1) Grants supported with private revenues received
22 by the department are appropriated upon receipt and are available
23 for expenditure by the department, subject to subsection (3), for
24 purposes specified within the grant agreement and as permitted
25 under state and federal law.

26 (2) Within 10 days after the receipt of a private grant
27 appropriated in subsection (1), the department shall notify the

1 house and senate chairpersons of the subcommittees, the senate and
2 house fiscal agencies, and the state budget director of the receipt
3 of the grant, including the fund source, purpose, and amount of the
4 grant.

5 (3) The amount appropriated under subsection (1) shall not
6 exceed \$1,500,000.00.

7 Sec. 223. (1) The department may charge registration fees to
8 attendees of informational, training, or special events sponsored
9 by the department, and related to activities that are under the
10 department's purview.

11 (2) These fees shall reflect the costs for the department to
12 sponsor the informational, training, or special events.

13 (3) Revenue generated by the registration fees is appropriated
14 upon receipt and available for expenditure to cover the
15 department's costs of sponsoring informational, training, or
16 special events.

17 (4) Revenue generated by registration fees in excess of the
18 department's costs of sponsoring informational, training, or
19 special events shall carry forward to the subsequent fiscal year
20 and not lapse to the general fund.

21 (5) The amount appropriated under subsection (3) shall not
22 exceed \$500,000.00.

23 Sec. 224. The department may make available to interested
24 entities otherwise unavailable customized listings of
25 nonconfidential information in its possession, such as names and
26 addresses of licensees. The department may establish and collect a
27 reasonable charge to provide this service. The revenue received

1 from this service is appropriated when received and shall be used
2 to offset expenses to provide the service. Any balance of this
3 revenue collected and unexpended at the end of the fiscal year
4 shall lapse to the appropriate restricted fund.

5 Sec. 225. (1) The department shall sell documents at a price
6 not to exceed the cost of production and distribution. Money
7 received from the sale of these documents shall revert to the
8 department. In addition to the funds appropriated in part 1, these
9 funds are available for expenditure when they are received by the
10 department of treasury. This subsection applies only for the
11 following documents:

12 (a) Corporation and securities division documents, reports,
13 and papers required or permitted by law pursuant to section 1060(5)
14 of the business corporation act, 1972 PA 284, MCL 450.2060.

15 (b) The Michigan liquor control code of 1998, 1998 PA 58, MCL
16 436.1101 to 436.2303.

17 (c) The mobile home commission act, 1987 PA 96, MCL 125.2301
18 to 125.2350; the business corporation act, 1972 PA 284, MCL
19 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162,
20 MCL 450.2101 to 450.3192; and the uniform securities act (2002),
21 2008 PA 551, MCL 451.2101 to 451.2703.

22 (d) Worker's compensation health care services rules.

23 (e) Construction code manuals.

24 (f) Copies of transcripts from administrative law hearings.

25 (2) In addition to the funds appropriated in part 1, funds
26 appropriated for the department under sections 57, 58, and 59 of
27 the administrative procedures act of 1969, 1969 PA 306, MCL 24.257,

1 24.258, and 24.259, and section 203 of the legislative council act,
2 1986 PA 268, MCL 4.1203, are appropriated for all expenses
3 necessary to provide for the cost of publication and distribution.

4 (3) Unexpended funds at the end of the fiscal year shall carry
5 forward to the subsequent fiscal year and not lapse to the general
6 fund.

7 Sec. 226. (1) Not later than March 1, the department shall
8 submit a report to the subcommittees and the senate and house
9 fiscal agencies pertaining to licensing and regulatory programs
10 during the previous fiscal year for the following agencies:

11 (a) Public service commission.

12 (b) Liquor control commission.

13 (c) Bureau of fire services.

14 (d) Bureau of construction codes.

15 (e) Corporations, securities, and commercial licensing bureau.

16 (f) Bureau of professional licensing.

17 (g) Bureau of community and health systems.

18 (h) Michigan occupational safety and health administration.

19 (2) The report shall be in a format that is consistent between
20 the agencies listed in subsection (1) and shall provide, but is not
21 limited to, the following information, as applicable, for each
22 agency in subsection (1):

23 (a) Revenue generated by and expenditures disbursed for each
24 regulatory product.

25 (b) Number of applications, both initial and renewal, for each
26 regulatory product.

27 (c) Number of applications, both initial and renewal, approved

1 for each regulatory product.

2 (d) Number of applications, both initial and renewal, denied
3 for each regulatory product.

4 (e) Average amount of time, both tolled and untolled, to
5 approve or deny applications, both initial and renewal, for each
6 regulatory product.

7 (f) Number of examinations proctored for initial applications
8 for each regulatory product.

9 (g) Number of complaints received pertaining to each regulated
10 activity.

11 (h) Number of investigations opened pertaining to each
12 regulated activity.

13 (i) Number of investigations closed pertaining to each
14 regulated activity.

15 (j) Average amount of time to close investigations pertaining
16 to each regulated activity.

17 (k) Number of enforcement actions pertaining to each regulated
18 activity.

19 (l) Number of administrative hearings pertaining to each
20 regulated activity.

21 (m) Number of administrative hearing adjudications pertaining
22 to each regulated activity.

23 (n) The type and amount of each fee charged to support each
24 regulated activity.

25 (3) As used in subsection (2), "regulatory product" means
26 licensure, certification, registration, inspection, review,
27 permitting, approval, or any other regulatory service provided by

1 the agencies specified in subsection (1) for each regulated
2 activity. As used in this subsection and subsection (2), "regulated
3 activity" means the particular activities, entities, facilities,
4 and industries regulated by the agencies specified in subsection
5 (1).

6 Sec. 227. It is the intent of the legislature that the
7 department establish an employee performance monitoring process
8 that is consistent throughout the department in addition to current
9 civil service commission evaluations. By April 1, the department
10 shall submit a report to the state budget office, the
11 subcommittees, and the senate and house fiscal agencies on changes
12 to the employee performance monitoring process that are planned or
13 implemented, as well as the number of employee evaluations
14 performed.

15 **ENERGY AND UTILITY PROGRAMS**

16 Sec. 301. The public service commission administers the low-
17 income energy assistance grant program on behalf of the Michigan
18 department of health and human services via an interagency
19 agreement. Funds supporting the grant program are appropriated in
20 the department upon awarding of grants and may be expended for
21 grant payments and administrative related expenses incurred in the
22 operation of the program.

23 Sec. 302. In coordination with the state transportation
24 department and the public service commission, the Michigan agency
25 for energy shall prepare a study that assesses statewide optimal
26 siting locations for the deployment of direct current fast charging

1 stations. The study shall make location recommendations for direct
2 current fast charging siting based on predictions of future
3 electric vehicle usage, traffic patterns, electric vehicle
4 concentrations, vehicle range, and existing or planned charging
5 infrastructure deployment. The Michigan agency for energy shall
6 complete the study and make it available to the public not later
7 than September 30, 2019.

8 **LIQUOR CONTROL COMMISSION**

9 Sec. 401. (1) From the appropriations in part 1 from the
10 direct shipper enforcement fund, the liquor control commission
11 shall expend these funds as required under section 203(11) of the
12 Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1203, to
13 investigate and audit unlawful direct shipments of wine by
14 unlicensed wineries and retailers, with priority directed toward
15 unlicensed out-of-state retailers and third-party marketers. The
16 commission shall use shipping records available to it under section
17 203(21) of the Michigan liquor control code of 1998, 1998 PA 58,
18 MCL 436.1203, to assist with this effort. The liquor control
19 commission must refer all unlicensed out-of-state retailers and
20 third-party marketers identified with the shipping records to the
21 attorney general.

22 (2) By February 1, the liquor control commission shall provide
23 a report to the legislature and the subcommittees detailing the
24 commission's activities to investigate and audit the illegal
25 shipping of wine and the results of these activities. The report
26 shall include the following:

1 (a) Work hours spent, specific actions undertaken, and the
2 number of FTEs dedicated to identify and stop unlicensed out-of-
3 state retailers, third-party marketers, and wineries that ship
4 illegally in Michigan.

5 (b) General overview of expenditures associated with efforts
6 to identify and stop unlicensed out-of-state retailers, third-party
7 marketers, and wineries that ship illegally in Michigan.

8 (c) Number of out-of-state entities found to have illegally
9 shipped wine into Michigan and total number of bottles (750 ml),
10 number of cases with 750 ml bottles, number of liters, or number of
11 gallons of illegally shipped wine. These items must be broken down
12 by total number of retailers and total number of wineries.

13 (d) Suggested areas of focus on how to address direct shipper
14 enforcement and illegal importation in the future.

15 (e) Number of unlicensed out-of-state entities found to have
16 illegally shipped wine into Michigan identified with the shipping
17 records under subsection (1).

18 (f) Number of notices sent under subsection (3).

19 (3) From the appropriations in part 1 from the direct shipper
20 enforcement fund, the liquor control commission shall send a notice
21 to each unlicensed out-of-state entity found to have illegally
22 shipped wine into Michigan that has been identified via the
23 shipping records under subsection (1). The notice must include all
24 of the following:

25 (a) Notification that shipping wine into Michigan by retailers
26 and third-party marketers is illegal, and wineries shipping into
27 Michigan must obtain a direct shipper license.

1 (b) Under section 909 of the Michigan liquor control code of
 2 1998, 1998 PA 58, MCL 436.1909, making unlawful shipments of wine
 3 into Michigan may be a felony punishable by imprisonment for not
 4 more than 4 years or a fine of not more than \$5,000.00, or both.

5 (c) Notice that the matter has been referred to the attorney
 6 general.

7 **OCCUPATIONAL REGULATION**

8 Sec. 501. Money appropriated under this part and part 1 for
 9 the bureau of fire services shall not be expended unless, in
 10 accordance with section 2c of the fire prevention code, 1941 PA
 11 207, MCL 29.2c, inspection and plan review fees will be charged
 12 according to the following schedule:

13 Operation and maintenance inspection fee

14 <u>Facility type</u>	14 <u>Facility size</u>	14 <u>Fee</u>
15 Hospitals	15 Any	15 \$8.00 per bed

16 Plan review and construction inspection fees for
 17 hospitals and schools

18 <u>Project cost range</u>	18 <u>Fee</u>
19 \$101,000.00 or less	19 minimum fee of \$155.00
20 \$101,001.00 to \$1,500,000.00	20 \$1.60 per \$1,000.00
21 \$1,500,001.00 to \$10,000,000.00	21 \$1.30 per \$1,000.00
22 \$10,000,001.00 or more	22 \$1.10 per \$1,000.00
23	23 or a maximum fee of \$60,000.00.

24 Sec. 502. The funds collected by the department for licenses,
 25 permits, and other elevator regulation fees set forth in the
 26 Michigan Administrative Code and as determined under section 8 of

1 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL
2 408.816, that are unexpended at the end of the fiscal year shall
3 carry forward to the subsequent fiscal year.

4 Sec. 503. Not later than February 15, the department shall
5 submit a report to the subcommittees, the senate and house fiscal
6 agencies, and state budget director providing the following
7 information:

8 (a) The number of veterans who were separated from service in
9 the Armed Forces of the United States with an honorable character
10 of service or under honorable conditions (general) character of
11 service, individually or if a majority interest of a corporation or
12 limited liability company, that were exempted from paying
13 licensure, registration, filing, or any other fees collected under
14 each licensure or regulatory program administered by the bureau of
15 construction codes and the corporations, securities, and commercial
16 licensing bureau during the preceding fiscal year.

17 (b) The specific fees and total amount of revenue exempted
18 under each licensure or regulatory program administered by the
19 bureau of construction codes and the corporations, securities, and
20 commercial licensing bureau during the preceding fiscal year.

21 (c) The actual costs of providing licensing and other
22 regulatory services to veterans exempted from paying licensure,
23 registration, filing, or any other fees during the preceding fiscal
24 year and a description of how these costs were calculated.

25 (d) The estimated amount of revenue that will be exempted
26 under each licensure or regulatory program administered by the
27 bureau of construction codes and the corporations, securities, and

1 commercial licensing bureau in both the current and subsequent
2 fiscal years and a description of how the exempted revenue was
3 estimated.

4 Sec. 504. Funds remaining in the homeowner construction lien
5 recovery fund are appropriated to the department for payment of
6 court-ordered homeowner construction lien recovery fund judgments
7 entered prior to August 23, 2010. Pursuant to available funds, the
8 payment of final judgments shall be made in the order in which the
9 final judgments were entered and began accruing interest.

10 Sec. 505. The department shall submit a report by January 31
11 to the standing committees on appropriations of the senate and
12 house of representatives, the senate and house fiscal agencies, and
13 the state budget director that includes all of the following
14 information for the prior fiscal year regarding the medical
15 marihuana program under the Michigan medical marihuana act, 2008 IL
16 1, MCL 333.26421 to 333.26430:

17 (a) The number of initial applications received.

18 (b) The number of initial applications approved and the number
19 of initial applications denied.

20 (c) The average amount of time, from receipt to approval or
21 denial, to process an initial application.

22 (d) The number of renewal applications received.

23 (e) The number of renewal applications approved and the number
24 of renewal applications denied.

25 (f) The average amount of time, from receipt to approval or
26 denial, to process a renewal application.

27 (g) The percentage of initial applications not approved or

1 denied within the time requirements established in section 6 of the
2 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

3 (h) The percentage of renewal applications not approved or
4 denied within the time requirements established in section 6 of the
5 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

6 (i) The percentage of registry identification cards for
7 approved initial applications not issued within the time
8 requirements established in section 6 of the Michigan medical
9 marihuana act, 2008 IL 1, MCL 333.26426.

10 (j) The percentage of registry identification cards for
11 approved renewal applications not issued within the time
12 requirements established in section 6 of the Michigan medical
13 marihuana act, 2008 IL 1, MCL 333.26426.

14 (k) The number of registry identification cards issued to or
15 renewed for patients residing in each county as of September 30 of
16 the preceding fiscal year under the Michigan medical marihuana act,
17 2008 IL 1, MCL 333.26421 to 333.26430.

18 (l) The amount collected from the medical marihuana program
19 application and renewal fees authorized in section 5 of the
20 Michigan medical marihuana act, 2008 IL 1, MCL 333.26425.

21 (m) The costs of administering the medical marihuana program
22 under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421
23 to 333.26430.

24 Sec. 506. If the revenue collected by the department for
25 health systems administration or radiological health administration
26 and projects from fees and collections exceeds the amount
27 appropriated in part 1, the revenue may be carried forward into the

1 subsequent fiscal year. The revenue carried forward under this
2 section shall be used as the first source of funds in the
3 subsequent fiscal year.

4 Sec. 507. Not later than February 1, the department shall
5 submit a report to the subcommittees, the senate and house fiscal
6 agencies, and state budget director providing the following
7 information:

8 (a) The total amount of reimbursements made to local units of
9 government for delegated inspections of fireworks retail locations
10 pursuant to section 11 of the Michigan fireworks safety act, 2011
11 PA 256, MCL 28.461, from the funds appropriated in part 1 for the
12 bureau of fire services during the preceding fiscal year.

13 (b) The amount of reimbursement for delegated inspections of
14 fireworks retail locations for each local unit of government that
15 received reimbursement from the funds appropriated in part 1 for
16 the bureau of fire services during the preceding fiscal year.

17 Sec. 508. (1) Beginning October 1, for the purpose of
18 defraying the costs associated with responding to false final
19 inspection appointments and to discourage the practice of calling
20 for final inspections when the project is incomplete or
21 noncompliant with a plan of correction previously provided by the
22 bureau of fire services, the bureau of fire services may assess a
23 fee not to exceed \$200.00 for responding to a second or subsequent
24 confirmed false inspection appointment. Fees collected under this
25 section shall be deposited into the restricted account referenced
26 by section 2c(2) of the fire prevention code, 1941 PA 207, MCL
27 29.2c, and explicitly identified within the statewide integrated

1 governmental management applications system.

2 (2) Not later than September 30, the department shall prepare
3 a report that provides the amount of the fee assessed under
4 subsection (1), the number of fees assessed and issued per region,
5 the cost allocation for the work performed and reduced as a result
6 of this section, and any recommendations for consideration by the
7 legislature. The department shall submit this information to the
8 state budget director, the subcommittees, and the senate and house
9 fiscal agencies.

10 Sec. 509. (1) The department shall assess and collect fees in
11 the licensing and regulation of child care organizations, as
12 described in 1973 PA 116, MCL 722.111 to 722.128, and adult foster
13 care facilities, as described in the adult foster care facility
14 licensing act, 1979 PA 218, MCL 400.701 to 400.737.

15 (2) The department shall report the total amount of fees
16 assessed and collected under subsection (1) during the preceding
17 fiscal year to the senate and house fiscal agencies not later than
18 December 1 and shall provide information requested by the senate
19 and house fiscal agencies as they consider necessary to shift
20 authorization equivalent to that amount from the general
21 fund/general purpose to a state restricted fund within the
22 department's budget for fiscal year 2019-2020.

23 Sec. 510. The department shall submit a report on the Michigan
24 automated prescription system to the senate and house
25 appropriations committees and the senate and house fiscal agencies
26 by November 30. The report shall include, but is not limited to,
27 the following:

1 (a) Total number of licensed health professionals registered
2 to the Michigan automated prescription system.

3 (b) Total number of dispensers registered to the Michigan
4 automated prescription system.

5 (c) Total number of prescribers using the Michigan automated
6 prescription system.

7 (d) Total number of dispensers using the Michigan automated
8 prescription system.

9 (e) Number of cases related to overprescribing,
10 overdispensing, and drug diversion where the department took
11 administrative action as a result of information and data generated
12 from the Michigan automated prescription system.

13 (f) The number of hospitals, doctor's offices, pharmacies, and
14 other health facilities that have integrated the Michigan automated
15 prescription system into their electronic health records systems.

16 (g) Total number of delegate users registered to the Michigan
17 automated prescription system.

18 Sec. 511. From the amount appropriated in part 1 for the
19 bureau of community and health systems, upon receipt of the order
20 of suspension of a licensed adult foster care home, home for the
21 aged, or nursing home, the department shall serve the facility and
22 provide contemporaneous notice to the offices of legislators
23 representing a district where the licensed facility is situated.

24 Sec. 512. The department shall submit a report regarding the
25 medical marihuana facilities licensing and tracking program to the
26 standing committees on appropriations of the senate and house, the
27 senate and house fiscal agencies, and the state budget director by

1 March 1. The report shall include, but is not limited to, the
2 following:

3 (a) The number of initial license applications received for
4 each license category.

5 (b) The number of initial applications approved and the number
6 of initial license applications denied.

7 (c) The average amount of time, from receipt to approval or
8 denial, to process an initial application.

9 (d) The total number of license applications approved by
10 license category and by county.

11 (e) The total amount collected from application fees.

12 (f) The total amount collected from any established regulatory
13 assessment.

14 (g) The costs of administering the medical marihuana
15 facilities licensing and tracking program.

16 **EMPLOYMENT SERVICES**

17 Sec. 701. (1) The appropriation in part 1 for the bureau of
18 services for blind persons includes funds for case services. These
19 funds may be used for tuition payments for blind clients.

20 (2) Revenue collected by the bureau of services for blind
21 persons and from private and local sources that is unexpended at
22 the end of the fiscal year may carry forward to the subsequent
23 fiscal year.

24 Sec. 702. The bureau of services for blind persons shall work
25 collaboratively with service organizations and government entities
26 to identify qualified match dollars to maximize use of available

1 federal vocational rehabilitation funds.

2 Sec. 703. The bureau of services for blind persons may provide
3 and enter into agreements to provide general services, training,
4 meetings, information, special equipment, software, facility use,
5 and technical consulting services to other principal executive
6 departments, state agencies, local units of government, the
7 judicial branch of government, other organizations, and patrons of
8 department facilities. The department may charge fees for these
9 services that are reasonably related to the cost of providing the
10 services. In addition to the funds appropriated in part 1, funds
11 collected by the department for these services are appropriated for
12 all expenses necessary. The funds appropriated under this section
13 are allotted for expenditure when they are received by the
14 department of treasury.

15 Sec. 704. Funds received in excess of the appropriation in
16 part 1 for first responder presumed coverage claims from the first
17 responder presumed coverage fund are appropriated in an amount
18 sufficient to pay approved claims due in the current fiscal year
19 pursuant to section 405 of the worker's disability compensation act
20 of 1969, 1969 PA 317, MCL 418.405.

21 **COMMISSIONS**

22 Sec. 801. If Byrne formula grant funding is awarded to the
23 Michigan indigent defense commission, the Michigan indigent defense
24 commission may receive and expend Byrne formula grant funds in an
25 amount not to exceed \$250,000.00 as an interdepartmental grant from
26 the department of state police. The Michigan indigent defense

1 commission, created under section 5 of the Michigan indigent
2 defense commission act, 2013 PA 93, MCL 780.985, may receive and
3 expend federal grant funding from the United States Department of
4 Justice in an amount not to exceed \$300,000.00 as other federal
5 grants.

6 Sec. 802. From the funds appropriated in part 1, the Michigan
7 indigent defense commission shall submit a report by September 30
8 to the senate and house appropriations subcommittees on licensing
9 and regulatory affairs, the senate and house fiscal agencies, and
10 the state budget director on the incremental costs associated with
11 the standard development process, the compliance plan process, and
12 the collection of data from all indigent defense systems and
13 attorneys providing indigent defense. Particular emphasis shall be
14 placed on those costs that may be avoided after standards are
15 developed and compliance plans are in place.

16 Sec. 803. The Michigan indigent defense commission shall
17 identify and implement a system of performance metrics to assess
18 the provision of indigent defense services in Michigan relative to
19 national standards and benchmarks. The Michigan indigent defense
20 commission shall prepare an annual report to the governor, the
21 legislature, the Michigan supreme court, and the state budget
22 director on the performance metrics no later than September 30 of
23 each year.

24 Sec. 804. The Michigan office for new Americans is to
25 coordinate with the Asian Pacific American affairs commission, the
26 Commission on Middle Eastern American affairs, and the
27 Hispanic/Latino commission of Michigan to produce a report by

1 January 31 that is to be transmitted to the senate and house
2 subcommittee chairpersons, the senate and house fiscal agencies,
3 and the state budget director. The report shall include, but is not
4 limited to, the following:

5 (a) Total number of people with whom each commission directly
6 interacts through programming.

7 (b) Total number of public events that each commission
8 conducted.

9 (c) Description of the activities that the commissions
10 initiated to promote cooperation between the commissions.

11 (d) Total number of meetings that each commission held with
12 foreign diplomats.

13 (e) Programmatic costs of each commission.

14 Sec. 805. An expenditure of funds appropriated in part 1 by
15 the Asian Pacific American affairs commission, the Commission on
16 Middle Eastern American affairs, or the Hispanic/Latino commission
17 of Michigan for a commission event must directly relate to the
18 mission statement of that commission.

19 **DEPARTMENT GRANTS**

20 Sec. 901. (1) The department shall expend the funds
21 appropriated in part 1 for medical marihuana operation and
22 oversight grants for grants to counties for education and outreach
23 programs relating to the Michigan medical marihuana program
24 pursuant to section 6(1) of the Michigan medical marihuana act,
25 2008 IL 1, MCL 333.26426. These grants shall be distributed
26 proportionately based on the number of registry identification

1 cards issued to or renewed for the residents of each county that
2 applied for a grant under subsection (2). For the purposes of this
3 subsection, operation and oversight grants are for education,
4 communication, and outreach regarding the Michigan medical
5 marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430. Grants
6 provided under this section must not be used for law enforcement
7 purposes.

8 (2) Not later than December 1, the department shall post a
9 listing of potential grant money available to each county on its
10 website. In addition, the department shall work collaboratively
11 with counties regarding the availability of these grant funds. A
12 county requesting a grant shall apply on a form developed by the
13 department and available on its website. The form shall contain the
14 county's specific projected plan for use of the money and its
15 agreement to maintain all records and to submit documentation to
16 the department to support the use of the grant money.

17 (3) In order to be eligible to receive a grant under
18 subsection (1), a county shall apply not later than January 1 and
19 agree to report how the grant was expended and to provide that
20 report to the department not later than September 15. The
21 department shall submit a report not later than October 15 of the
22 subsequent fiscal year to the state budget director, the
23 subcommittees, and the senate and house fiscal agencies detailing
24 the grant amounts by recipient and the reported uses of the grants
25 in the preceding fiscal year.

26 Sec. 902. (1) The amount appropriated in part 1 for
27 firefighter training grants shall only be expended for payments to

1 counties to reimburse organized fire departments for firefighter
2 training and other activities required under the firefighters
3 training council act, 1966 PA 291, MCL 29.361 to 29.377.

4 (2) If the amount appropriated in part 1 for firefighter
5 training grants is expended by the firefighter training council,
6 established in section 3 of the firefighters training council act,
7 1966 PA 291, MCL 29.363, for payments to counties under section 14
8 of the firefighters training council act, 1966 PA 291, MCL 29.374,
9 it is the intent of the legislature that:

10 (a) The amount appropriated in part 1 for firefighter training
11 grants shall be allocated pursuant to section 14(2) of the
12 firefighters training council act, 1966 PA 291, MCL 29.374.

13 (b) If the amount allocated to any county under subdivision
14 (a) is less than \$5,000.00, the amounts disbursed to each county
15 under subdivision (a) shall be adjusted to provide for a minimum
16 payment of \$5,000.00 to each county.

17 (3) Not later than February 1, the department shall submit a
18 financial report to the subcommittees, the senate and house fiscal
19 agencies, and the state budget director identifying the following
20 information for the preceding fiscal year:

21 (a) The amount of the payments that would be made to each
22 county if the distribution formula described by the first sentence
23 of section 14(2) of the firefighters training council act, 1966 PA
24 291, MCL 29.374, would have been utilized to allocate the total
25 amount appropriated in part 1 for firefighter training grants.

26 (b) The amount of the payments approved by the firefighter
27 training council for allocation to each county.

1 (c) The amount of the payments actually expended or encumbered
2 within each county.

3 (d) A description of any other payments or expenditures made
4 under the authority of the firefighter training council.

5 (e) The amount of payments approved for allocations to
6 counties that was not expended or encumbered and lapsed back to the
7 fireworks safety fund.

8 Sec. 903. (1) The funds appropriated in part 1 for a regional
9 or subregional library shall not be released until a budget for
10 that regional or subregional library has been approved by the
11 department for expenditures for library services directly serving
12 the blind and persons with disabilities.

13 (2) In order to receive subregional state aid as appropriated
14 in part 1, a regional or subregional library's fiscal agency shall
15 agree to maintain local funding support at the same level in the
16 current fiscal year as in the fiscal agency's preceding fiscal
17 year. If a reduction in expenditures equally affects all agencies
18 in a local unit of government that is the regional or subregional
19 library's fiscal agency, that reduction shall not be interpreted as
20 a reduction in local support and shall not disqualify a regional or
21 subregional library from receiving state aid under part 1. If a
22 reduction in income affects a library cooperative or district
23 library that is a regional or subregional library's fiscal agency
24 or a reduction in expenditures for the regional or subregional
25 library's fiscal agency, a reduction in expenditures for the
26 regional or subregional library shall not be interpreted as a
27 reduction in local support and shall not disqualify a regional or

1 subregional library from receiving state aid under part 1.

2 Sec. 904. An indigent criminal defense system's duty of
3 compliance with 1 or more standards within a plan approved by the
4 Michigan indigent defense commission is contingent upon receipt of
5 a grant in an amount sufficient to cover that particular standard
6 or standards, as provided in the Michigan indigent defense
7 commission act, 2013 PA 93, MCL 780.981 to 780.1003.

8 ARTICLE XIV

9 DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

10 PART 1

11 LINE-ITEM APPROPRIATIONS

12 Sec. 101. There is appropriated for the department of military
13 and veterans affairs for the fiscal year ending September 30, 2019,
14 from the following funds:

15 **DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**

16 APPROPRIATION SUMMARY

17	Full-time equated unclassified positions	9.0	
18	Full-time equated classified positions	912.5	
19	GROSS APPROPRIATION.....		\$ 192,564,300
20	Interdepartmental grant revenues:		
21	IDG from department of state police.....		101,800
22	Total interdepartmental grants and intradepartmental		
23	transfers		101,800
24	ADJUSTED GROSS APPROPRIATION.....		\$ 192,462,500
25	Federal revenues:		

1	Other federal revenues.....	98,170,200
2	Total federal revenues.....	98,170,200
3	Special revenue funds:	
4	Local revenues.....	1,545,400
5	Total local revenues.....	1,545,400
6	Private revenues.....	630,000
7	Total private revenues.....	630,000
8	Other state restricted revenues.....	23,279,500
9	Total other state restricted revenues.....	23,279,500
10	State general fund/general purpose.....	\$ 68,837,400
11	State general fund/general purpose schedule:	
12	Ongoing state general fund/general	
13	purpose	66,962,400
14	One-time state general fund/general	
15	purpose	1,875,000
16	Sec. 102. MILITARY	
17	Full-time equated unclassified positions	9.0
18	Full-time equated classified positions	341.0
19	Unclassified salaries--9.0 FTE positions.....	\$ 1,497,700
20	Departmentwide.....	1,876,300
21	Headquarters and armories--86.0 FTE positions.....	17,452,100
22	Michigan youth challenge academy--50.0 FTE positions..	5,323,000
23	Military family relief fund.....	600,000
24	Military training sites and support	
25	facilities--203.0 FTE positions	34,911,300
26	National Guard operations.....	398,200
27	National Guard tuition assistance fund--2.0 FTE	

1	positions	6,506,700
2	Starbase grant.....	<u>2,322,000</u>
3	GROSS APPROPRIATION.....	\$ 70,887,300
4	Appropriated from:	
5	Interdepartmental grant revenues:	
6	IDG from department of state police.....	101,800
7	Federal revenues:	
8	Other federal revenues.....	47,661,000
9	Special revenue funds:	
10	Local revenues.....	1,545,400
11	Private revenues.....	90,000
12	Other state restricted revenues.....	2,433,200
13	State general fund/general purpose.....	\$ 19,055,900
14	Sec. 103. MICHIGAN VETERANS AFFAIRS AGENCY	
15	Full-time equated classified positions	224.5
16	Board of managers (veterans homes).....	\$ 940,000
17	D.J. Jacobetti home for veterans--179.5 FTE positions.	23,687,200
18	Michigan veterans affairs agency	
19	administration--39.0 FTE positions	7,136,500
20	Michigan veterans facility authority.....	1,000,000
21	Veterans trust fund administration--6.0 FTE positions.	1,480,100
22	Veterans trust fund grants.....	3,746,500
23	Targeted grants.....	200,000
24	Veterans service grants.....	3,835,500
25	County veteran service fund.....	<u>2,100,000</u>
26	GROSS APPROPRIATION.....	\$ 44,125,800
27	Appropriated from:	

1	Federal revenues:	
2	Other federal revenues.....	8,516,300
3	Special revenue funds:	
4	Private revenues.....	540,000
5	Other state restricted revenues.....	10,833,900
6	State general fund/general purpose.....	\$ 24,235,600
7	Sec. 104. GRAND RAPIDS HOME FOR VETERANS	
8	Full-time equated classified positions347.0	
9	Veterans home operations.....	\$ 8,989,700
10	Purchased services.....	10,342,700
11	Salaries, wages, and fringe benefits--347.0 FTE	
12	positions	<u>31,536,800</u>
13	GROSS APPROPRIATION.....	\$ 50,869,200
14	Appropriated from:	
15	Federal revenues:	
16	Other federal revenues.....	21,413,900
17	Special revenue funds:	
18	Other state restricted revenues.....	6,693,000
19	State general fund/general purpose.....	\$ 22,762,300
20	Sec. 105. CAPITAL OUTLAY	
21	Land and acquisitions.....	\$ 2,900,000
22	Special maintenance - National Guard.....	20,000,000
23	Special maintenance - veterans homes.....	<u>500,000</u>
24	GROSS APPROPRIATION.....	\$ 23,400,000
25	Appropriated from:	
26	Federal revenues:	
27	Other federal revenues.....	20,000,000

1	Special revenue funds:	
2	Other state restricted revenues.....	2,900,000
3	State general fund/general purpose.....	\$ 500,000
4	Sec. 106. INFORMATION TECHNOLOGY	
5	Information technology services and projects.....	\$ <u>1,407,000</u>
6	GROSS APPROPRIATION.....	\$ 1,407,000
7	Appropriated from:	
8	Federal revenues:	
9	Other federal revenues.....	579,000
10	Special revenue funds:	
11	Other state restricted revenues.....	419,400
12	State general fund/general purpose.....	\$ 408,600
13	Sec. 107. ONE-TIME APPROPRIATIONS	
14	Armory maintenance.....	\$ 1,000,000
15	Vietnam veterans outreach.....	600,000
16	Grand Rapids home for veterans video monitoring	
17	pilot project	<u>275,000</u>
18	GROSS APPROPRIATION.....	\$ 1,875,000
19	Appropriated from:	
20	State general fund/general purpose.....	\$ 1,875,000

21 PART 2
 22 PROVISIONS CONCERNING APPROPRIATIONS
 23 FOR FISCAL YEAR 2018-2019

24 **GENERAL SECTIONS**

25 Sec. 201. Pursuant to section 30 of article IX of the state

1 constitution of 1963, total state spending from state sources under
2 part 1 for fiscal year 2018-2019 is \$92,116,900.00 and state
3 spending from state sources to be paid to local units of government
4 for fiscal year 2018-2019 is \$2,242,400.00. The itemized statement
5 below identifies appropriations from which spending to local units
6 of government will occur:

7 DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

8	County veteran service fund.....	\$	2,100,000
9	Michigan veterans affairs agency administration.....	\$	90,000
10	Military training sites and support facilities.....	\$	<u>52,400</u>
11	TOTAL.....	\$	2,242,400

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

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

16 (a) "Core services" means that term as defined in section 373
17 of the management and budget act, 1984 PA 431, MCL 18.1373.

18 (b) "Department" means the department of military and veterans
19 affairs.

20 (c) "Director" means the director of the department.

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

22 (e) "HVAC" means heating, ventilation, and air conditioning.

23 (f) "IDG" means interdepartmental grant.

24 (g) "Michigan veterans' facility authority" means the
25 authority created under section 3 of the Michigan veterans'
26 facility authority act, 2016 PA 560, MCL 36.103.

27 (h) "MVAA" means the Michigan veterans affairs agency.

1 (i) "Subcommittees" means the subcommittees of the senate and
2 house appropriations committees with jurisdiction over the budget
3 of the department.

4 (j) "Support services" means an activity, such as information
5 technology, accounting, human resources, legal, and other support
6 functions that are required to support the ongoing delivery of core
7 services.

8 (k) "USDVA" means the United States Department of Veterans
9 Affairs.

10 (l) "USDVA-VHA" means the USDVA Veterans Health
11 Administration.

12 (m) "VSO" means veterans service organization.

13 (n) "Work project" means that term as defined in section 404
14 of the management and budget act, 1984 PA 431, MCL 18.1404, and
15 that meets the criteria in section 451a(1) of the management and
16 budget act, 1984 PA 431, MCL 18.1451a.

17 Sec. 204. The department and agencies receiving appropriations
18 in part 1 shall use the internet to fulfill the reporting
19 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 must be given to goods
27 or services, or both, manufactured or provided by Michigan

1 businesses, if they are competitively priced and of comparable
2 quality. In addition, preference shall 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 or supplies, or both.

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

22 (a) The dates of each travel occurrence.

23 (b) The 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 part 1 shall not be used by a
2 principal executive department, state agency, or authority to hire
3 a person to provide legal services that are the responsibility of
4 the attorney general. This prohibition does not apply to legal
5 services for bonding activities and for those outside services that
6 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, the subcommittees, and the senate and
15 house fiscal agencies.

16 Sec. 210. (1) In addition to the funds appropriated in part 1,
17 there is appropriated an amount not to exceed \$12,000,000.00 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 \$3,000,000.00 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 \$500,000.00 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 \$100,000.00 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:

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, 2018 and September 30, 2019.

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 department'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, 2019 are estimated at \$17,509,500.00. From this amount, total
13 agency appropriations for pension-related legacy costs are
14 estimated at \$8,072,200.00. Total agency appropriations for retiree
15 health care legacy costs are estimated at \$9,437,300.00.

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

19 Sec. 216. The department shall provide quarterly reports to
20 the subcommittees on military and veterans affairs, the senate and
21 house fiscal agencies, and the state budget office, which shall
22 provide the following data:

23 (a) A list of all major work projects, including a status
24 report of each project.

25 (b) The department's financial status, featuring a report of
26 budgeted versus actual expenditures by part 1 line item including a
27 year-end projection of budget requirements. If projected department

1 budget requirements exceed the allocated budget, the report shall
2 include a plan to reduce overall expenses while still satisfying
3 specified service level requirements.

4 (c) A report on the status of performance metrics cited in
5 this part and information required to be reported in this part.

6 (d) The number of active employees at the close of the fiscal
7 quarter by job classification and program.

8 (e) Evidence of efficiencies and management of funds within
9 established appropriations.

10 Sec. 217. The appropriations in part 1 are for the core
11 services, support services, and work projects of the department,
12 including, but not limited to, the following core services:

13 (a) Armories and joint force readiness.

14 (b) National Guard training facilities and air bases.

15 (c) Michigan youth challenge academy.

16 (d) Military family relief fund.

17 (e) Starbase grant.

18 (f) National Guard tuition assistance program.

19 (g) Michigan veterans affairs agency administration.

20 (h) Veterans service grants.

21 (i) Veterans' trust fund administration.

22 (j) Veterans' trust fund grants.

23 (k) Board of managers (veterans homes).

24 (l) Grand Rapids home for veterans.

25 (m) D.J. Jacobetti home for veterans.

26 (n) Michigan veterans' facility authority.

27 (o) County veteran service fund.

1 Sec. 218. The appropriations in part 1 for capital outlay
2 shall be carried forward at the end of the fiscal year consistent
3 with section 248 of the management and budget act, 1984 PA 431, MCL
4 18.1248.

5 Sec. 219. Sixty days prior to the public announcement of the
6 intention to sell any department real property, the department
7 shall submit notification of that intent to the subcommittees on
8 military and veterans affairs and the senate and house fiscal
9 agencies.

10 **MILITARY**

11 Sec. 301. (1) From the funds appropriated in part 1, there is
12 funding to support unclassified employee positions as authorized by
13 section 5 of article XI of the state constitution of 1963. These
14 positions include the following: department director - the adjutant
15 general for Michigan; assistant adjutant general - army; assistant
16 adjutant general - installations; assistant adjutant general - air;
17 senior policy executive - Michigan veterans affairs agency; senior
18 deputy director - state operations; director - strategy and policy;
19 chief executive officer for the Michigan veteran health system; and
20 director - Michigan veterans affairs agency.

21 (2) Not less than 30 days prior to the department submitting a
22 request for an additional unclassified employee position from the
23 civil service commission, or for any substantive change to the
24 duties of an existing unclassified employee position, the
25 department shall notify the subcommittees on military and veterans
26 affairs and the senate and house fiscal agencies.

1 Sec. 302. (1) From the funds appropriated in part 1 for
2 military operations, effective and efficient executive direction
3 and administrative leadership shall be provided to the department.

4 (2) The department shall operate and maintain National Guard
5 armories.

6 (3) The department shall evaluate armories and submit a
7 quarterly report as provided under section 216 of this part on the
8 status of the armories.

9 (4) The department shall maintain a system to measure the
10 condition and adequacy of the armories.

11 (5) The Michigan Army National Guard and Air National Guard
12 shall work to provide a culture that is free of sexual assault,
13 through an environment of prevention, education and training,
14 response capability, victim support, reporting procedures, and
15 appropriate accountability that enhances the safety and well-being
16 of all guard members.

17 (6) By December 1, the department shall report the following
18 information to the subcommittees on military and veterans affairs,
19 the senate and house fiscal agencies, and the state budget office:

20 (a) An assessment of the grounds and facilities of each armory
21 to objectively measure and determine the current facility condition
22 and capability to support authorized manpower, unit training, and
23 operations.

24 (b) Recommendations for the placement of new armories, the
25 relocation or consolidation of existing armories, or a change in
26 the mission of units assigned to armories to ideally position the
27 National Guard in current or projected population centers.

1 (c) Recommendations for the enhanced use of armories to
2 facilitate family support programs during deployments.

3 (d) An analysis of the feasibility, potential costs, and
4 benefits of use of armories shared with other local, state, or
5 federal agencies to improve responses to local emergencies as well
6 as the community support provided to armories.

7 (e) An investment strategy and proposed funding amounts in a
8 prioritized project list to correct the most critical facility
9 shortfalls across the inventory of armories in this state.

10 Sec. 303. (1) The department shall maintain the Michigan youth
11 challenge academy to provide values, skills, education, and self-
12 discipline instruction for at-risk youth as provided under 32 USC
13 509.

14 (2) The department shall take steps to recruit candidates to
15 the challenge academy from economically disadvantaged areas,
16 including those with low-income and high-unemployment backgrounds.

17 (3) The department shall partner with the department of health
18 and human services to identify youth who may be eligible for the
19 challenge academy from those youth served by department of health
20 and human services programs. These eligible youth shall be given
21 priority for enrollment in the academy.

22 (4) The department shall maintain the staffing and resources
23 necessary to train and graduate at least 114 students per cohort
24 (228 annually).

25 (5) The department shall ensure individual academic success as
26 measured by the number of individuals who have received a general
27 equivalency diploma, high school diploma, or high school credit

1 recovery or by the improvement of tests of adult basic education
2 scores, or both.

3 (6) Any unexpended private donations to support the Michigan
4 youth challenge academy at the close of this fiscal year shall not
5 lapse to the general fund but shall be carried forward to the
6 subsequent fiscal year.

7 Sec. 304. (1) The department shall provide grants for
8 disbursement from the military family relief fund, as provided
9 under the military family relief fund act, 2004 PA 363, MCL 35.1211
10 to 35.1216, and R 200.5 to R 200.95 of the Michigan Administrative
11 Code.

12 (2) The department shall provide information on the revenues,
13 expenditures for advertising and assistance grants, and fund
14 balance of the Michigan military family relief fund, as provided
15 under section 216 of this part.

16 (3) The department shall provide sufficient staffing and other
17 resources to provide outreach to the Michigan families of members
18 of the reserve component of the Armed Forces of the United States
19 called into active duty and to support the processing and approval
20 of grant applications for this fiscal year under the Michigan
21 military relief fund and report those applications as provided
22 under section 216 of this part.

23 Sec. 305. (1) The department shall provide Army and Air
24 National Guard forces, when directed, for state and local
25 emergencies and in support of national military requirements.

26 (2) The department shall operate and maintain Army National
27 Guard training facilities, including Fort Custer and Camp Grayling.

1 (3) The department shall maintain a system that measures the
2 condition and adequacy of air facilities using both quality and
3 functionality criteria.

4 (4) The department shall operate and maintain Air National
5 Guard air bases, including Selfridge Air National Guard base,
6 Battle Creek Air National Guard base, and Alpena combat readiness
7 training center.

8 (5) The department shall provide the following information as
9 provided under section 216 of this part:

10 (a) The apportioned and assigned strength of the Michigan Army
11 National Guard.

12 (b) The apportioned and assigned strength of the Michigan Air
13 National Guard.

14 (c) Recruiting, retention, and attrition data, including
15 measurement against stated performance goals, for the Michigan Army
16 National Guard.

17 (d) Recruiting, retention, and attrition data, including
18 measurement against stated performance goals, for the Michigan Air
19 National Guard.

20 Sec. 306. There is created and established under the
21 jurisdiction and control of the department a revolving account to
22 be known as the billeting fund account. All of the fees and other
23 revenues generated from the operation of the chargeable transient
24 quarters program shall be deposited in the billeting fund account.
25 Appropriations will be made from the account for the support of
26 program operations and the maintenance and operations of the
27 chargeable transient quarters program and will not exceed the

1 estimated revenues for the fiscal year in which they are made,
2 together with unexpended balances from prior years. The department
3 shall submit an annual report of operations and expenditures
4 regarding the billeting fund account to the appropriations
5 committees of the senate and house of representatives, the senate
6 and house fiscal agencies, and the state budget office at the end
7 of the fiscal year.

8 Sec. 307. (1) The department shall maintain a National Guard
9 tuition assistance program for members of the Michigan Army and Air
10 National Guard.

11 (2) The objective of the National Guard tuition assistance
12 program is to bolster military readiness by increasing recruitment
13 and retention of Michigan Army and Air National Guard service
14 members, to fill federally authorized strength levels for the
15 state, to improve the Michigan Army and Air National Guard's
16 competitive draw from other military enlistment options in the
17 state, to enhance the ability of the Michigan Army and Air National
18 Guard to compete for members and federal dollars with surrounding
19 states, and to increase the pool of eligible candidates within the
20 Michigan Army and Air National Guard to become commissioned
21 officers.

22 (3) The department shall make efforts to increase the number
23 of Michigan Army and Air National Guard members participating in
24 the program to 1,100 during the fifth year of the program's
25 existence. To evaluate the effectiveness of the program, the
26 department shall monitor the number of new recruits and new
27 reenlistments and the percentage of those who become participants

1 in the program to determine whether the percentage of authorized
2 Michigan Army and Air National Guard strength obtained and retained
3 is competitive in comparison with the neighboring army and air
4 national guards from Illinois, Indiana, Ohio, and Wisconsin.

5 (4) The general fund/general purpose funds appropriated in
6 part 1 for the National Guard tuition assistance fund shall be
7 deposited to the restricted Michigan National Guard tuition
8 assistance fund created in section 4 of the Michigan National Guard
9 tuition assistance act, 2014 PA 259, MCL 32.434. All funds in the
10 restricted Michigan National Guard tuition assistance fund are
11 appropriated and available for expenditure to support the Michigan
12 National Guard tuition assistance program.

13 Sec. 308. The department shall maintain the starbase program
14 at Air National Guard facilities, as provided under 10 USC 2193b,
15 to improve the knowledge, skills, and interest of students,
16 primarily in the fifth grade, in math, science, and technology. The
17 starbase program is to specifically target minority and at-risk
18 students for participation.

19 **MICHIGAN VETERANS AFFAIRS AGENCY**

20 Sec. 401. The board of managers and Michigan veterans'
21 facility authority shall exercise certain regulatory and governance
22 authority regarding admission and member affairs at the Grand
23 Rapids and D.J. Jacobetti homes for veterans. The board of managers
24 shall also work to represent the interest of the veterans'
25 community in both advisory and advocacy roles.

26 Sec. 402. (1) The MVAA, the board of managers, and the

1 Michigan veterans' facility authority shall provide compassionate
2 and quality nursing and domiciliary care services at the Grand
3 Rapids and D.J. Jacobetti homes for veterans so that members can
4 achieve their highest potential of wellness, independence, self-
5 worth, and dignity.

6 (2) The department shall provide resources necessary to
7 provide nursing care services to veterans in accordance with
8 federal standards and provide the results of the annual USDVA
9 survey and certification as proof of compliance.

10 (3) Appropriations in part 1 for the Grand Rapids and the D.J.
11 Jacobetti homes for veterans shall not be used for any purpose
12 other than for veterans and veterans' families.

13 (4) Any contractor providing mental health services to the
14 Grand Rapids and D.J. Jacobetti homes for veterans shall utilize
15 mental health interventions that have been shown to be effective
16 with the conditions they are treating, in accordance with evidence-
17 based best practices supported by the USDVA-VHA, United States
18 Department of Defense, the Substance Abuse and Mental Health
19 Services Administration, the American Psychological Association,
20 and the National Association of Social Workers.

21 (5) Any contractor providing competency evaluated nursing
22 assistants (CENA) to the Grand Rapids home for veterans shall
23 ensure that each CENA has at least 8 hours of training on
24 information provided by the home.

25 (6) Any contractor providing competency evaluated nursing
26 assistants to the Grand Rapids home for veterans shall ensure that
27 each CENA has at least 1 eight-hour shift of shadowing at the

1 veterans' home.

2 (7) Any contractor providing competency evaluated nursing
3 assistants to the Grand Rapids home for veterans shall ensure that
4 each CENA is competent in the basic skills needed to perform his or
5 her assigned duties at the home.

6 (8) The Grand Rapids home for veterans shall provide each CENA
7 at least 12 hours of in-service training once that individual has
8 been assigned to the home.

9 (9) All complaints of abusive or neglectful care at the Grand
10 Rapids and the D.J. Jacobetti homes for veterans by a resident
11 member, a resident member's family or legal guardian, or staff of
12 the veterans' homes received by a supervisor shall be referred to
13 the director of nursing or his or her designee upon receipt of the
14 complaint. The director of nursing or his or her designee shall
15 report on not less than a monthly basis, except that the board of
16 managers may specify a more frequent reporting period to the home
17 administrator, board of managers, agency, subcommittees, senate and
18 house fiscal agencies, and state budget office the following
19 information:

20 (a) A description of the process by which resident members and
21 others may file complaints of alleged abuse or neglect at the Grand
22 Rapids and the D.J. Jacobetti homes for veterans.

23 (b) Summary statistics on the number and general nature of
24 complaints of abuse or neglect.

25 (c) Summary statistics on the final disposition of complaints
26 of abuse or neglect received.

27 (10) The Grand Rapids and D.J. Jacobetti homes for veterans

1 shall provide an on-site, board-certified psychiatrist for all
2 resident members with mental health disorders in order to ensure
3 that those resident members receive needed services in a
4 professional and timely manner. The Grand Rapids and D.J. Jacobetti
5 homes for veterans shall provide all members and staff a safe and
6 secure environment.

7 (11) The Grand Rapids and D.J. Jacobetti homes for veterans
8 shall ensure that they effectively develop, execute, and monitor
9 all comprehensive care plans in accordance with federal regulations
10 and their internal policies, with a goal that a comprehensive care
11 plan is fully developed for all resident members.

12 (12) The Grand Rapids and D.J. Jacobetti homes for veterans
13 shall implement controls over their food, maintenance supplies,
14 pharmaceuticals, and medical supplies inventories.

15 (13) The Grand Rapids and D.J. Jacobetti homes for veterans
16 shall establish sufficient controls for calculating resident member
17 maintenance assessments in order to accurately calculate resident
18 member maintenance assessments for each billing cycle. The Grand
19 Rapids and D.J. Jacobetti homes for veterans shall establish
20 sufficient controls to ensure that all past due resident member
21 maintenance assessments are addressed within 30 days.

22 (14) The Grand Rapids and D.J. Jacobetti homes for veterans
23 shall establish sufficient controls over monetary donations and
24 donated goods.

25 (15) The Grand Rapids and D.J. Jacobetti homes for veterans
26 shall implement sufficient controls over the handling of resident
27 member funds to ensure the release of funds within 3 business days

1 upon the resident member leaving the home and to ensure that a
2 representative of a resident member is provided a full accounting
3 of that resident member's funds within 10 business days of the
4 death of that resident member.

5 (16) The MVAA shall post on its website all policies adopted
6 by the board of managers, the Michigan veterans' facility
7 authority, and the veterans' homes related to the administrative
8 operations of the veterans' homes.

9 (17) The process by which visitors, residents, and employees
10 of the Grand Rapids and D.J. Jacobetti homes for veterans may
11 register complaints shall be displayed in high-traffic areas
12 throughout the home.

13 (18) The MVAA shall report its findings regarding the state
14 veterans' homes' compliance with the requirements and standards
15 under this section in a quarterly report to the legislature and the
16 state budget office. The quarterly reports shall include, but are
17 not limited to, all of the following information:

18 (a) Quality of care metrics, including:

19 (i) The number of patient care hours and staffing levels
20 measured against USDVA-VHA standards.

21 (ii) Sentinel events reported to the USDVA.

22 (iii) Fall and wound reports.

23 (iv) Complaint reports, including abuse and neglect complaints
24 and outcomes of complaint investigations.

25 (v) Additional minimum data set quality of care indicators
26 used to measure quality of care in long-term care facilities.

27 (b) Quarterly budget update as provided under section 216 of

1 this part.

2 (c) An accounting of resident member populations at the Grand
3 Rapids and D.J. Jacobetti homes for veterans as follows:

4 (i) By demographics, including period of service, gender, and
5 age.

6 (ii) By care setting, payment source, and associated revenue
7 projections.

8 (d) Updates related to the modernization of the Grand Rapids
9 and D.J. Jacobetti homes for veterans, including information
10 related to the following:

11 (i) Infrastructure/capital outlay improvements.

12 (ii) Information technology updates.

13 (iii) Financial management.

14 (e) Updates on corrective action status related to any audit
15 and survey findings until those findings have been fully addressed.

16 (19) The Grand Rapids and D.J. Jacobetti homes for veterans
17 shall provide to the subcommittees on military and veterans
18 affairs, the senate and house fiscal agencies, and the state budget
19 office the results of any annual or for-cause survey conducted by
20 the USDVA-VHA and any corresponding corrective action plan. This
21 information shall also be made available publicly through the
22 department's or MVAA's website.

23 (20) The MVAA shall provide to the legislature and the state
24 budget office quarterly reports as provided in section 216 of this
25 part regarding the status of Centers for Medicare and Medicaid
26 certification efforts, including, but not limited to, descriptions
27 of incremental milestones, associated expenditures, and the

1 percentage of plan completed.

2 (21) From the funds appropriated in part 1 for Grand Rapids
3 home for veterans video monitoring pilot project, \$275,000.00 may
4 be expended for a member in-room safety monitoring pilot program at
5 the Grand Rapids home for veterans. The purpose of the pilot
6 program is to determine if a specific, existing video monitoring
7 system can improve member safety and reduce fall rates at the Grand
8 Rapids home for veterans. In order to achieve this goal, the MVAA
9 may contract with a third party that has developed a best-in-class,
10 continuous virtual patient engagement platform that enables both
11 visual and audio monitoring of members. Prior to expending funds
12 appropriated in part 1 for Grand Rapids home for veterans video
13 monitoring pilot project, the MVAA shall provide a report, to
14 include agency recommendations, to the subcommittees and the senate
15 and house fiscal agencies regarding the feasibility of the pilot
16 project with input from industry experts in this field.

17 Sec. 403. (1) From the increased funds appropriated in part 1
18 for D.J. Jacobetti home for veterans, the department shall pursue
19 compliance with current Centers for Medicare and Medicaid Services
20 certification standards. The purpose of this expansion is to obtain
21 Centers for Medicare and Medicaid Services certification by October
22 1, 2018, to increase the ability to fully utilize all federal
23 funding available to cover the cost of care of eligible veterans
24 living at the D.J. Jacobetti home for veterans, and to improve
25 overall quality of care for all veterans living at the D.J.
26 Jacobetti home for veterans.

27 (2) If the department fails to achieve Centers for Medicare

1 and Medicaid Services certification by October 1, 2018, the
2 director shall submit a written report within 30 days of receiving
3 notification that certification has been denied to the speaker of
4 the house, the house minority leader, the senate majority leader,
5 the senate minority leader, the chairs of the senate and house of
6 representatives standing committees on appropriations, the chairs
7 of the senate and house of representatives appropriations
8 subcommittees on the department of military and veterans affairs,
9 and the senate and house fiscal agencies. This report must provide
10 detailed information, which includes, but is not limited to, all of
11 the following:

12 (a) Reasons why the department failed to achieve Centers for
13 Medicare and Medicaid Services certification by the date provided
14 in subsection (1).

15 (b) A corrective action plan, which must include, but is not
16 limited to, the following:

17 (i) A new date, proposed by the director, for anticipated
18 Centers for Medicare and Medicaid Services certification.

19 (ii) All outstanding facility upgrades and personnel
20 requirements, with associated cost projections, necessary to
21 achieve Centers for Medicare and Medicaid Services certification by
22 the date proposed by the director in subparagraph (i).

23 (3) The department shall identify specific outcomes and
24 performance measures for this initiative, including, but not
25 limited to, the following:

26 (a) The quality of care to members of the D.J. Jacobetti home
27 for veterans shall increase as a result of increased direct care

1 staffing ratios.

2 (b) The quality of the care environment at the D.J. Jacobetti
3 home for veterans shall increase as a result of facility updates
4 made according to Medicaid specifications to increase members'
5 access to private and semi-private accommodations.

6 (c) The quality of care for members of the D.J. Jacobetti home
7 for veterans shall increase as a result of increased ability
8 efforts to implement long-term care, evidence-based best practices
9 at the D.J. Jacobetti home for veterans.

10 (d) The collection of available federal Medicaid revenue shall
11 increase as a result of Centers for Medicare and Medicaid
12 certification.

13 (e) The fiscal stability of the D.J. Jacobetti home for
14 veterans shall improve due to increased efforts to collect
15 available federal revenue.

16 Sec. 404. The department shall ensure that the quality of care
17 for members of the Grand Rapids and D.J. Jacobetti homes for
18 veterans shall exceed the current quality of care for the full
19 spectrum of health care services as a result of the upgrades made
20 to the homes to meet the Centers for Medicare and Medicaid Services
21 certification standards. The department shall provide a quarterly
22 report as provided under section 216 of this part to the
23 subcommittees, which contains evidence that the quality of care for
24 the full spectrum of health care services has improved due to those
25 upgrades.

26 Sec. 405. (1) The MVAA shall provide a report, as provided
27 under section 216 of this part, on the financial status of the

1 Michigan veterans' trust fund, including the number and amount of
2 emergency grants, state administrative expenses, and county
3 administrative expenses.

4 (2) The Michigan veterans' trust fund board together with the
5 agency shall maintain the staffing and resources necessary to
6 process a minimum of 2,000 applications for veterans' trust fund
7 emergency grants.

8 Sec. 406. (1) The MVAA shall provide outreach services to
9 Michigan veterans to advise them on the benefits to which they are
10 entitled, as provided under Executive Reorganization Order No.
11 2013-2, MCL 32.92. The MVAA shall also do the following:

12 (a) Maintain the staffing partnerships and other resources
13 necessary to develop and operate an outreach program that
14 communicates benefit eligibility information to at least 50% of
15 Michigan's population of veterans, as assessed by annual census
16 estimates, with a goal of reaching 100% and enabling 100% to access
17 benefit information online.

18 (b) Communicate veteran benefit information pertaining to the
19 Michigan military family relief fund, Michigan veterans' trust
20 fund, and USDVA health, financial, and memorial benefits to which
21 veterans are entitled.

22 (c) Provide sufficient staffing and other resources to approve
23 requests for military discharge certificates (DD-214) annually.

24 (d) Continue the process to digitize all medical records,
25 military discharge documents, and burial records that are currently
26 on paper and microfilm.

27 (e) Provide a report, as provided under section 216 of this

1 part, on the MVAA's performance on the performance measures,
2 outcomes, and initiatives developed by the agency in the strategic
3 plan required by section 501 of 2013 PA 9.

4 (f) Provide a report to the subcommittees on military and
5 veterans affairs, the senate and house fiscal agencies, and the
6 state budget office no later than April 1 providing, to the extent
7 known, data on the estimated number of homeless veterans, by
8 county, in this state.

9 (2) From the funds appropriated in part 1, the MVAA shall
10 provide for the regional coordination of services, as follows:

11 (a) Regional coordinators shall be selected by the MVAA
12 through a grant agreement with VSOs or by other means.

13 (b) Regional coordinators shall provide the following
14 services:

15 (i) Coordinate veteran benefit counselors' efforts throughout
16 a specified region.

17 (ii) Coordinate services with the department of health and
18 human services and the department of corrections.

19 (iii) Coordinate with regional workforce and economic
20 development agencies.

21 (iv) Coordinate activities among local foundations, nonprofit
22 organizations, and community groups to improve accessibility,
23 enrollment, and utilization of the array of health care, education,
24 employment assistance, and quality of life services provided at the
25 local level.

26 (c) The MVAA may work with MVAA service officers, regional
27 coordinators, county veteran counselors, VSO service officers, and

1 other service providers to incorporate the provision of information
2 relating to mental health care resources into their daily
3 operations to aid veterans in understanding the mental health care
4 support services they may be eligible to receive.

5 (d) The MVAA shall coordinate with the department of health
6 and human services to identify Medicaid recipients who are veterans
7 and who may be eligible for federal veterans health care benefits
8 or other benefits, to the extent that the identification does not
9 violate applicable confidentiality requirements.

10 (e) The MVAA shall collaborate with the department of
11 corrections to create and maintain a process by which prisoners can
12 obtain a copy of their DD-214 form or other military discharge
13 documentation if necessary.

14 (f) The MVAA shall ensure that all MVAA service officers, VSO
15 service officers, and regional coordinators receive appropriate
16 training in processing applications for benefits payable to
17 veterans due to military sexual trauma, post-traumatic stress
18 disorder, depression, anxiety, substance abuse, or other mental
19 health issues.

20 (3) The MVAA shall provide claims processing services to
21 Michigan veterans in support of benefit claims submitted to the
22 USDVA for the health, financial, and memorial benefits for which
23 they are eligible, and shall do all of the following:

24 (a) Report the following information as provided in section
25 216 of this part:

26 (i) The number of benefit claims, by type, submitted to the
27 USDVA by MVAA and coalition partner veteran service officers.

1 (ii) The number of fully developed claims submitted to the
2 USDVA, with an overall goal of 40% of benefit claims submitted that
3 are considered fully developed by the USDVA.

4 (b) Maintain the staffing and resources necessary to process a
5 minimum of 500 claims per year.

6 (4) The MVAA shall maintain staffing and resources necessary
7 to develop and implement a process to ensure that all county
8 counselors receive the training and accreditation necessary to
9 provide quality services to veterans. The MVAA shall report
10 information as provided in section 216 of this part on the number
11 and percentage of county veterans counselors requesting training by
12 the MVAA, with an overall goal of 100% of county veterans
13 counselors trained.

14 (5) From the funds appropriated in part 1 for targeted grants,
15 the MVAA shall provide grant assistance to enhance the capacity and
16 capabilities of counties in providing benefit claims assistance.
17 These funds must be used to continue the implementation of an
18 internet-based data system, to increase the number of county
19 veterans counselors, and to increase the number of counties that
20 provide service to veterans through county veterans counselors. The
21 MVAA shall provide a report, as provided under section 216 of this
22 part, on the expenditures and activities of the grant funds
23 directed by this subsection.

24 (6) From the funds appropriated in part 1 for MVAA, the MVAA
25 is authorized to expend up to \$50,000.00 to hire legal services to
26 represent veterans benefit cases before federal court to maintain
27 accreditation under 38 CFR 14.628(d)(1)(iv).

1 Sec. 407. (1) The MVAA shall disburse grants to achieve agency
2 goals and performance objectives in partnership with counties and
3 VSOs. Grants will be disbursed to fund programs and projects which
4 are determined by the agency to meet agency performance objectives
5 and ensure that grantees communicate the availability of emergency
6 grants through the Michigan veterans' trust fund. In disbursing
7 grants, the MVAA shall do the following:

8 (a) Ensure that each grantee is issued performance standards.

9 (b) Ensure that each grantee uses those funds for veterans
10 advocacy and outreach.

11 (c) Monitor the performance of each grantee.

12 (d) Require each grantee to report quarterly on services
13 provided to veterans and account for all grant fund expenditures.

14 (e) Require that each grantee report quarterly on the number
15 of claims initiated and the number of claims processed by the
16 grantee.

17 (f) Promulgate monthly benchmark requirements, based upon
18 contractual obligations, that each grantee must meet and require
19 each grantee to report on achieving the benchmark requirements
20 quarterly to the MVAA, in order to ensure that each grantee meets
21 MVAA veteran service goals.

22 (g) Assess the accuracy rate of claims reported by grantees
23 and the attendance rate of grantees, based upon contractual
24 obligations.

25 (h) Ensure that each grantee adheres to the MVAA approved
26 schedule of operations.

27 (i) Report quarterly to the subcommittees and senate and house

1 fiscal agencies on grantee operations monitored under this
2 subsection, as provided in section 216 of this part.

3 (2) Grants awarded by the MVAA shall provide for the
4 following, as developed by the MVAA:

5 (a) The provision of service to veterans statewide, using a
6 regional service delivery model, with services provided at
7 specified locations and times, including service provided in state
8 correctional facilities.

9 (b) The payment of an hourly service rate that shall not
10 exceed \$34.00 per hour.

11 (c) A specified number of service hours within each geographic
12 region of this state, with a statewide goal based on both
13 appropriations for the fiscal year ending September 30, 2019 for
14 the grant programs and the hourly service rate under subdivision
15 (b). The statewide goal will include service hours provided to
16 eligible incarcerated veterans within 1 year of their earliest
17 release date.

18 (d) Use of an MVAA-designated internet-based claims data
19 system.

20 (3) The MVAA shall report the following information as
21 provided in section 216 of this part:

22 (a) A summary of activities supported through the
23 appropriation in part 1 for grants, including, separately for each
24 service region, the amount of expenditures to date, number of
25 service hours, number of claims for benefits submitted by type of
26 claim, and other information deemed appropriate by the MVAA.

27 (b) The number of fully developed claims, by type, submitted

1 to the USDVA by grantees, with an overall goal of 40% of benefit
2 claims submitted that are considered fully developed by the USDVA.

3 Sec. 408. (1) The Michigan veterans' trust fund board together
4 with the MVAA shall provide emergency grants for disbursement from
5 the Michigan veterans' trust fund, as provided under the following
6 program authorities:

7 (a) Sections 37, 38, and 39 of article IX of the state
8 constitution of 1963.

9 (b) 1946 (1st Ex Sess) PA 9, MCL 35.602 to 35.610.

10 (c) R 35.1 to R 35.7 of the Michigan Administrative Code.

11 (d) R 35.621 to R 35.623 of the Michigan Administrative Code.

12 (2) No later than December 1, the MVAA shall provide a
13 detailed report of the Michigan veterans' trust fund that includes,
14 for the immediately preceding fiscal year, information on grants
15 provided from the emergency grant program, including details
16 concerning the methodology of allocations, the selection of
17 emergency grant program authorized agents, a description of how the
18 emergency grant program is administered in each county, and a
19 detailed breakdown of trust fund expenditures for that year,
20 including the amount distributed to each county for administrative
21 costs and emergency grants. The report shall also include the
22 number of approved applications, by category of assistance, and the
23 number of denied applications, by reason of denial. The report
24 shall also provide an update on the department's efforts to reduce
25 program administrative costs and maintain the Michigan veterans'
26 trust fund corpus to its original amount of at least
27 \$50,000,000.00.

1 (3) Any funds not expended or encumbered at the end of the
2 current fiscal year shall be deposited into the Michigan veterans'
3 trust fund corpus.

4 **CAPITAL OUTLAY**

5 Sec. 501. (1) The department shall provide for the acquisition
6 and disposition of National Guard armories, facilities, and lands
7 as provided under sections 368, 382, and 382a of the Michigan
8 military act, 1967 PA 150, MCL 32.768, 32.782, and 32.782a.

9 (2) The department shall provide a listing of property sales
10 and acquisitions as provided under section 216 of this part.

11 Sec. 502. (1) The appropriations in part 1 for special
12 maintenance - National Guard 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 - National
16 Guard shall be expended in accordance with the requirements of
17 sections 302 and 305 of this part and shall be expended according
18 to the maintenance priorities of the department to repair and
19 modernize military training sites and support facilities, including
20 armories, which may include projects such as roof, HVAC, or boiler
21 replacement, interior renovations, facility expansion, improvements
22 to parking facilities, and other projects.

23 (3) The department shall provide a quarterly report as
24 provided under section 216 of this part providing information on
25 the status, projected costs, and projected completion date of
26 current and planned special maintenance projects at the armories

1 and other National Guard facilities funded from capital outlay
2 appropriations made in part 1 and in prior appropriations years.

3 Sec. 503. (1) The appropriations in part 1 for special
4 maintenance - veterans homes shall be carried forward at the end of
5 the fiscal year consistent with section 248 of the management and
6 budget act, 1984 PA 431, MCL 18.1248.

7 (2) The appropriations for special maintenance - veterans
8 homes shall be expended in accordance with the requirements of
9 section 402 of this part and shall be expended according to the
10 maintenance priorities of the department to repair and modernize
11 the state's veterans' homes, which may include projects such as
12 roof, HVAC, or boiler replacement, interior renovations, facility
13 expansion, improvements to parking facilities, and other projects
14 designed to enhance the quality of life and medical care of
15 members.

16 (3) The MVAA shall provide a quarterly report as provided
17 under section 216 of this part providing information on the status,
18 projected costs, and projected completion date of current and
19 planned special maintenance projects at the Grand Rapids home for
20 veterans and D.J. Jacobetti home for veterans funded from capital
21 outlay appropriations made in part 1 and in prior appropriations
22 years.

23 **ONE-TIME APPROPRIATIONS**

24 Sec. 601. (1) The appropriations in part 1 for armory
25 maintenance shall be carried forward at the end of the fiscal year
26 consistent with section 248 of the management and budget act, 1984

1 PA 431, MCL 18.1248.

2 (2) The appropriations for armory maintenance shall be
3 expended in accordance with the requirements of sections 302 and
4 305 of this part and shall be expended according to the maintenance
5 priorities of the department to repair and modernize military
6 training sites and support facilities, including armories.

7 Sec. 602. (1) The appropriations in part 1 for Vietnam
8 veterans outreach shall be used by the MVAA for outreach and
9 awareness campaigns for targeting Vietnam veterans and their
10 families, to locate and inform them that they are still eligible
11 for health and other benefits from the USDVA, some of which have
12 only recently been established, and to urge them to connect to
13 their benefits with the assistance of an accredited veteran service
14 officer. Outreach shall be accomplished through Vietnam veteran
15 specific media campaigns and through the coordinated actions of
16 veterans community action teams, veterans services officers, county
17 veterans service officers, Michigan veterans trust fund county
18 committees, central MVAA staff, and other organizations that can be
19 recruited to join the effort.

20 (2) The Vietnam veterans outreach project shall include an
21 advertising campaign to educate and inform Vietnam veterans and
22 their eligible family members of benefits available that will reach
23 70% of the targeted audience 4 times each.

24 (3) The Vietnam veterans outreach project shall increase the
25 engagement of Vietnam veterans and family members by increasing
26 subscriptions to the MVAA Vietnam Quarterly newsletter by a minimum
27 of 5% annually, by increasing calls from Vietnam veterans and

1 family members to the Michigan veterans resource service center by
2 a minimum of 3% annually, and by increasing the number of
3 applications filed by Vietnam era veterans and eligible family
4 members by a minimum of 3% annually.

5 (4) The MVAA shall assess the efficacy of the Vietnam veterans
6 outreach program by comparing annual benchmarks based upon the
7 stated goals in subsection (3) with the years immediately prior to
8 the establishment of the program for which applicable data are
9 available. The MVAA shall report to the subcommittees and the
10 senate and house fiscal agencies on the assessment of the
11 effectiveness of the program quarterly, as provided under section
12 216 of this part, on accomplishing the state goals, as well as upon
13 the completion of the program.

14 (5) Unexpended and unencumbered appropriations for Vietnam
15 veterans outreach shall not lapse to the general fund but shall be
16 carried forward into the subsequent fiscal year.

17 PART 2A

18 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

19 FOR FISCAL YEAR 2019-2020

20 **GENERAL SECTIONS**

21 Sec. 701. It is the intent of the legislature to provide
22 appropriations for the fiscal year ending on September 30, 2020 for
23 the line items listed in part 1. The fiscal year 2019-2020
24 appropriations are anticipated to be the same as those for fiscal
25 year 2018-2019, excluding appropriations designated as one-time

1 appropriations and adjusting for changes in caseload and related
2 costs, federal fund match rates, economic factors, and available
3 revenue. These adjustments will be determined after the January
4 2019 consensus revenue estimating conference.

5 Sec. 702. The veterans affairs agency shall provide the
6 percentage of Michigan veterans contacted, with a goal of 100%, and
7 report upon those outreach findings to the subcommittees on
8 military and veterans affairs at quarterly legislative hearings.

9 Sec. 703. The veterans affairs agency shall maintain a minimum
10 50% fully developed claims as determined by the USDVA.

11 ARTICLE XV

12 DEPARTMENT OF NATURAL RESOURCES

13 PART 1

14 LINE-ITEM APPROPRIATIONS

15 Sec. 101. There is appropriated for the department of natural
16 resources for the fiscal year ending September 30, 2019, from the
17 following funds:

18 **DEPARTMENT OF NATURAL RESOURCES**

19 APPROPRIATION SUMMARY

20	Full-time equated unclassified positions	6.0	
21	Full-time equated classified positions	2,324.3	
22	GROSS APPROPRIATION.....		\$ 438,442,800
23	Interdepartmental grant revenues:		
24	Total interdepartmental grants and intradepartmental		
25	transfers		232,200

1	ADJUSTED GROSS APPROPRIATION.....	\$	438,210,600
2	Federal revenues:		
3	Total federal revenues.....		81,731,600
4	Special revenue funds:		
5	Total private revenues.....		7,431,400
6	Total other state restricted revenues.....		299,965,800
7	State general fund/general purpose.....	\$	49,081,800
8	FUND SOURCE SUMMARY		
9	Full-time equated unclassified positions		6.0
10	Full-time equated classified positions		2,324.3
11	GROSS APPROPRIATION.....	\$	438,442,800
12	Interdepartmental grant revenues:		
13	IDG, land acquisition services-to-work orders.....		232,200
14	Total interdepartmental grants and intradepartmental		
15	transfers		232,200
16	ADJUSTED GROSS APPROPRIATION.....	\$	438,210,600
17	Federal revenues:		
18	Federal funds.....		78,038,100
19	Federal national forest timber fund.....		900,000
20	Michigan state waterways fund, federal.....		2,473,500
21	State park improvement, federal.....		320,000
22	Total federal revenues.....		81,731,600
23	Special revenue funds:		
24	Private funds.....		7,431,400
25	Total private revenues.....		7,431,400
26	Cervidae licensing and inspection fees.....		138,800
27	Commercial forest fund.....		26,600

1	Deer habitat reserve.....	2,153,300
2	Fire equipment fund.....	668,700
3	Fisheries settlement.....	629,200
4	Forest development fund.....	41,571,200
5	Forest land user charges.....	257,700
6	Forest recreation account.....	1,976,200
7	Game and fish protection fund.....	75,210,400
8	Great Lakes protection fund.....	529,500
9	Invasive species fund.....	100
10	Land exchange facilitation fund.....	5,021,400
11	Local public recreation facilities fund.....	1,876,100
12	Mackinac Island State Park fund.....	1,605,600
13	Mackinac Island State Park operation fund.....	128,500
14	MacMullan Conference Center account.....	1,169,800
15	Marine safety fund.....	3,752,400
16	Michigan heritage publications fund.....	22,300
17	Michigan historical center operations fund.....	807,300
18	Michigan natural resources trust fund.....	1,329,100
19	Michigan state parks endowment fund.....	26,856,800
20	Michigan state waterways fund.....	28,447,800
21	Michigan trailways fund.....	200
22	Nongame wildlife fund.....	486,200
23	Off-road vehicle safety education fund.....	203,700
24	Off-road vehicle trail improvement fund.....	8,397,300
25	Park improvement fund.....	64,356,300
26	Park improvement fund, Belle Isle subaccount.....	800,200
27	Permanent snowmobile trail easement fund.....	700,000

1	Public use and replacement deed fees.....	28,200
2	Recreation improvement account.....	1,538,200
3	Recreation passport fees.....	12,348,600
4	Snowmobile registration fee revenue.....	1,198,500
5	Snowmobile trail improvement fund.....	10,146,500
6	Sportsmen against hunger fund.....	77,500
7	Turkey permit fees.....	1,026,900
8	Waterfowl fees.....	120,800
9	Waterfowl hunt stamp.....	1,000,000
10	Wildlife management public education fund.....	2,100,000
11	Wildlife resource protection fund.....	1,159,200
12	Youth hunting and fishing education and outreach fund.	98,700
13	Total other state restricted revenues.....	299,965,800
14	State general fund/general purpose.....	\$ 49,081,800
15	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
16	Full-time equated unclassified positions6.0	
17	Full-time equated classified positions121.1	
18	Unclassified salaries--6.0 FTE positions.....	\$ 792,200
19	Accounting service center.....	1,508,600
20	Executive direction--11.6 FTE positions.....	2,187,600
21	Finance and operations--105.5 FTE positions.....	16,802,500
22	Gifts and pass-through transactions.....	5,000,000
23	Legal services--4.0 FTE positions.....	650,700
24	Natural resources commission.....	77,100
25	Property management.....	<u>3,875,300</u>
26	GROSS APPROPRIATION.....	\$ 30,894,000
27	Appropriated from:	

1	Interdepartmental grant revenues:	
2	IDG, land acquisition services-to-work orders.....	232,200
3	Federal revenues:	
4	Federal funds.....	346,100
5	Special revenue funds:	
6	Private funds.....	5,000,000
7	Deer habitat reserve.....	159,500
8	Forest development fund.....	2,870,400
9	Forest land user charges.....	7,700
10	Forest recreation account.....	53,600
11	Game and fish protection fund.....	7,196,400
12	Land exchange facilitation fund.....	4,944,000
13	Local public recreation facilities fund.....	201,100
14	Marine safety fund.....	801,300
15	Michigan natural resources trust fund.....	1,306,800
16	Michigan state parks endowment fund.....	1,324,100
17	Michigan state waterways fund.....	789,400
18	Nongame wildlife fund.....	13,900
19	Off-road vehicle safety education fund.....	700
20	Off-road vehicle trail improvement fund.....	207,600
21	Park improvement fund.....	1,797,100
22	Public use and replacement deed fees.....	28,200
23	Recreation improvement account.....	84,700
24	Snowmobile registration fee revenue.....	50,000
25	Snowmobile trail improvement fund.....	126,500
26	Sportsmen against hunger fund.....	500
27	Turkey permit fees.....	79,400

1	Waterfowl fees.....		3,400
2	Wildlife resource protection fund.....		42,600
3	State general fund/general purpose.....	\$	3,226,800
4	Sec. 103. DEPARTMENT INITIATIVES		
5	Full-time equated classified positions	37.0	
6	Great Lakes restoration initiative--11.0 FTE positions	\$	11,339,900
7	Invasive species prevention and control--14.0 FTE		
8	positions		5,048,000
9	Michigan conservation corps.....		1,000,000
10	Office of the Great Lakes--12.0 FTE positions.....		<u>2,237,800</u>
11	GROSS APPROPRIATION.....	\$	19,625,700
12	Appropriated from:		
13	Federal revenues:		
14	Federal funds.....		12,143,600
15	Special revenue funds:		
16	Great Lakes protection fund.....		504,500
17	State general fund/general purpose.....	\$	6,977,600
18	Sec. 104. COMMUNICATION AND CUSTOMER SERVICES		
19	Full-time equated classified positions	135.3	
20	Marketing and outreach--80.8 FTE positions.....	\$	13,978,700
21	Michigan historical center--54.5 FTE positions.....		6,134,900
22	Michigan wildlife council.....		<u>2,100,000</u>
23	GROSS APPROPRIATION.....	\$	22,213,600
24	Appropriated from:		
25	Federal revenues:		
26	Federal funds.....		1,337,100
27	State park improvement, federal.....		320,000

1	Special revenue funds:	
2	Private funds.....	396,200
3	Forest development fund.....	134,100
4	Forest recreation account.....	16,400
5	Game and fish protection fund.....	8,400,800
6	Land exchange facilitation fund.....	46,800
7	Marine safety fund.....	36,000
8	Michigan heritage publications fund.....	22,300
9	Michigan historical center operations fund.....	807,300
10	Michigan state parks endowment fund.....	90,400
11	Michigan state waterways fund.....	150,000
12	Nongame wildlife fund.....	10,800
13	Off-road vehicle trail improvement fund.....	38,400
14	Park improvement fund.....	2,857,600
15	Recreation passport fees.....	28,200
16	Snowmobile registration fee revenue.....	19,400
17	Snowmobile trail improvement fund.....	45,600
18	Sportsmen against hunger fund.....	76,400
19	Wildlife management public education fund.....	2,100,000
20	Youth hunting and fishing education and outreach fund.	96,700
21	State general fund/general purpose.....	\$ 5,183,100
22	Sec. 105. WILDLIFE MANAGEMENT	
23	Full-time equated classified positions230.5	
24	Natural resources heritage--9.0 FTE positions.....	\$ 634,900
25	Wildlife management--221.5 FTE positions.....	<u>44,917,900</u>
26	GROSS APPROPRIATION.....	\$ 45,552,800
27	Appropriated from:	

1	Federal revenues:	
2	Federal funds.....	25,368,800
3	Special revenue funds:	
4	Private funds.....	315,700
5	Cervidae licensing and inspection fees.....	85,400
6	Deer habitat reserve.....	1,732,200
7	Forest development fund.....	77,600
8	Game and fish protection fund.....	12,063,600
9	Nongame wildlife fund.....	431,000
10	Turkey permit fees.....	913,700
11	Waterfowl fees.....	114,100
12	State general fund/general purpose.....	\$ 4,450,700
13	Sec. 106. FISHERIES MANAGEMENT	
14	Full-time equated classified positions	223.5
15	Aquatic resource mitigation--2.0 FTE positions.....	\$ 629,300
16	Cormorant population mitigation program.....	150,000
17	Fish production--63.0 FTE positions.....	10,328,900
18	Fisheries resource management--158.5 FTE positions....	<u>21,063,600</u>
19	GROSS APPROPRIATION.....	\$ 32,171,800
20	Appropriated from:	
21	Federal revenues:	
22	Federal funds.....	11,402,200
23	Special revenue funds:	
24	Private funds.....	136,700
25	Fisheries settlement.....	629,200
26	Game and fish protection fund.....	19,330,400
27	Invasive species fund.....	100

1	State general fund/general purpose.....	\$	673,200
2	Sec. 107. LAW ENFORCEMENT		
3	Full-time equated classified positions		293.0
4	General law enforcement--293.0 FTE positions.....	\$	<u>44,284,200</u>
5	GROSS APPROPRIATION.....	\$	44,284,200
6	Appropriated from:		
7	Federal revenues:		
8	Federal funds.....		6,588,300
9	Special revenue funds:		
10	Cervidae licensing and inspection fees.....		53,400
11	Forest development fund.....		45,400
12	Forest recreation account.....		72,800
13	Game and fish protection fund.....		19,722,800
14	Marine safety fund.....		1,345,700
15	Michigan state parks endowment fund.....		71,400
16	Michigan state waterways fund.....		21,700
17	Off-road vehicle safety education fund.....		156,200
18	Off-road vehicle trail improvement fund.....		2,004,000
19	Park improvement fund.....		72,800
20	Snowmobile registration fee revenue.....		721,600
21	Wildlife resource protection fund.....		1,074,500
22	State general fund/general purpose.....	\$	12,333,600
23	Sec. 108. PARKS AND RECREATION DIVISION		
24	Full-time equated classified positions		938.4
25	Forest recreation and trails--56.6 FTE positions.....	\$	6,346,900
26	MacMullan Conference Center--15.0 FTE positions.....		1,169,800
27	Recreational boating--173.0 FTE positions.....		19,599,500

1	State parks--693.8 FTE positions.....	72,086,600
2	State parks improvement revenue bonds - debt service..	<u>1,195,700</u>
3	GROSS APPROPRIATION.....	\$ 100,398,500
4	Appropriated from:	
5	Federal revenues:	
6	Federal funds.....	141,300
7	Michigan state waterways fund, federal.....	1,630,500
8	Special revenue funds:	
9	Private funds.....	427,900
10	Forest recreation account.....	1,791,400
11	MacMullan Conference Center account.....	1,169,800
12	Michigan state parks endowment fund.....	21,307,600
13	Michigan state waterways fund.....	18,445,900
14	Michigan trailways fund.....	100
15	Off-road vehicle safety education fund.....	7,200
16	Off-road vehicle trail improvement fund.....	1,468,700
17	Park improvement fund.....	48,255,500
18	Park improvement fund, Belle Isle subaccount.....	800,200
19	Recreation improvement account.....	497,500
20	Recreation passport fees.....	320,400
21	Snowmobile registration fee revenue.....	15,800
22	Snowmobile trail improvement fund.....	1,609,600
23	State general fund/general purpose.....	\$ 2,509,100
24	Sec. 109. MACKINAC ISLAND STATE PARK COMMISSION	
25	Full-time equated classified positions17.0	
26	Historical facilities system--13.0 FTE positions.....	\$ 1,805,600
27	Mackinac Island State Park operations--4.0 FTE	

1	positions	<u>334,400</u>
2	GROSS APPROPRIATION.....	\$ 2,140,000
3	Appropriated from:	
4	Special revenue funds:	
5	Mackinac Island State Park fund.....	1,605,600
6	Mackinac Island State Park operation fund.....	128,500
7	State general fund/general purpose.....	\$ 405,900
8	Sec. 110. FOREST RESOURCES DIVISION	
9	Full-time equated classified positions	328.5
10	Adopt-a-forest program.....	\$ 25,000
11	Cooperative resource programs--11.0 FTE positions.....	1,567,900
12	Forest fire equipment.....	931,500
13	Forest management and timber market development--176.0	
14	FTE positions	31,721,400
15	Forest management initiatives--8.5 FTE positions.....	874,900
16	Minerals management--19.0 FTE positions.....	2,881,000
17	Wildfire protection--114.0 FTE positions.....	<u>14,028,600</u>
18	GROSS APPROPRIATION.....	\$ 52,030,300
19	Appropriated from:	
20	Federal revenues:	
21	Federal funds.....	3,401,400
22	Federal national forest timber fund.....	900,000
23	Special revenue funds:	
24	Private funds.....	1,054,900
25	Commercial forest fund.....	24,500
26	Fire equipment fund.....	668,700
27	Forest development fund.....	33,314,700

1	Forest land user charges.....	226,100
2	Game and fish protection fund.....	1,966,500
3	Michigan state parks endowment fund.....	2,708,500
4	Michigan state waterways fund.....	51,600
5	State general fund/general purpose.....	\$ 7,713,400
6	Sec. 111. GRANTS	
7	Coastal management grants.....	\$ 1,250,000
8	Dam management grant program.....	350,000
9	Deer habitat improvement partnership initiative.....	200,000
10	Federal - clean vessel act grants.....	400,000
11	Federal - forest stewardship grants.....	2,000,000
12	Federal - land and water conservation fund payments...	2,566,900
13	Federal - rural community fire protection.....	400,000
14	Federal - urban forestry grants.....	900,000
15	Fisheries habitat improvement grants.....	1,250,000
16	Grants to communities - federal oil, gas, and timber	
17	payments	3,450,000
18	Grants to counties - marine safety.....	3,074,700
19	National recreational trails.....	3,900,000
20	Nonmotorized trail development and maintenance grants.	350,000
21	Off-road vehicle safety training grants.....	29,200
22	Off-road vehicle trail improvement grants.....	4,656,800
23	Recreation improvement fund grants.....	907,100
24	Recreation passport local grants.....	1,675,000
25	Snowmobile law enforcement grants.....	380,100
26	Snowmobile local grants program.....	8,090,400
27	Trail easements.....	700,000

1	Wildlife habitat improvement grants.....	<u>1,500,000</u>
2	GROSS APPROPRIATION.....	\$ 38,030,200
3	Appropriated from:	
4	Federal revenues:	
5	Federal funds.....	16,434,300
6	Special revenue funds:	
7	Private funds.....	100,000
8	Deer habitat reserve.....	200,000
9	Game and fish protection fund.....	2,750,000
10	Local public recreation facilities fund.....	1,675,000
11	Marine safety fund.....	1,407,300
12	Off-road vehicle safety education fund.....	29,200
13	Off-road vehicle trail improvement fund.....	4,656,800
14	Permanent snowmobile trail easement fund.....	700,000
15	Recreation improvement account.....	907,100
16	Snowmobile registration fee revenue.....	380,100
17	Snowmobile trail improvement fund.....	8,090,400
18	State general fund/general purpose.....	\$ 700,000
19	Sec. 112. INFORMATION TECHNOLOGY	
20	Information technology services and projects.....	\$ <u>10,458,700</u>
21	GROSS APPROPRIATION.....	\$ 10,458,700
22	Appropriated from:	
23	Special revenue funds:	
24	Commercial forest fund.....	2,100
25	Deer habitat reserve.....	61,600
26	Forest development fund.....	1,629,000
27	Forest land user charges.....	23,900

1	Forest recreation account.....	42,000
2	Game and fish protection fund.....	3,779,900
3	Great Lakes protection fund.....	25,000
4	Land exchange facilitation fund.....	30,600
5	Marine safety fund.....	162,100
6	Michigan natural resources trust fund.....	22,300
7	Michigan state parks endowment fund.....	1,354,800
8	Michigan state waterways fund.....	489,200
9	Michigan trailways fund.....	100
10	Nongame wildlife fund.....	30,500
11	Off-road vehicle safety education fund.....	10,400
12	Off-road vehicle trail improvement fund.....	21,800
13	Park improvement fund.....	1,373,300
14	Recreation improvement account.....	48,900
15	Snowmobile registration fee revenue.....	11,600
16	Snowmobile trail improvement fund.....	74,400
17	Sportsmen against hunger fund.....	600
18	Turkey permit fees.....	33,800
19	Waterfowl fees.....	3,300
20	Wildlife resource protection fund.....	42,100
21	Youth hunting and fishing education and outreach fund.	2,000
22	State general fund/general purpose.....	\$ 1,183,400
23	Sec. 113. CAPITAL OUTLAY	
24	(1) RECREATIONAL LANDS AND INFRASTRUCTURE	
25	Forest development infrastructure.....	\$ 3,500,000
26	State parks repair and maintenance.....	23,500,000
27	Wetland restoration, enhancement, and acquisition.....	<u>1,000,000</u>

1	GROSS APPROPRIATION.....	\$	28,000,000
2	Appropriated from:		
3	Special revenue funds:		
4	Forest development fund.....		3,500,000
5	Park improvement fund.....		10,000,000
6	Recreation passport fees.....		12,000,000
7	Waterfowl hunt stamp.....		1,000,000
8	State general fund/general purpose.....	\$	1,500,000
9	(2) WATERWAYS BOATING PROGRAM		
10	East Tawas State Harbor, Iosco County, harbormaster		
11	building and site improvements, phase III (total		
12	authorized cost is increased from \$5,920,000 to		
13	\$6,670,000; federal share is \$1,650,000; state		
14	share is increased from \$4,270,000 to \$5,020,000) ...	\$	750,000
15	Elmwood Township Marina, Leelanau County, marina		
16	improvements (total authorized cost is \$1,202,200;		
17	state share is \$601,100; local share is \$601,100) ...		601,100
18	Local boating infrastructure maintenance and		
19	improvements		1,729,500
20	Ottawa Beach Marina, Ottawa County, marina		
21	improvements (total authorized cost is \$1,314,800;		
22	federal share is \$643,000; local share is \$671,800) .		643,000
23	Presque Isle Marina, Marquette County, marina		
24	improvements (total authorized cost is \$1,123,800;		
25	state share is \$541,900; local share is \$581,900) ...		541,900
26	State boating infrastructure maintenance.....		<u>5,952,500</u>
27	GROSS APPROPRIATION.....	\$	10,218,000

1	Appropriated from:	
2	Federal revenues:	
3	Federal funds.....	875,000
4	Michigan state waterways fund, federal.....	843,000
5	Special revenue funds:	
6	Michigan state waterways fund.....	8,500,000
7	State general fund/general purpose.....	\$ 0
8	Sec. 114. ONE-TIME BASIS ONLY APPROPRIATIONS	
9	Cooperative resource programs (one-time).....	\$ 25,000
10	Dam management grant program (one-time).....	1,500,000
11	Grindstone Harbor development grant.....	120,000
12	Lake level assessments.....	35,000
13	Legal services.....	37,500
14	Long Lake boat launch.....	142,500
15	Snowmobile trail groomer pilot.....	200,000
16	Swimmer's itch pilot program.....	250,000
17	Wildlife and fisheries health study.....	<u>115,000</u>
18	GROSS APPROPRIATION.....	\$ 2,425,000
19	Appropriated from:	
20	Special revenue funds:	
21	Snowmobile trail improvement fund.....	200,000
22	State general fund/general purpose.....	\$ 2,225,000

23 PART 2
24 PROVISIONS CONCERNING APPROPRIATIONS
25 FOR FISCAL YEAR 2018-2019

1 **GENERAL SECTIONS**

2 Sec. 201. Pursuant to section 30 of article IX of the state
3 constitution of 1963, total state spending from state sources under
4 part 1 for fiscal year 2018-2019 is \$349,047,600.00 and state
5 spending from state sources to be paid to local units of government
6 for fiscal year 2018-2019 is \$9,475,200.00. The itemized statement
7 below identifies appropriations from which spending to local units
8 of government will occur:

9 DEPARTMENT OF NATURAL RESOURCES

10	Dam management grant program.....	\$	175,000
11	Dam management grant program (one-time).....		1,500,000
12	Fisheries habitat improvement grants.....		125,000
13	Grants to counties - marine safety.....		1,407,300
14	Grindstone Harbor development grant.....		120,000
15	Long Lake boat launch.....		142,500
16	Nonmotorized trail development and maintenance grants.		175,000
17	Off-road vehicle safety training grants.....		29,200
18	Off-road vehicle trail improvement grants.....		632,900
19	Recreation improvement fund grants.....		90,700
20	Recreation passport local grants.....		1,675,000
21	Snowmobile law enforcement grants.....		380,100
22	Wildlife habitat improvement grants.....		150,000
23	Elmwood Township Marina, Leelanau County.....		601,100
24	Local boating infrastructure maintenance and		
25	improvements		1,729,500
26	Presque Isle Marina, Marquette County.....		541,900
27	TOTAL.....	\$	9,475,200

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

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

5 (a) "Department" means the department of natural resources.

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

7 (c) "FTE" means full-time equated.

8 (d) "IDG" means interdepartmental grant.

9 Sec. 204. The departments and agencies receiving
10 appropriations in part 1 shall use the internet to fulfill the
11 reporting requirements of this part. This requirement may include
12 transmission of reports via electronic mail to the recipients
13 identified for each reporting requirement, or it may include
14 placement of reports on an internet or intranet site.

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

25 Sec. 206. The director shall take all reasonable steps to
26 ensure businesses in deprived and depressed communities compete for
27 and perform contracts to provide services or supplies, or both. The

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

4 Sec. 207. The departments and agencies receiving
5 appropriations in part 1 shall prepare a report on out-of-state
6 travel expenses not later than January 1 of each year. The travel
7 report shall be a listing of all travel by classified and
8 unclassified employees outside this state in the immediately
9 preceding fiscal year that was funded in whole or in part with
10 funds appropriated in the department's budget. The report shall be
11 submitted to the senate and house appropriations committees, the
12 house and senate fiscal agencies, and the state budget director.
13 The report shall include the following information:

14 (a) The dates of each travel occurrence.

15 (b) The total transportation and related costs of each travel
16 occurrence, including the proportion funded with state general
17 fund/general purpose revenues, the proportion funded with state
18 restricted revenues, the proportion funded with federal revenues,
19 and the proportion funded with other revenues.

20 Sec. 208. Funds appropriated in this part and part 1 shall 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 shall summarize the
3 projected year-end general fund/general purpose appropriation
4 lapses by major departmental program or program areas. The report
5 shall be transmitted to the chairpersons of the senate and house
6 appropriations committees, and the senate and house fiscal
7 agencies.

8 Sec. 210. (1) In addition to the funds appropriated in part 1,
9 there is appropriated an amount not to exceed \$3,000,000.00 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 \$10,000,000.00 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 \$100,000.00 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
27 appropriated an amount not to exceed \$1,000,000.00 for private

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

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

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

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

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

14 (d) The number of active department employees by job
15 classification.

16 (e) Job specifications and wage rates.

17 Sec. 212. Within 14 days after the release of the executive
18 budget recommendation, the department shall cooperate with the
19 state budget office to provide the senate and house appropriations
20 chairs, the senate and house appropriations subcommittees chairs,
21 and the senate and house fiscal agencies with an annual report on
22 estimated state restricted fund balances, state restricted fund
23 projected revenues, and state restricted fund expenditures for the
24 fiscal years ending September 30, 2018 and September 30, 2019.

25 Sec. 213. The department shall maintain, on a publicly
26 accessible website, a department scorecard that identifies, tracks,
27 and regularly updates key metrics that are used to monitor and

1 improve the agency's performance.

2 Sec. 214. Total authorized appropriations from all sources
3 under part 1 for legacy costs for the fiscal year ending September
4 30, 2019 are estimated at \$47,662,000.00. From this amount, total
5 agency appropriations for pension-related legacy costs are
6 estimated at \$21,973,000.00. Total agency appropriations for
7 retiree health care legacy costs are estimated at \$25,689,000.00.

8 Sec. 215. Appropriations of state restricted game and fish
9 protection funds have been made in the following amounts to the
10 following departments and agencies:

11	Legislative auditor general.....	\$	32,000
12	Attorney general.....		766,300
13	Department of technology, management, and budget.....		482,100
14	Department of treasury.....		3,016,200

15 Sec. 216. Pursuant to section 43703(3) of the natural
16 resources and environmental protection act, 1994 PA 451, MCL
17 324.43703, there is appropriated from the game and fish protection
18 trust fund to the game and fish protection account of the Michigan
19 conservation and recreation legacy fund, \$6,000,000.00 for the
20 fiscal year ending September 30, 2019.

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

24 **DEPARTMENT INITIATIVES**

25 Sec. 251. From the amounts appropriated in part 1 for invasive
26 species prevention and control, the department shall allocate not

1 less than \$3,600,000.00 for grants for the prevention, detection,
2 eradication, and control of invasive species.

3 **DEPARTMENT SUPPORT SERVICES**

4 Sec. 302. The department may charge land acquisition projects
5 appropriated for the fiscal year ending September 30, 2019, and for
6 prior fiscal years, a standard percentage fee to recover actual
7 costs, and may use the revenue derived to support the land
8 acquisition service charges provided for in part 1.

9 Sec. 303. As appropriated in part 1, the department may charge
10 both application fees and transaction fees related to the exchange
11 or sale of state-owned land or rights in land authorized by part 21
12 of the natural resources and environmental protection act, 1994 PA
13 451, MCL 324.2101 to 324.2162. The fees shall be set by the
14 director at a rate that allows the department to recover its costs
15 for providing these services.

16 **COMMUNICATION AND CUSTOMER SERVICES**

17 Sec. 408. By October 21, the department shall submit to the
18 senate and house appropriations subcommittees on natural resources
19 a report on all land transactions approved by the natural resources
20 commission in the fiscal year ending September 30, 2018. For each
21 land transaction, the report shall include the size of the parcel,
22 the county and municipality in which the parcel is located, the
23 dollar amount of the transaction, the fund source affected by the
24 transaction, and whether the transaction is by purchase, public
25 auction, transfer, exchange, or conveyance.

1 WILDLIFE DIVISION

2 Sec. 503. From the funds appropriated in part 1, the
3 department shall produce a report detailing any efforts undertaken
4 to enforce the invasive species order on swine raised under the
5 husbandry of residents of this state. The report shall include fund
6 sources used and the amount of expenditures and shall be submitted
7 to the legislature by December 31.

8 Sec. 504. From the funds appropriated in part 1, the
9 department shall provide a report to the legislature on the use of
10 registration fees collected from privately owned cervid operations.
11 Appropriations in part 1 from cervidae licensing and inspection
12 fees shall not be used for anything other than work directly
13 related to the regulation of privately owned cervid operations in
14 this state.

15 FISHERIES DIVISION

16 Sec. 601. (1) From the appropriation in part 1 for aquatic
17 resource mitigation, not more than \$758,000.00 shall be allocated
18 for grants to watershed councils, resource development councils,
19 soil conservation districts, local governmental units, and other
20 nonprofit organizations for stream habitat stabilization and soil
21 erosion control.

22 (2) The fisheries division in the department shall develop
23 priority and cost estimates for all projects recommended for grants
24 under subsection (1).

25 Sec. 602. As a condition of expenditure of fisheries
26 management appropriations under part 1, the department of natural

1 resources shall not impede the certification process for water
2 control structures on Michigan waterways. The department of natural
3 resources shall fund from funds appropriated in part 1 all non-
4 water-quality studies or requirements that the department requests
5 of either of the following:

6 (a) The department of environmental quality as a condition for
7 issuance of a certification under section 401 of the federal water
8 pollution control act, 33 USC 1341.

9 (b) The Federal Energy Regulatory Commission as a condition of
10 licensing under the federal power act, 16 USC 791a to 825r.

11 Sec. 603. The department shall provide an annual report to the
12 legislature on use of funding provided for cormorant management.
13 The department shall use general fund/general purpose revenue for
14 this purpose and submit revenue appropriated in part 1 for
15 cormorant management to the United States Department of Agriculture
16 Animal and Plant Health Inspection Service to allow for increased
17 taking of cormorants and their nests. If any funds appropriated for
18 cormorant management are retained by the department, or other funds
19 become available for this purpose, the department shall use those
20 funds to harass cormorants with the goal of reducing foraging
21 attempts on fish populations.

22 **FOREST RESOURCES DIVISION**

23 Sec. 802. From the funds appropriated in part 1, the
24 department shall provide quarterly reports on the number of acres
25 of state forestland marked or treated for timber harvest to the
26 senate and house appropriations subcommittees on natural resources

1 and the standing committees of the senate and house of
2 representatives with primary responsibility for natural resources
3 issues. The department shall complete and deliver these reports by
4 45 days after the end of the fiscal quarter.

5 Sec. 803. In addition to the money appropriated in part 1, the
6 department may receive and expend money from federal sources to
7 provide response to wildfires as required by a compact with the
8 federal government. If additional expenditure authorization is
9 required, the department shall notify the state budget office that
10 expenditure under this section is required. The department shall
11 notify the house and senate appropriations subcommittees on natural
12 resources and the house and senate fiscal agencies by November 1 of
13 the expenditures under this section during the fiscal year ending
14 September 30, 2018.

15 Sec. 807. (1) In addition to the funds appropriated in part 1,
16 there is appropriated from the disaster and emergency contingency
17 fund up to \$800,000.00 to cover department costs related to any
18 disaster as defined in section 2 of the emergency management act,
19 1976 PA 390, MCL 30.402.

20 (2) Funds appropriated under subsection (1) shall not be
21 expended unless the state budget director recommends the
22 expenditure and the department notifies the house and senate
23 committees on appropriations. By December 1 each year, the
24 department shall provide a report to the senate and house fiscal
25 agencies and the state budget office on the use of the disaster and
26 emergency contingency fund during the prior fiscal year.

27 (3) If Federal Emergency Management Agency (FEMA)

1 reimbursement is approved for costs paid from the disaster and
2 emergency contingency fund, the federal revenue shall be deposited
3 into the disaster and emergency contingency fund.

4 (4) Unexpended and unencumbered funds remaining in the
5 disaster and emergency contingency fund at the close of the fiscal
6 year shall not lapse to the general fund and shall be carried
7 forward and be available for expenditures in subsequent fiscal
8 years.

9 **LAW ENFORCEMENT**

10 Sec. 901. The appropriation in part 1 for snowmobile law
11 enforcement grants shall be used by the department to provide
12 grants to county law enforcement agencies to enforce part 821 of
13 the natural resources and environmental protection act, 1994 PA
14 451, MCL 324.82101 to 324.82161, including rules promulgated under
15 that part and ordinances enacted pursuant to that part. The
16 department shall consider the number of enforcement hours and the
17 number of miles of snowmobile trails in each county in allocating
18 these grants. Any funds not distributed to counties revert back to
19 the snowmobile registration fee subaccount created under section
20 82111 of the natural resources and environmental protection act,
21 1994 PA 451, MCL 324.82111. Counties shall provide semiannual
22 reports to the department on the use of grant money received under
23 this section.

24 Sec. 902. The department shall provide a report on the marine
25 safety grant program to the senate and house appropriations
26 subcommittees on natural resources and the senate and house fiscal

1 agencies by December 1. The report shall include the following
2 information for the preceding year: the total amount of revenue
3 received for watercraft registrations, the amount deposited into
4 the marine safety fund, and the expenditures made from the marine
5 safety fund, including the amounts expended for department
6 administration, other state agencies, the law enforcement division,
7 and grants to counties. The report shall also include the
8 distribution methodology used by the department to distribute the
9 marine safety grants and a list of the grants and the amounts
10 awarded by county.

11 **GRANTS**

12 Sec. 1001. Federal pass-through funds to local institutions
13 and governments that are received in amounts in addition to those
14 included in part 1 for grants to communities - federal oil, gas,
15 and timber payments and that do not require additional state
16 matching funds are appropriated for the purposes intended. By
17 November 30, the department shall report to the senate and house
18 appropriations subcommittees on natural resources, the senate and
19 house fiscal agencies, and the state budget director on all amounts
20 appropriated under this section during the fiscal year ending
21 September 30, 2018.

22 Sec. 1002. From the funds appropriated in part 1 for off-road
23 vehicle trail improvement grants, \$35,000.00 is designated to
24 reimburse local units of government for costs related to seasonal
25 law enforcement at Silver Lake.

1 CAPITAL OUTLAY

2 Sec. 1103. The appropriations in part 1 for capital outlay
3 shall be carried forward at the end of the fiscal year consistent
4 with section 248 of the management and budget act, 1984 PA 431, MCL
5 18.1248.

6 ONE-TIME BASIS ONLY APPROPRIATIONS

7 Sec. 1201. (1) The appropriation in part 1 for the swimmer's
8 itch pilot program shall be distributed to a Michigan-based
9 nonprofit organization for the purpose of pursuing comprehensive,
10 science-based swimmer's itch mitigation and research by
11 appropriately qualified subject matter experts. This appropriation
12 may be used to reimburse costs incurred before the effective date
13 of this act, and may be carried forward as a work project under the
14 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

15 (2) By January 1 the department shall submit a report to the
16 House and Senate appropriations subcommittees on natural resources
17 detailing data collected, program plan, and effectiveness measures
18 of the swimmer's itch pilot program.

19 Sec. 1202. The funds appropriated in part 1 for lake level
20 assessments are to reimburse local units of government for
21 qualifying costs related to lake level assessments. The department
22 may reimburse these costs without being compelled to do so by a
23 court of law.

24 Sec. 1203. From the funds appropriated in part 1 for Long Lake
25 boat launch, the department shall provide a grant to a local unit
26 of government for the development of a boat launch at Long Lake in

1 Alpena County.

2 Sec. 1204. From the funds appropriated in part 1 for
3 Grindstone Harbor development grant, the department shall provide a
4 grant to a local unit of government for planning and development
5 costs at Grindstone Harbor in Huron County.

6 Sec. 1205. From the funds appropriated in part 1 for dam
7 management grant program (one-time), \$1,500,000.00 shall be awarded
8 to a city with a population over 185,000 and located in a county
9 with a population between 600,000 and 610,000 for removal of dams
10 in that city. This appropriation is a work project appropriation,
11 and any unencumbered or unallotted funds are carried forward into
12 the succeeding fiscal year. The following is in compliance with
13 section 451a(1) of the management and budget act, 1984 PA 431, MCL
14 18.1451a:

15 (a) The purpose of the project to be carried forward is to
16 remove dams in a city meeting the grant criteria.

17 (b) The grantee will work with the department to establish a
18 plan to complete the project.

19 (c) The total estimated cost of the project is \$1,500,000.00.

20 (d) The tentative completion date is September 30, 2023.

21 Sec. 1206. (1) From the funds appropriated in part 1 for
22 wildlife and fisheries health study, the department shall
23 investigate the effect of PFAS contamination on Michigan's wildlife
24 and fisheries populations.

25 (2) As used in this section, "PFAS" means perfluoroalkyl and
26 polyfluoroalkyl substances.

27 Sec. 1207. The funds appropriated in part 1 for cooperative

1 resource programs (one-time) are designated for the Wayne County
2 soil mapping program.

3 ARTICLE XVI
4 DEPARTMENT OF STATE POLICE
5 PART 1
6 LINE-ITEM APPROPRIATIONS

7 Sec. 101. There is appropriated for the department of state
8 police for the fiscal year ending September 30, 2019, from the
9 following funds:

10 **DEPARTMENT OF STATE POLICE**

11 APPROPRIATION SUMMARY

12	Full-time equated unclassified positions	3.0	
13	Full-time equated classified positions	3,518.0	
14	GROSS APPROPRIATION.....		\$ 716,459,500
15	Interdepartmental grant revenues:		
16	IDG from department of corrections.....		344,200
17	IDG from department of state.....		378,500
18	IDG from department of technology, management, and		
19	budget		655,400
20	IDG from department of transportation.....		11,798,000
21	IDG from department of treasury.....		5,440,300
22	IDG from other restricted funding.....		2,601,500
23	Intradepartmental transfers.....		3,530,400
24	Total interdepartmental grants and intradepartmental		
25	transfers		24,748,300

1	ADJUSTED GROSS APPROPRIATION.....	\$	691,711,200
2	Federal revenues:		
3	Other federal revenues.....		78,297,900
4	Total federal revenues.....		78,297,900
5	Special revenue funds:		
6	Local revenues.....		5,146,800
7	Total local revenues.....		5,146,800
8	Private revenues.....		115,000
9	Total private revenues.....		115,000
10	Michigan merit award trust fund.....		846,800
11	Other state restricted revenue.....		148,256,900
12	Total state restricted revenues.....		149,103,700
13	State general fund/general purpose.....	\$	459,047,800
14	State general fund/general purpose schedule:		
15	Ongoing state general fund/general		
16	purpose		449,571,400
17	One-time state general fund/general		
18	purpose		9,476,400
19	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
20	Full-time equated unclassified positions		3.0
21	Full-time equated classified positions		83.0
22	Unclassified salaries--3.0 FTE positions.....	\$	598,000
23	Accounting service center.....		1,081,200
24	Department services--58.0 FTE positions.....		8,937,500
25	Departmentwide.....		46,073,400
26	Executive direction--25.0 FTE positions.....		<u>4,241,400</u>
27	GROSS APPROPRIATION.....	\$	60,931,500

1	Appropriated from:	
2	Interdepartmental grant revenues:	
3	IDG from department of corrections.....	26,000
4	IDG from department of state.....	1,400
5	IDG from department of transportation.....	3,900
6	IDG from department of treasury.....	116,200
7	IDG from other restricted funding.....	176,900
8	Intradepartmental transfers.....	38,200
9	Federal revenues:	
10	Other federal revenues.....	547,700
11	Special revenue funds:	
12	Local revenues.....	6,200
13	Michigan merit award trust fund.....	18,000
14	Other state restricted revenues.....	6,085,500
15	State general fund/general purpose.....	\$ 53,911,500
16	Sec. 103. LAW ENFORCEMENT SERVICES	
17	Full-time equated classified positions533.0	
18	Biometrics and identification--57.0 FTE positions.....	\$ 9,955,500
19	Criminal justice information center--132.0 FTE	
20	position	19,876,100
21	Forensic science--269.0 FTE positions.....	44,859,600
22	Grants and community services--20.0 FTE positions.....	16,752,600
23	Training--55.0 FTE positions.....	<u>10,576,000</u>
24	GROSS APPROPRIATION.....	\$ 102,019,800
25	Appropriated from:	
26	Interdepartmental grant revenues:	
27	IDG from department of corrections.....	318,200

1	IDG from department of state.....	373,300
2	IDG from department of transportation.....	1,213,200
3	IDG from other restricted funding.....	2,412,400
4	Intradepartmental transfers.....	750,000
5	Federal revenues:	
6	Other federal funds.....	12,709,100
7	Special revenue funds:	
8	Local revenue funds.....	918,300
9	Private revenues.....	100,000
10	Other state restricted revenues.....	38,952,900
11	State general fund/general purpose.....	\$ 44,272,400
12	Sec. 104. MICHIGAN COMMISSION ON LAW ENFORCEMENT	
13	STANDARDS	
14	Full-time equated classified positions18.0	
15	Public safety officers benefit program--1.0 FTE	
16	position	\$ 301,600
17	Standards and training/justice training grants--17.0	
18	FTE positions	11,780,100
19	Training only to local units.....	<u>654,500</u>
20	GROSS APPROPRIATION.....	\$ 12,736,200
21	Appropriated from:	
22	Federal revenues:	
23	Other federal revenues.....	250,000
24	Special revenue funds:	
25	Other state restricted revenues.....	10,997,000
26	State general fund/general purpose.....	\$ 1,489,200
27	Sec. 105. FIELD SERVICES	

1	Full-time equated classified positions	2,275.0	
2	Investigative services--180.5 FTE positions.....		\$ 35,625,500
3	Post operations--2,064.5 FTE positions.....		316,269,000
4	Secure cities partnership--30.0 FTE positions.....		<u>7,861,300</u>
5	GROSS APPROPRIATION.....		\$ 359,755,800
6	Appropriated from:		
7	Interdepartmental grant revenues:		
8	IDG from department of treasury.....		5,127,300
9	Intradepartmental transfers.....		787,500
10	Federal revenues:		
11	Other federal revenues.....		6,696,000
12	Special revenue funds:		
13	Local revenues.....		1,579,400
14	Michigan merit award trust fund.....		822,700
15	Other state restricted revenues.....		51,334,800
16	State general fund/general purpose.....		\$ 293,408,100
17	Sec. 106. SPECIALIZED SERVICES		
18	Full-time equated classified positions	609.0	
19	Commercial vehicle enforcement--223.0 FTE positions...		\$ 30,593,300
20	Emergency management and homeland security--64.0 FTE		
21	positions		15,808,700
22	Hazardous materials programs--25.0 FTE positions.....		28,031,500
23	Highway safety planning--26.0 FTE positions.....		18,048,700
24	Intelligence operations--203.0 FTE positions.....		28,121,600
25	Secondary road patrol program--1.0 FTE position.....		11,072,200
26	Civil Air Patrol.....		20,000
27	Special operations--67.0 FTE positions.....		<u>13,261,300</u>

1	GROSS APPROPRIATION.....	\$	144,957,300
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG from department of technology, management, and		
5	budget		655,400
6	IDG from department of transportation.....		10,324,000
7	IDG from department of treasury.....		100,000
8	Intradepartmental transfers.....		1,933,900
9	Federal revenues:		
10	Other federal revenues.....		57,138,000
11	Special revenue funds:		
12	Local revenues.....		1,724,700
13	Private revenues.....		15,000
14	Other state restricted revenues.....		29,693,800
15	State general fund/general purpose.....	\$	43,372,500
16	Sec. 107. INFORMATION TECHNOLOGY		
17	Information technology services and projects.....	\$	<u>26,582,500</u>
18	GROSS APPROPRIATION.....	\$	26,582,500
19	Appropriated from:		
20	Interdepartmental grant revenues:		
21	IDG from department of state.....		3,800
22	IDG from department of transportation.....		256,900
23	IDG from department of treasury.....		96,800
24	IDG from other restricted funding.....		12,200
25	Intradepartmental transfers.....		20,800
26	Federal revenues:		
27	Other federal revenues.....		957,100

1	Special revenue funds:	
2	Local revenues.....	918,200
3	Michigan merit award trust fund.....	6,100
4	Other state restricted revenues.....	11,192,900
5	State general fund/general purpose.....	\$ 13,117,700
6	Sec. 108. ONE-TIME ONLY APPROPRIATIONS	
7	Sexual assault prevention and education initiative....	\$ 1,000,000
8	Michigan International Speedway traffic control.....	725,000
9	OK2SAY information technology upgrade.....	100
10	Trooper school.....	<u>7,751,300</u>
11	GROSS APPROPRIATION.....	\$ 9,476,400
12	Appropriated from:	
13	State general fund/general purpose.....	\$ 9,476,400

14 PART 2
 15 PROVISIONS CONCERNING APPROPRIATIONS
 16 FOR FISCAL YEAR 2018-2019

17 **GENERAL SECTIONS**

18 Sec. 201. Pursuant to section 30 of article IX of the state
 19 constitution of 1963, total state spending from state sources under
 20 part 1 for fiscal year 2018-2019 is \$608,151,500.00 and state
 21 spending from state sources to be paid to local units of government
 22 for fiscal year 2018-2019 is \$14,231,300.00. The itemized statement
 23 below identifies appropriations from which spending to local units
 24 of government will occur:

25 DEPARTMENT OF STATE POLICE

1	Standards and training/justice training grants	\$	2,615,300
2	Training only to local units		654,500
3	Secondary road patrol program		<u>10,961,500</u>
4	TOTAL.....	\$	14,231,300

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

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

9 (a) "CJIS" means Criminal Justice Information Systems.

10 (b) "Core service" means that term as defined in section 373
11 of the management and budget act, 1984 PA 431, MCL 18.1373.

12 (c) "Department" means the department of state police.

13 (d) "Director" means the director of the department.

14 (e) "DNA" means deoxyribonucleic acid.

15 (f) "DTMB" means the department of technology, management, and
16 budget.

17 (g) "FTE" means full-time equated.

18 (h) "IDG" means interdepartmental grant.

19 (i) "MCOLES" means the Michigan commission on law enforcement
20 standards.

21 (j) "Subcommittees" means the subcommittees of the senate and
22 house standing committees on appropriations with jurisdiction over
23 the budget for the department.

24 (k) "Support service" means an activity required to support
25 the ongoing delivery of core services.

26 Sec. 204. The departments and agencies receiving
27 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 shall 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 director shall take all reasonable steps to
16 ensure businesses in deprived and depressed communities compete for
17 and perform contracts to provide services or supplies, or both. The
18 director shall strongly encourage firms with which the department
19 contracts to subcontract with certified businesses in depressed and
20 deprived communities for services or supplies, or both.

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

1 submitted to the senate and house appropriations committees, the
2 senate and house fiscal agencies, and the state budget director.
3 The report shall include the following information:

4 (a) The dates of each travel occurrence.

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

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

16 Sec. 209. Not later than November 30, the state budget office
17 shall prepare and transmit a report that provides for estimates of
18 the total general fund/general purpose appropriation lapses at the
19 close of the prior fiscal year. This report shall summarize the
20 projected year-end general fund/general purpose appropriation
21 lapses by major departmental program or program areas. The report
22 shall be transmitted to the chairpersons of the senate and house
23 appropriations committees, the subcommittees, and the senate and
24 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 \$3,500,000.00 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 \$1,000,000.00 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 \$200,000.00 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 DTMB to
23 maintain a searchable website accessible by the public at no cost
24 that includes, but is not limited to, all of the following:

- 25 (a) Fiscal year-to-date expenditures by category.
26 (b) Fiscal year-to-date expenditures by appropriation unit.
27 (c) Fiscal year-to-date payments to a selected vendor,

1 including the vendor name, payment date, payment amount, and
2 payment description.

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

5 (e) Job specifications and wage rates.

6 Sec. 212. Within 14 days after the release of the executive
7 budget recommendation, the department shall cooperate with the
8 state budget office to provide the senate and house appropriations
9 chairs, the senate and house appropriations subcommittees chairs,
10 and the senate and house fiscal agencies with an annual report on
11 estimated state restricted fund balances, state restricted fund
12 projected revenues, and state restricted fund expenditures for the
13 fiscal years ending September 30, 2018 and September 30, 2019.

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

18 Sec. 214. Total authorized appropriations from all sources
19 under part 1 for legacy costs for the fiscal year ending September
20 30, 2019 are estimated at \$148,305,500.00. From this amount, total
21 agency appropriations for pension-related legacy costs are
22 estimated at \$77,070,000.00. Total agency appropriations for
23 retiree health care legacy costs are estimated at \$71,235,500.00.

24 Sec. 215. Based on the availability of federal funding and the
25 demonstrated need as indicated by applications submitted to the
26 state court administrative office, the department shall provide
27 \$1,500,000.00 in Byrne justice assistance grant program funding to

1 the judiciary by interdepartmental grant.

2 Sec. 216. A department or state agency shall not take
3 disciplinary action against an employee for communicating with a
4 member of the legislature or his or her staff.

5 Sec. 217. The department shall provide quarterly reports to
6 the subcommittees, the senate and house fiscal agencies, and the
7 state budget office that provide the following data:

8 (a) A list of major work projects, including the status of
9 each project.

10 (b) The department's financial status, featuring a report of
11 budgeted versus actual expenditures by part 1 line item including a
12 year-end projection of budget requirements. If projected department
13 budget requirements exceed the allocated budget, the report shall
14 include a plan to reduce overall expenses while still satisfying
15 specified service level requirements.

16 (c) A report on the performance metrics cited or information
17 required to be reported in this part, reasons for nonachievement of
18 metric targets, and proposed corrective actions.

19 Sec. 218. The appropriations in part 1 are for the core
20 services, support services, and work projects of the department,
21 including, but not limited to, the following core services:

22 (a) State security operations.

23 (b) Training.

24 (c) MCOLES.

25 (d) CJIS.

26 (e) Forensic analysis and biometric identification.

27 (f) Post operations and investigative services.

- 1 (g) Special operations.
- 2 (h) Intelligence operations.
- 3 (i) Commercial vehicle regulation and enforcement.
- 4 (j) Emergency management and homeland security.
- 5 (k) Highway safety planning.
- 6 (l) Secondary road patrol program.

7 Sec. 219. The department shall notify the subcommittees, the
8 chairpersons of the senate and house standing committees on
9 appropriations, and the senate and house fiscal agencies not less
10 than 90 days before recommending to close or consolidate any state
11 police posts. The notification shall include a local and state
12 impact study of the proposed post closure or consolidation.

13 Sec. 220. At least 90 days before beginning any effort to
14 privatize, the department shall submit a complete project plan to
15 the subcommittees and the senate and house fiscal agencies. The
16 plan shall include the criteria under which the privatization
17 initiative will be evaluated. The evaluation shall be completed and
18 submitted to the subcommittees and the senate and house fiscal
19 agencies within 30 months.

20 Sec. 221. (1) When the department provides contractual
21 services to a local unit of government, the department shall be
22 reimbursed for all costs incurred in providing the services,
23 including, but not limited to, retirement and overtime costs.

24 (2) The department shall define service cost models for those
25 services requiring reimbursement.

26 (3) Contractual services provided to an entity other than a
27 local unit of government may be provided by department personnel,

1 but only on an overtime basis outside the normal work schedule of
2 the personnel.

3 (4) This section does not apply to services provided to state
4 agencies.

5 (5) Revenues received for contractual or reimbursed services
6 in excess of the appropriation in part 1 are appropriated and may
7 be received and expended by the department for the purposes for
8 which funds are received.

9 (6) If additional authorization is approved in the statewide
10 integrated governmental management application (SIGMA) by the state
11 budget office under this section, the department shall notify the
12 subcommittees and the senate and house fiscal agencies within 10
13 days after the approval. The notification shall include the amount
14 and funding source of the additional authorization, the date of its
15 approval, and the projected use of funds to be expended.

16 Sec. 222. The department shall serve as an active liaison
17 between the DTMB and state, local, regional, and federal public
18 safety agencies on matters pertaining to the Michigan public safety
19 communications system and shall report user issues to the DTMB.

20 Sec. 223. The department may establish and collect fees for
21 publications, videos, conferences, workshops, and related
22 materials. Collected fees shall be used to offset expenditures for
23 costs of the publications, videos, workshops, conferences, and
24 related materials. The department shall not collect fees under this
25 section that exceed the cost of the expenditures.

26 Sec. 224. Money privately donated to the department is
27 appropriated under part 1 to be used for the purposes designated by

1 the donor of the money, if specified.

2 Sec. 225. (1) Federal revenues authorized by and available
3 from the federal government in excess of the appropriation in part
4 1 are appropriated and may be received and expended by the
5 department for purposes authorized under state law and subject to
6 federal requirements.

7 (2) The department shall notify the subcommittees and the
8 senate and house fiscal agencies before expending federal revenues
9 received and appropriated under subsection (1).

10 (3) If additional authorization is approved in the statewide
11 integrated governmental management application (SIGMA) by the state
12 budget office under this section, the department shall notify the
13 subcommittees and the senate and house fiscal agencies within 10
14 days after the approval. The notification shall include the amount
15 and funding source of the additional authorization, the date of its
16 approval, and the projected use of funds to be expended.

17 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

18 Sec. 301. (1) The department shall provide security services
19 at the State Capitol Complex facilities and the State Secondary
20 Complex as provided under section 6c of 1935 PA 59, MCL 28.6c.

21 (2) The department shall maintain the staff and resources
22 necessary to respond to emergencies at the State Capitol Complex,
23 State Secondary Complex, House Office Building, Binsfield Office
24 Building, Capitol parking lot, Townsend Parking Ramp, the Roosevelt
25 Parking Ramp, and other areas as directed.

26 (3) The department may develop a phased approach for improving

1 security at the Capitol Building.

2 (4) The department shall maintain a goal of annually
3 conducting 35,000 property inspections of state owned and leased
4 facilities.

5 **LAW ENFORCEMENT SERVICES**

6 Sec. 401. (1) The department shall develop and deliver
7 professional, innovative, and quality training that supports the
8 enforcement and public safety efforts of the criminal justice
9 community.

10 (2) The department shall provide performance data as provided
11 under section 217 of this part for average classroom occupancy
12 rate, with an annual goal of at least 55%.

13 (3) The department shall submit a report to the subcommittees
14 and the senate and house fiscal agencies within 60 days of the
15 conclusion of any trooper, motor carrier, or state properties
16 security recruit school. The report shall include the following:

17 (a) The number of veterans and the number of MCOLES-certified
18 police officers who were admitted to and the number who graduated
19 from the recruit school.

20 (b) The total number of recruits who were admitted to the
21 school, the number of recruits who graduated from the school, and
22 the location at which each of these recruits is assigned.

23 (4) The department shall distribute and review course
24 evaluations to ensure that quality training is provided.

25 Sec. 402. (1) In accordance with applicable state and federal
26 laws and regulations, the department shall maintain and ensure

1 compliance with CJIS databases and applications in the support of
2 public safety and law enforcement communities.

3 (2) The department shall improve the accuracy, timeliness, and
4 completeness of criminal history information by conducting a
5 minimum of 30 outreach activities targeted to criminal justice
6 agencies.

7 (3) The department shall provide for the compilation of crime
8 statistics consistent with the uniform crime reporting (UCR)
9 program and the national incident-based report system (NIBRS).

10 (4) The department shall provide for the compilation and
11 evaluation of traffic crash reports and the maintenance of the
12 state accident data collection system.

13 (5) The department shall make individual traffic crash reports
14 available for a fee of \$10.00 per incident. The department may also
15 sell an extract of electronic traffic crash data for a fee of \$0.25
16 per incident, provided that the name, address, and any other
17 personal identifying information have been excluded.

18 (6) In accordance with applicable state and federal laws and
19 regulations, the department shall provide for the maintenance and
20 dissemination of criminal history records and juvenile records,
21 including to the extent necessary to exchange criminal history
22 records information with the Federal Bureau of Investigation and
23 other states through the interstate identification index, the
24 National Crime Information Center, and other federal CJIS databases
25 and indices.

26 (7) In accordance with applicable state and federal laws, the
27 department shall provide for the maintenance of records, including

1 criminal history records regarding firearms licensure.

2 (8) The department shall provide to the legislature a report
3 on concealed pistol licensing not later than December 1, 2019 that
4 includes all of the following:

5 (a) The department's actual revenue received from fees paid
6 for concealed pistol license (CPL) applications for fiscal year
7 2018-2019 and the uses of that revenue.

8 (b) The department's fiscal year 2018-2019 costs for
9 administering its concealed pistol licensing responsibilities under
10 1927 PA 372, MCL 28.421 to 28.435, but not including costs related
11 to the administration of other state statutes, or requirements of
12 federal law.

13 (9) The department shall provide information on the number of
14 background checks processed through the internet criminal history
15 access tool (ICHAT) as provided in section 217 of this part.

16 (10) The following unexpended and unencumbered revenues
17 deposited into the criminal justice information center service fees
18 shall not lapse to the general fund, but shall be carried forward
19 into the subsequent fiscal year:

20 (a) Fees for fingerprinting and criminal record checks and
21 name-based criminal record checks under 1935 PA 120, MCL 28.271 to
22 28.274.

23 (b) Fees for application and licensing for initial and renewal
24 concealed pistol licenses under 1927 PA 372, MCL 28.421 to 28.435.

25 (c) Fees for searching, copying, and providing public records
26 under the freedom of information act, 1976 PA 442, MCL 15.231 to
27 15.246.

1 (d) Revenue from other sources, including, but not limited to,
2 investment and interest earnings.

3 (11) Unexpended and unencumbered revenue generated by state
4 records management system fees shall not lapse to the general fund,
5 but shall be carried forward into the subsequent fiscal year.

6 Sec. 403. (1) The department shall provide forensic testing
7 services to aid in criminal investigations.

8 (2) The department shall ensure its ability to maintain
9 accreditation by a federally designated accrediting agency, as
10 provided under 34 USC 12592.

11 (3) The department shall provide forensic science services
12 with an average turnaround time of 55 days, assuming an annual
13 caseload volume commensurate with that received in fiscal year
14 2012-2013, and shall achieve a goal of a 30-day average turnaround
15 time across all forensic science disciplines.

16 (4) The department shall provide the following data as
17 provided in section 217 of this part:

18 (a) The average turnaround time for processing forensic
19 evidence across all disciplines.

20 (b) Forensic laboratory staffing levels, including scientists
21 in training, and vacancies.

22 (c) The number of backlogged cases in each discipline.

23 (5) The department shall provide for the forensic testing and
24 analysis/profiling of DNA evidence to aid criminal investigations
25 by law enforcement agencies in this state.

26 Sec. 404. (1) The biometrics and identification division shall
27 house and manage the automated fingerprint identification system,

1 the statewide network of agency photographs, and combined offender
2 DNA index system biometric databases.

3 (2) The department shall provide data on the number of 10-
4 print and palm-print submissions to the database, with a goal of at
5 least 97% of submissions provided electronically as provided in
6 section 217 of this part.

7 (3) The department shall maintain the staffing and resources
8 necessary to have a 28-day average wait time for scheduling a
9 polygraph examination, assuming an annual caseload received
10 commensurate with fiscal year 2012-2013, with a goal of achieving a
11 15-day average wait time.

12 (4) If changes are made to the department's protocol for
13 retaining and purging DNA analysis samples and records, the
14 department shall post a copy of the protocol changes on the
15 department's website.

16 Sec. 405. Not later than December 1, the department shall
17 submit a report to the subcommittees and senate and house fiscal
18 agencies that includes, but is not limited to, all of the following
19 information:

20 (a) Sexual assault kit analysis backlog at the beginning of
21 the prior fiscal year.

22 (b) The number of sexual assault kits collected or submitted
23 for analysis during the prior fiscal year.

24 (c) The number of sexual assault kits analyzed and the number
25 of associated DNA profiles created and uploaded during the prior
26 fiscal year.

27 (d) Sexual assault kit analysis backlog at the ending of the

1 prior fiscal year.

2 (e) The average turnaround time to analyze sexual assault kits
3 and to create and upload associated DNA profiles for the prior
4 fiscal year.

5 Sec. 406. The department shall provide administrative support
6 for the following grant and community service programs:

7 (a) The operations of the automobile theft prevention
8 authority.

9 (b) Administration of the Edward Byrne memorial justice
10 assistance program and other grant programs as well as the
11 department's community policing efforts.

12 (c) Oversight and administration of 9-1-1 operations
13 statewide.

14 Sec. 407. No later than March 30, the department shall report
15 annually to the legislature and the house and senate fiscal
16 agencies a school safety report, to include the following:

17 (a) The status of school safety grants issued by the grants
18 and community services unit, including grant amounts awarded to
19 each school district for school safety grants for school safety
20 improvements. This information shall also be provided on a
21 quarterly basis, as provided under section 217 of this part.

22 (b) Reports of incidences of school violence or threats
23 reported to the state police by local law enforcement or local
24 school districts, or received through the Michigan incident crime
25 report (MICR).

26 (c) Reports of OK2SAY-based incidences and activities, as
27 provided to the department of attorney general.

1 (d) Based upon an evaluation of incidents of school safety and
2 analysis of school safety grants, provide recommendations on best
3 practices and other safety measures to ensure school safety in this
4 state.

5 **MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS**

6 Sec. 501. (1) MCOLES shall establish standards for the
7 selection, employment, training, education, licensing, and
8 revocation of all law enforcement officers and provide the basic
9 law enforcement training curriculum for law enforcement training
10 academy programs statewide.

11 (2) MCOLES shall maintain staffing and resources necessary to
12 update law enforcement standards within 120 days of the enactment
13 date of any new legislation.

14 **FIELD SERVICES**

15 Sec. 601. (1) Department enlisted personnel who are employed
16 to enforce traffic laws as provided in section 629e of the Michigan
17 vehicle code, 1949 PA 300, MCL 257.629e, are not prohibited from
18 responding to crimes in progress or other emergency situations and
19 are responsible for making every effort to protect all residents of
20 this state.

21 (2) The department shall maintain the staffing and resources
22 necessary to continually work to enhance traffic safety throughout
23 this state and shall dedicate a minimum of 455,200 hours to
24 statewide patrol, of which a minimum of 40,000 shall be committed
25 to distressed cities in this state, and a minimum of 2,000 shall be

1 committed to Belle Isle. The department shall work to improve
2 public safety efforts within distressed cities by enhancing data
3 analysis capabilities and identifying crime trends and areas with
4 high occurrence of crime.

5 (3) The department shall maintain the staffing and resources
6 necessary to perform activities to maintain a 93% compliance rate
7 for reporting by registered sex offenders.

8 (4) The department shall submit a report on or before April 15
9 to the subcommittees and senate and house fiscal agencies regarding
10 the secure cities partnership during the prior calendar year.

11 Sec. 602. (1) The department shall identify and apprehend
12 criminals through criminal investigations in this state.

13 (2) The department shall maintain the staffing and resources
14 necessary to provide a comparable number of hours investigating
15 crimes as those performed in fiscal year 2012-2013.

16 (3) The department shall maintain the staffing and resources
17 necessary to annually meet or exceed a case clearance rate of 62%.

18 (4) The department shall annually provide 4 training
19 opportunities to local law enforcement partners with the goal of
20 increasing their knowledge of gambling laws, trends, legal issues,
21 and opioid-related investigations.

22 (5) The department shall maintain the staffing and resources
23 necessary to increase the number of opioid-related investigations
24 by 20% above the number of those investigations conducted in the
25 2014-2015 fiscal year conducted by multijurisdictional task forces
26 and hometown security teams. The department shall work to enhance
27 investigative and drug interdiction efforts by enhancing data

1 analysis capabilities and linking investigations among
2 multijurisdictional task forces and hometown security teams.

3 Sec. 603. (1) The department shall provide protection to this
4 state, its economy, welfare, and vital state-sponsored programs
5 through the prevention and suppression of organized smuggling of
6 untaxed tobacco products in the state, through enforcement of the
7 tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, and
8 other laws pertaining to combating criminal activity in this state,
9 by maintaining a tobacco tax enforcement unit.

10 (2) The department shall submit an annual report on December 1
11 to the subcommittees, the senate and house appropriations
12 subcommittees on general government, the senate and house fiscal
13 agencies, and the state budget office that details expenditures and
14 activities related to tobacco tax enforcement for the prior fiscal
15 year.

16 (3) The tobacco tax enforcement unit shall dedicate a minimum
17 of 16,600 hours to tobacco tax enforcement.

18 Sec. 604. (1) The department shall provide fire investigation
19 services to citizens of this state through training and
20 investigative assistance to public safety agencies in this state.

21 (2) The department shall maintain the staffing and resources
22 necessary to maintain readiness to respond appropriately to at
23 least the number of requests for fire investigation services that
24 occurred in fiscal year 2010-2011 and shall be available for call
25 out statewide 100% of the time.

26 **SPECIALIZED SERVICES**

1 Sec. 701. (1) The department shall operate the Michigan
2 intelligence operation center for homeland security as the state's
3 primary federally designated fusion center to receive, analyze,
4 gather, and disseminate threat-related information among federal,
5 state, local, tribal, and private sector partners.

6 (2) The department shall ensure public safety by providing
7 public and private sector partners with timely and accurate
8 information regarding critical information key resource threats as
9 reported to or discovered by the Michigan intelligence operations
10 center for homeland security and shall increase public awareness on
11 how to report suspicious activity through website or telephone
12 communications.

13 (3) The department shall maintain the staffing and resources
14 necessary to support the cyber section, including the Michigan
15 cyber command center, the computer crimes unit, and the internet
16 crimes against children task force. The department shall maintain
17 the staffing and resources necessary to increase the number of
18 cases completed by the computer crimes unit by 40% above the number
19 of cases completed in the 2014-2015 fiscal year. The unit shall
20 pursue process improvement initiatives to effectively utilize staff
21 resources in providing investigatory assistance and evidentiary
22 analysis for law enforcement and criminal justice agencies
23 statewide. The department shall maintain the staffing and resources
24 necessary to increase the Michigan cyber command center casework by
25 25% above the level of activity in the 2017-2018 fiscal year.

26 (4) The department shall maintain the staffing and resources
27 necessary to provide digital forensic analysis services with a goal

1 of decreasing backlogs of digital forensic analysis cases annually
2 until the department maintains a 60-day turnaround time.

3 Sec. 702. (1) The department shall provide specialized
4 services in support of, and to enhance, local, state, and federal
5 law enforcement operations within this state in accordance with all
6 applicable state and federal laws and regulations.

7 (2) The department shall maintain the staffing and resources
8 necessary to provide training to maintain readiness to respond
9 appropriately to at least the number of requests for specialty
10 services which occurred in fiscal year 2010-2011.

11 (3) The canine unit shall be available for call out statewide
12 100% of the time.

13 (4) The bomb squad unit shall be available for call out
14 statewide 100% of the time.

15 (5) The emergency support teams shall be available for call
16 out statewide 100% of the time.

17 (6) The marine services team shall be available for call out
18 statewide 100% of the time.

19 (7) Aviation services shall be available for call out
20 statewide 100% of the time, unless prohibited by weather or
21 unexpected mechanical breakdowns.

22 (8) The department shall prepare a report to the legislature
23 that evaluates law enforcement issues related to the use of drones,
24 including existing local, state, and federal laws and regulations
25 regarding their use, any input that the department may have to
26 offer as to the efficacy of those laws, and department-recommended
27 drone law/regulation enforcement policies that could be established

1 as Michigan law enforcement best practices. This report shall be
2 transmitted to the chairpersons of the senate and house
3 appropriations subcommittees, and the senate and house fiscal
4 agencies no later than April 2, 2019.

5 Sec. 703. (1) The department shall maintain commercial vehicle
6 regulation, school bus inspections, and enforcement activities,
7 including enforcement of requirements concerning size, weight, and
8 load restrictions; operating authority; registration; fuel taxes;
9 transportation of hazardous materials; operations of new entrants;
10 and commercial driver's licenses.

11 (2) The department shall maintain the staffing and resources
12 necessary to meet inspection goals consistent with the department's
13 federal motor carrier assistance program activities.

14 (3) Revenue collected under the motor carrier act, 1933 PA
15 254, MCL 475.1 to 479.42, shall be expended in accordance with that
16 act. Unexpended and unencumbered revenues shall not lapse to the
17 general fund but shall be carried forward into the subsequent
18 fiscal year.

19 Sec. 704. (1) The department shall coordinate the mitigation,
20 preparation, response, and recovery activities of municipal,
21 county, state, and federal governments, and other governmental
22 entities, for all hazards, disasters, and emergencies.

23 (2) The state director of emergency management may expend
24 money appropriated under part 1 to call upon any agency or
25 department of the state or any resource of the state to protect
26 life or property or to provide for the health or safety of the
27 population in any area of the state in which the governor proclaims

1 a state of emergency or state of disaster under 1945 PA 302, MCL
2 10.31 to 10.33, or under the emergency management act, 1976 PA 390,
3 MCL 30.401 to 30.421. The state director of emergency management
4 may expend the amounts the director considers necessary to
5 accomplish these purposes. The director shall submit to the state
6 budget director as soon as possible a complete report of all
7 actions taken under the authority of this section. The report shall
8 contain, as a separate item, a statement of all money expended that
9 is not reimbursable from federal money. The state budget director
10 shall review the expenditures and submit recommendations to the
11 legislature in regard to any possible need for a supplemental
12 appropriation.

13 (3) In addition to the money appropriated in part 1, the
14 department may receive and expend money from local, private,
15 federal, or state sources for the purpose of providing emergency
16 management training to local or private interests and for the
17 purpose of supporting emergency preparedness, response, recovery,
18 and mitigation activity. If additional expenditure authorization in
19 the statewide integrated governmental management application
20 (SIGMA) is approved by the state budget office under this section,
21 the department and the state budget office shall notify the
22 subcommittees and the senate and house fiscal agencies within 10
23 days after the approval. The notification shall include the amount
24 and source and the additional authorization, the date of its
25 approval, and the projected use of funds to be expended under the
26 authorization.

27 (4) The department shall foster, promote, and maintain

1 partnerships to protect this state and homeland from all hazards.

2 (5) The department shall maintain the staffing and resources
3 necessary to do all of the following:

4 (a) Serve approximately 105 local emergency management
5 preparedness programs and 88 local emergency planning committees in
6 this state.

7 (b) Operate and maintain the state's emergency operations
8 center and provide command and control in support of emergency
9 response services.

10 (c) Maintain readiness, including training and equipment to
11 respond to civil disorders and natural disasters commensurate with
12 the capabilities of fiscal year 2010-2011.

13 (d) Perform hazardous materials response training.

14 (6) The department shall conduct a minimum of 3 training
15 sessions to enhance safe response in the event of natural or
16 manmade incidents, emergencies, or disasters.

17 (7) In addition to the funds appropriated in part 1, there is
18 appropriated from the disaster and emergency contingency fund an
19 amount necessary to cover costs related to any disaster or
20 emergency as defined in the emergency management act, 1976 PA 390,
21 MCL 30.401 to 30.421. Funds shall be expended as provided under
22 sections 18 and 19 of the emergency management act, 1976 PA 390,
23 MCL 30.418 and 30.419, and R 30.51 to R 30.61 of the Michigan
24 Administrative Code.

25 (8) Funds in the disaster and emergency contingency fund shall
26 not be expended unless the state budget director approves the
27 expenditure and the department and the state budget office notify

1 the senate and house appropriations committees. If expenditures are
2 made from the disaster and emergency contingency fund during a
3 month, the department shall submit monthly reports to the senate
4 and house fiscal agencies detailing the purpose of the
5 expenditures. These monthly reports shall be submitted within 30
6 days after the end of the month during which funds from the
7 disaster and emergency contingency fund were expended.

8 (9) Upon the declaration of a state of emergency or disaster
9 by the governor under section 3 of the emergency management act,
10 1976 PA 390, MCL 30.403, approval of the state budget director, and
11 notification of the subcommittees and senate and house fiscal
12 agencies, the director may expend funds appropriated from any
13 source to any line item within part 1 for the purpose of paying the
14 necessary and reasonable expenses incurred by the department in
15 responding to or mitigating the effects of any emergency or
16 disaster as those terms are defined in section 2 of the emergency
17 management act, 1976 PA 390, MCL 30.402.

18 (10) The department shall track and report on a quarterly
19 basis, as provided in section 217 of this part, the status of the
20 department's assessment of critical infrastructure vulnerabilities,
21 including the protection status of critical infrastructure items
22 identified by the assessment.

23 Sec. 705. The department shall provide for the planning,
24 administration, and implementation of highway traffic safety
25 programs to save lives and reduce injuries on roads in this state
26 in partnership with other public and private organizations.

27 Sec. 706. (1) The department shall provide funding to county

1 sheriff departments to patrol secondary roads.

2 (2) The sheriffs' duties under the secondary road patrol
3 program, as outlined in section 76(2) of 1846 RS 14, MCL 51.76, are
4 to patrol and monitor traffic violations; to enforce the criminal
5 laws of this state, violations of which are observed by or brought
6 to the attention of the sheriff's department while patrolling and
7 monitoring secondary roads; to investigate accidents involving
8 motor vehicles; and to provide emergency assistance to persons on
9 or near a highway or road the sheriff is patrolling and monitoring.

10 (3) The department shall provide the following information on
11 secondary road patrol activities supported by appropriations in
12 part 1:

13 (a) The number of funded full-time equivalent county sheriff
14 secondary road patrol deputies.

15 (b) The number of hours dedicated to patrol under the
16 secondary road patrol program, with an annual goal of at least
17 178,000 hours.

18 (4) The information required to be reported under subsection
19 (3) shall be reported on an annual basis.

20 **ONE-TIME APPROPRIATIONS**

21 Sec. 901. (1) Funding provided in part 1 for sexual assault
22 prevention and education initiative shall be used to provide and
23 administer grants to public or nonpublic community colleges,
24 colleges, and universities with a physical presence in this state
25 to address campus sexual assault issues to improve the safety and
26 security of students, faculty, and staff in campus environments in

1 this state.

2 (2) Grant funds awarded shall support sexual assault programs,
3 including education, awareness, prevention, reporting, bystander
4 intervention programs, peer advocacy groups, and student
5 organizations dedicated to campus sexual assault prevention and
6 other actions covered by title IX protections.

7 (3) The department shall issue awards no later than December
8 1, 2018, with a grant period of 1 year.

9 (4) The department shall report on grant activities to the
10 subcommittees, the senate and house appropriations subcommittees on
11 higher education, and the state budget office by February 28, 2020.

12 (5) The unexpended funds appropriated in part 1 for sexual
13 assault prevention and education initiative are designated as work
14 project appropriations. Any unencumbered or unallotted funds shall
15 not lapse at the end of the fiscal year and shall be eligible for
16 expenditure for projects under this section until the projects have
17 been completed. The following is in compliance with section 451a(1)
18 of the management and budget act, 1984 PA 431, MCL 18.1451a:

19 (a) The purpose of the project is to provide grants for sexual
20 assault education, awareness, prevention, reporting, bystander
21 intervention programs, peer advocacy groups, and student
22 organizations dedicated to campus sexual assault prevention and
23 other actions covered by title IX protections. The student
24 organizations may be provided funds to support and develop advocacy
25 groups and act on issues related to prevention of sexual assault,
26 including, but not limited to, student outreach, supporting
27 survivors of sexual assault, and advocating for campus improvements

1 such as additional lighting.

2 (b) The project will be accomplished by grants to eligible
3 community colleges, colleges, and universities.

4 (c) The total estimated cost of the project is \$1,000,000.00.

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

6 PART 2A
7 PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS
8 FOR FISCAL YEAR 2019-2020

9 **GENERAL SECTIONS**

10 Sec. 1001. It is the intent of the legislature to provide
11 appropriations for the fiscal year ending on September 30, 2020 for
12 the line items listed in part 1. The fiscal year 2019-2020
13 appropriations are anticipated to be the same as those for fiscal
14 year 2018-2019, excluding appropriations designated as one-time
15 appropriations and adjusting for changes in caseload and related
16 costs, federal fund match rates, economic factors, and available
17 revenue. These adjustments will be determined after the January
18 2019 consensus revenue estimating conference.

19 ARTICLE XVII
20 STATE TRANSPORTATION DEPARTMENT
21 PART 1
22 LINE-ITEM APPROPRIATIONS

23 Sec. 101. There is appropriated for the state transportation

1 department for the fiscal year ending September 30, 2019, from the
 2 following funds:

3 **STATE TRANSPORTATION DEPARTMENT**

4 APPROPRIATION SUMMARY

5	Full-time equated unclassified positions	6.0	
6	Full-time equated classified positions	2,818.3	
7	GROSS APPROPRIATION.....		\$ 4,843,089,900
8	Total interdepartmental grants and intradepartmental		
9	transfers		4,092,500
10	ADJUSTED GROSS APPROPRIATION.....		\$ 4,838,997,400
11	Federal revenues:		
12	Federal aid - transportation programs.....		1,318,271,700
13	Total federal revenues.....		1,318,271,700
14	Special revenue funds:		
15	Local revenues.....		50,532,000
16	Private revenues.....		900,000
17	Total local and private revenues.....		51,432,000
18	Blue Water Bridge fund.....		24,575,400
19	Comprehensive transportation fund.....		352,756,000
20	Economic development fund.....		55,368,000
21	Intercity bus equipment and facility fund.....		100,000
22	Local bridge fund.....		30,716,500
23	Michigan transportation fund.....		1,592,666,600
24	Qualified airport fund.....		5,525,000
25	Rail freight fund.....		6,000,000
26	State aeronautics fund.....		15,924,200
27	State trunkline fund.....		1,085,662,000

1	Total other state restricted revenues.....	3,169,293,700
2	State general fund/general purpose.....	\$ 300,000,000
3	State general fund/general purpose schedule:	
4	Ongoing state general fund/general	
5	purpose	0
6	One-time state general fund/general	
7	purpose	300,000,000
8	Sec. 102. DEBT SERVICE	
9	Airport safety and protection plan.....	\$ 3,437,900
10	Blue Water Bridge fund.....	7,106,300
11	Comprehensive transportation.....	19,401,500
12	Economic development.....	11,595,300
13	Local bridge fund.....	2,315,700
14	State trunkline.....	<u>175,580,400</u>
15	GROSS APPROPRIATION.....	\$ 219,437,100
16	Appropriated from:	
17	Federal revenues:	
18	Federal aid - transportation programs.....	35,863,400
19	Special revenue funds:	
20	Blue Water Bridge fund.....	7,106,300
21	Comprehensive transportation fund.....	19,401,500
22	Economic development fund.....	11,595,300
23	Local bridge fund.....	2,315,700
24	State aeronautics fund.....	3,437,900
25	State trunkline fund.....	139,717,000
26	State general fund/general purpose.....	\$ 0
27	Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY	

1 **SUPPORT SERVICES**

2	CTF grant to civil service commission.....	\$	250,000
3	CTF grant to department of attorney general.....		205,600
4	CTF grant to department of treasury.....		16,300
5	CTF grant to legislative auditor general.....		39,800
6	CTF grant to department of technology, management, and		
7	budget		55,900
8	MTF grant to department of environmental quality.....		1,367,600
9	MTF grant to department of treasury.....		2,744,900
10	MTF grant to legislative auditor general.....		322,100
11	MTF grant to department of state for collection of		
12	revenue and fees		20,000,000
13	SAF grant to civil service commission.....		150,000
14	SAF grant to department of attorney general.....		181,500
15	SAF grant to department of treasury.....		74,000
16	SAF grant to legislative auditor general.....		31,000
17	SAF grant to department of technology, management, and		
18	budget		40,800
19	STF grant to civil service commission.....		6,197,000
20	STF grant to department of attorney general.....		2,476,400
21	STF grant to department of state police.....		11,798,000
22	STF grant to department of treasury.....		156,900
23	STF grant to legislative auditor general.....		748,200
24	STF grant to department of technology, management, and		
25	budget		<u>1,538,600</u>
26	GROSS APPROPRIATION.....	\$	48,394,600
27	Appropriated from:		

1	Special revenue funds:	
2	Comprehensive transportation fund.....	567,600
3	Michigan transportation fund.....	24,434,600
4	State aeronautics fund.....	477,300
5	State trunkline fund.....	22,915,100
6	State general fund/general purpose.....	\$ 0
7	Sec. 104. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
8	Full-time equated unclassified positions6.0	
9	Full-time equated classified positions252.3	
10	Unclassified salaries--6.0 FTE positions.....	\$ 792,100
11	Asset management council.....	1,876,400
12	Business support services--42.0 FTE positions.....	6,667,100
13	Commission audit and support services--29.3 FTE	
14	positions	3,423,200
15	Economic development and enhancement programs--10.0	
16	FTE positions	1,669,600
17	Finance, contracts, and support services--171.0 FTE	
18	positions	21,781,700
19	Property management.....	7,192,800
20	Worker's compensation.....	<u>1,639,200</u>
21	GROSS APPROPRIATION.....	\$ 45,042,100
22	Appropriated from:	
23	IDG for accounting service center user charges.....	4,092,500
24	Special revenue funds:	
25	Comprehensive transportation fund.....	1,566,600
26	Economic development fund.....	386,200
27	Michigan transportation fund.....	4,260,600

1	State aeronautics fund.....	710,700
2	State trunkline fund.....	34,025,500
3	State general fund/general purpose.....	\$ 0
4	Sec. 105. INFORMATION TECHNOLOGY	
5	Information technology services and projects.....	\$ <u>35,739,400</u>
6	GROSS APPROPRIATION.....	\$ 35,739,400
7	Appropriated from:	
8	Federal revenues:	
9	Federal aid - transportation programs.....	520,500
10	Special revenue funds:	
11	Blue Water Bridge fund.....	55,800
12	Comprehensive transportation fund.....	227,000
13	Economic development fund.....	37,500
14	Michigan transportation fund.....	296,700
15	State aeronautics fund.....	177,000
16	State trunkline fund.....	34,424,900
17	State general fund/general purpose.....	\$ 0
18	Sec. 106. TRANSPORTATION PLANNING	
19	Full-time equated classified positions137.0	
20	Planning services--137.0 FTE positions.....	\$ 39,133,100
21	Grants to regional planning councils.....	<u>488,800</u>
22	GROSS APPROPRIATION.....	\$ 39,621,900
23	Appropriated from:	
24	Federal revenues:	
25	Federal aid - transportation programs.....	22,000,000
26	Special revenue funds:	
27	Comprehensive transportation fund.....	612,300

1	Michigan transportation fund.....	9,615,400
2	State aeronautics fund.....	15,200
3	State trunkline fund.....	7,379,000
4	State general fund/general purpose.....	\$ 0
5	Sec. 107. DESIGN AND ENGINEERING SERVICES	
6	Full-time equated classified positions	1,473.3
7	Program development, delivery, and system operations--	
8	1,473.3 FTE positions	\$ <u>165,353,700</u>
9	GROSS APPROPRIATION.....	\$ 165,353,700
10	Appropriated from:	
11	Federal revenues:	
12	Federal aid - transportation programs.....	23,529,800
13	Special revenue funds:	
14	Comprehensive transportation fund.....	187,100
15	Michigan transportation fund.....	12,347,500
16	State aeronautics fund.....	160,300
17	State trunkline fund.....	129,129,000
18	State general fund/general purpose.....	\$ 0
19	Sec. 108. HIGHWAY MAINTENANCE	
20	Full-time equated classified positions	793.7
21	State trunkline operations--793.7 FTE positions.....	\$ <u>339,127,800</u>
22	GROSS APPROPRIATION.....	\$ 339,127,800
23	Appropriated from:	
24	Special revenue funds:	
25	State trunkline fund.....	339,127,800
26	State general fund/general purpose.....	\$ 0
27	Sec. 109. ROAD AND BRIDGE PROGRAMS	

1	Cities and villages.....	\$	534,594,700
2	County road commissions.....		958,837,100
3	Grants to local programs.....		33,000,000
4	Local bridge program.....		28,400,800
5	Local federal aid and road and bridge construction....		278,400,300
6	Local agency wetland mitigation bank fund.....		2,000,000
7	Movable bridge.....		5,222,400
8	Rail grade crossing.....		3,000,000
9	Rail grade crossing - surface improvements.....		3,000,000
10	State trunkline federal aid and road and bridge		
11	construction		<u>1,222,189,500</u>
12	GROSS APPROPRIATION.....	\$	3,068,644,800
13	Appropriated from:		
14	Federal revenues:		
15	Federal aid - transportation programs.....		1,087,008,000
16	Special revenue funds:		
17	Local funds.....		30,003,500
18	Blue Water Bridge fund.....		10,877,600
19	Local bridge fund.....		28,400,800
20	Michigan transportation fund.....		1,539,654,200
21	State trunkline fund.....		372,700,700
22	State general fund/general purpose.....	\$	0
23	Sec. 110. BLUE WATER BRIDGE		
24	Full-time equated classified positions		41.0
25	Blue Water Bridge operations--41.0 FTE positions.....	\$	<u>6,535,700</u>
26	GROSS APPROPRIATION.....	\$	6,535,700
27	Appropriated from:		

1	Special revenue funds:	
2	Blue Water Bridge fund.....	6,535,700
3	State general fund/general purpose.....	\$ 0
4	Sec. 111. TRANSPORTATION ECONOMIC DEVELOPMENT	
5	Forest roads.....	\$ 5,000,000
6	Rural county primary.....	8,087,200
7	Rural county urban system.....	2,500,000
8	Target industries/economic redevelopment.....	16,674,600
9	Urban county congestion.....	8,087,200
10	Community service infrastructure fund.....	<u>3,000,000</u>
11	GROSS APPROPRIATION.....	\$ 43,349,000
12	Appropriated from:	
13	Special revenue funds:	
14	Economic development fund.....	43,349,000
15	State general fund/general purpose.....	\$ 0
16	Sec. 112. AERONAUTICS SERVICES	
17	Full-time equated classified positions46.0	
18	Air service program.....	\$ 250,000
19	Air fleet operations and maintenance--8.0 FTE	
20	positions	1,774,500
21	Aviation services--38.0 FTE positions.....	<u>5,616,600</u>
22	GROSS APPROPRIATION.....	\$ 7,641,100
23	Appropriated from:	
24	Special revenue funds:	
25	State aeronautics fund.....	7,641,100
26	State general fund/general purpose.....	\$ 0
27	Sec. 113. PUBLIC TRANSPORTATION SERVICES	

1	Full-time equated classified positions	36.0	
2	Passenger transportation services--36.0 FTE positions.		\$ <u>5,874,700</u>
3	GROSS APPROPRIATION.....		\$ 5,874,700
4	Appropriated from:		
5	Federal revenues:		
6	Federal aid - transportation programs.....		972,100
7	Special revenue funds:		
8	Comprehensive transportation fund.....		4,902,600
9	State general fund/general purpose.....		\$ 0
10	Sec. 114. LOCAL BUS TRANSIT		
11	Local bus operating.....		\$ 190,750,000
12	Nonurban operating/capital.....		<u>30,027,900</u>
13	GROSS APPROPRIATION.....		\$ 220,777,900
14	Appropriated from:		
15	Federal revenues:		
16	Federal aid - transportation programs.....		28,027,900
17	Special revenue funds:		
18	Local funds.....		2,000,000
19	Comprehensive transportation fund.....		190,750,000
20	State general fund/general purpose.....		\$ 0
21	Sec. 115. INTERCITY PASSENGER AND FREIGHT		
22	Full-time equated classified positions	39.0	
23	Detroit/Wayne County Port Authority.....		\$ 418,200
24	Freight property management.....		1,000,000
25	Intercity services.....		7,360,000
26	Marine passenger service.....		400,000
27	Office of rail--39.0 FTE positions.....		6,563,500

1	Rail operations and infrastructure.....	<u>80,758,000</u>
2	GROSS APPROPRIATION.....	\$ 96,499,700
3	Appropriated from:	
4	Federal revenues:	
5	Federal aid - transportation programs.....	14,500,000
6	Special revenue funds:	
7	Local funds.....	260,000
8	Private funds.....	900,000
9	Comprehensive transportation fund.....	71,940,600
10	Intercity bus equipment and facility fund.....	100,000
11	Michigan transportation fund.....	2,057,600
12	Rail freight fund.....	6,000,000
13	State trunkline fund.....	741,500
14	State general fund/general purpose.....	\$ 0
15	Sec. 116. PUBLIC TRANSPORTATION DEVELOPMENT	
16	Municipal credit program.....	\$ 2,000,000
17	Service initiatives.....	4,589,200
18	Specialized services.....	17,938,900
19	Transit capital.....	66,612,600
20	Transportation to work.....	3,875,000
21	Van pooling.....	<u>195,000</u>
22	GROSS APPROPRIATION.....	\$ 95,210,700
23	Appropriated from:	
24	Federal revenues:	
25	Federal aid - transportation programs.....	26,850,000
26	Special revenue funds:	
27	Local funds.....	5,760,000

1	Comprehensive transportation fund.....	62,600,700
2	State general fund/general purpose.....	\$ 0
3	Sec. 117. CAPITAL OUTLAY	
4	(1) BUILDINGS AND FACILITIES	
5	Salt storage buildings and containment control.....	\$ 2,500,000
6	Special maintenance, remodeling, and additions.....	<u>3,001,500</u>
7	GROSS APPROPRIATION.....	\$ 5,501,500
8	Appropriated from:	
9	State trunkline fund.....	5,501,500
10	State general fund/general purpose.....	\$ 0
11	(2) AIRPORT IMPROVEMENT PROGRAMS	
12	Airport safety, protection, and improvement program...	\$ 94,813,200
13	Detroit Metropolitan Wayne County Airport.....	<u>5,525,000</u>
14	GROSS APPROPRIATION.....	\$ 100,338,200
15	Appropriated from:	
16	Federal revenues:	
17	Federal aid - transportation programs.....	79,000,000
18	Special revenue funds:	
19	Local funds.....	12,508,500
20	Qualified airport fund.....	5,525,000
21	State aeronautics fund.....	3,304,700
22	State general fund/general purpose.....	\$ 0
23	Sec. 118. ONE-TIME APPROPRIATIONS	
24	Cities and villages.....	\$ 65,400,000
25	County road commissions.....	117,300,000
26	State trunkline federal aid and road and bridge	
27	construction	<u>117,300,000</u>

1	GROSS APPROPRIATION.....	\$	300,000,000
2	Appropriated from:		
3	State general fund/general purpose - one-time.....	\$	300,000,000

4 PART 2
 5 PROVISIONS CONCERNING APPROPRIATIONS
 6 FOR FISCAL YEAR 2018-2019

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 sources under
 10 part 1 for fiscal year 2018-2019 is \$3,469,293,700.00 and state
 11 spending from state sources to be paid to local units of government
 12 for fiscal year 2018-2019 is \$2,036,860,600.00. The itemized
 13 statement below identifies appropriations from which spending to
 14 local units of government will occur:

15 STATE TRANSPORTATION DEPARTMENT

16	Grants to regional planning councils.....	\$	488,800
17	Cities and villages.....		534,594,700
18	County road commissions.....		958,837,100
19	Grants to local programs.....		33,000,000
20	Local bridge program.....		28,400,800
21	Local agency wetland mitigation.....		2,000,000
22	Movable bridge.....		2,611,200
23	Rail grade crossing.....		1,500,000
24	Rail grade surface crossing improvements.....		3,000,000
25	Transportation economic development.....		23,674,400

1	Community service infrastructure fund.....	3,000,000
2	Air service program.....	250,000
3	Local bus operating.....	190,750,000
4	Detroit/Wayne County Port Authority.....	418,200
5	Marine passenger service.....	400,000
6	Municipal credit program.....	2,000,000
7	Service initiatives.....	2,614,200
8	Specialized services.....	3,853,900
9	Transit capital.....	50,062,600
10	Transportation to work.....	3,875,000
11	Airport safety, protection, and improvement program...	3,304,700
12	Detroit Metropolitan Wayne County Airport.....	5,525,000
13	Cities and villages - one-time GF/GP.....	65,400,000
14	County road commissions - one-time GF/GP.....	<u>117,300,000</u>
15	Total payments to local units of government.....	\$ 2,036,860,600

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

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

- 20 (a) "CTF" means comprehensive transportation fund.
- 21 (b) "Department" means the state transportation department.
- 22 (c) "Director" means the director of the department.
- 23 (d) "DOT" means the United States Department of
24 Transportation.
- 25 (e) "DOT-FHWA" means DOT, Federal Highway Administration.
- 26 (f) "FTE" means full-time equated.
- 27 (g) "IDG" means interdepartmental grant.

1 (h) "MTF" means Michigan transportation fund.

2 (i) "SAF" means state aeronautics fund.

3 (j) "STF" means state trunkline fund.

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

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
19 competitively 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 not later than January 1 of each year. The travel
2 report shall be a listing of all travel by classified and
3 unclassified employees outside this state in the immediately
4 preceding fiscal year that was funded in whole or in part with
5 funds appropriated in the department's budget. The report shall be
6 submitted to the senate and house appropriations committees, the
7 house and senate fiscal agencies, and the state budget director.
8 The report shall include 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 activities that the
20 attorney general authorizes.

21 Sec. 209. Not later than November 30, the state budget office
22 shall prepare and transmit a report that provides for estimates of
23 the 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 of

1 representatives standing committees on appropriations and the
2 senate and house fiscal agencies.

3 Sec. 210. (1) In addition to the funds appropriated in part 1,
4 there is appropriated an amount not to exceed \$200,000,000.00 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 pursuant to section 393(2) of the management and budget
8 act, 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 \$40,000,000.00 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 pursuant to section 393(2) of the management and budget
14 act, 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 \$1,000,000.00 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 pursuant to section 393(2) of the management and budget act, 1984
20 PA 431, MCL 18.1393.

21 (4) In addition to the funds appropriated in part 1, there is
22 appropriated an amount not to exceed \$1,000,000.00 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 pursuant to section 393(2) of the management and budget act, 1984
26 PA 431, MCL 18.1393.

27 Sec. 211. The department shall cooperate with the department

1 of technology, management, and budget to maintain a searchable
2 website accessible by the public at no cost that includes, but is
3 not limited to, all of the following:

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

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

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

9 (d) The number of active department employees by job
10 classification.

11 (e) Job specifications and wage rates.

12 Sec. 212. Within 14 days after the release of the executive
13 budget recommendation, the department shall cooperate with the
14 state budget office to provide the senate and house appropriations
15 chairs, the senate and house appropriations subcommittees chairs,
16 and the senate and house fiscal agencies with an annual report on
17 estimated state restricted fund balances, state restricted fund
18 projected revenues, and state restricted fund expenditures for the
19 fiscal years ending September 30, 2018 and September 30, 2019.

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

24 Sec. 214. Total authorized appropriations from all sources
25 under part 1 for legacy costs for the fiscal year ending September
26 30, 2019 are \$67,716,200.00. From this amount, total agency
27 appropriations for pension-related legacy costs are estimated at

1 \$31,218,300.00. Total agency appropriations for retiree health care
2 legacy costs are estimated at \$36,497,900.00.

3 Sec. 215. A department shall not take disciplinary action
4 against an employee for communicating with a member of the
5 legislature or his or her staff.

6 Sec. 217. The department shall provide notice to the speaker
7 of the house, the house minority leader, the senate majority
8 leader, the senate minority leader, the house and senate standing
9 committees on transportation, the appropriate house and senate
10 appropriations subcommittees on transportation, and the house and
11 senate fiscal agencies on proposed federal rule changes related to
12 the department that would require amendments to the laws of this
13 state. The notice shall be given within 30 business days of the
14 proposed federal rule being posted to the federal register and
15 shall include a description of the proposed federal rule, the
16 publication date, the date when public comment closes, the document
17 citation, and a description of the statutory changes needed when
18 the rule is finalized.

19 Sec. 270. In order to reduce costs and maintain quality, it is
20 the intent of the legislature that, excluding the fleet of motor
21 vehicles for the department of state police, the department will
22 prioritize the utilization of remanufactured parts as the primary
23 means of maintenance and repair for the state of Michigan's fleet
24 of motor vehicles.

25 **DEPARTMENT ADMINISTRATION AND SUPPORT**

26 Sec. 301. (1) The department may establish a fee schedule and

1 collect fees sufficient to cover the costs to issue the permits
2 that the department is authorized by law to issue upon request,
3 unless otherwise stipulated by law. All permit fees are
4 nonrefundable application fees and shall be credited to the
5 appropriate fund to recover the direct and indirect costs of
6 receiving, reviewing, and processing the requests.

7 (2) A bridge authority shall hold 3 public hearings on an
8 increase in any toll charged by the authority at least 30 days
9 before the toll change will become effective. Two of the hearings
10 shall be held within 5 miles of the bridge over which the bridge
11 authority has jurisdiction. One hearing shall be held in Lansing.
12 Public hearings held under this section shall be conducted in
13 accordance with the open meetings act, 1976 PA 267, MCL 15.261 to
14 15.275, and shall be conducted so as to provide a reasonable
15 opportunity for public comment, including both spoken and written
16 comments.

17 Sec. 304. If, as a requirement of bidding on a highway
18 project, the department requires a contractor to submit financial
19 or proprietary documentation as to how the bid was calculated, that
20 bid documentation shall be kept confidential and shall not be
21 disclosed other than to a department representative without the
22 contractor's written consent. The department may disclose the bid
23 documentation if necessary to address or defend a claim by a
24 contractor.

25 Sec. 305. (1) The department may permit space on public
26 passenger transportation properties to be occupied by public or
27 private tenants on a competitive market rate basis. The department

1 shall require that revenue from the tenants be placed in an account
2 to be used to pay the costs to maintain and improve the property.

3 (2) The department shall charge public transit agencies and
4 intercity bus carriers equal rates per square foot for leasing
5 space in state-owned intermodal facilities.

6 Sec. 306. (1) The amounts appropriated in part 1 to support
7 tax and fee collection, law enforcement, and other program services
8 provided to the department and to transportation funds by other
9 state departments shall be expended from transportation funds
10 pursuant to annual contracts between the department and those other
11 state departments. The contracts shall be executed prior to the
12 expenditure or obligation of those funds. The contracts shall
13 provide, but are not limited to, the following data applicable to
14 each state department:

15 (a) Estimated costs to be recovered from transportation funds.

16 (b) Description of services provided to the department and/or
17 transportation funds and financed with transportation funds.

18 (c) Detailed cost allocation methods appropriate to the type
19 of services being provided and the activities financed with
20 transportation funds.

21 (2) Not later than 2 months after publication of the state of
22 Michigan comprehensive annual financial report, each state
23 department receiving funding pursuant to an interdepartment
24 contract with the department shall submit a written report to the
25 department, the state budget director, and the house and senate
26 fiscal agencies stating by spending authorization account the
27 amount of estimated funds contracted with the department, the

1 amount of funds expended, the amount of funds returned to the
2 transportation funds, and any unreimbursed transportation-related
3 costs incurred but not billed to transportation funds. A copy of
4 the report shall be submitted to the auditor general, and the
5 report shall be subject to audit.

6 (3) The auditor general shall use a risk-based approach in
7 developing an audit program for the use of transportation funds.

8 Sec. 307. Before March 1 of each year, the department will
9 provide to the legislature, the state budget director, and the
10 house and senate fiscal agencies its rolling 5-year plan listing by
11 county or by county road commission all highway construction
12 projects for the fiscal year and all expected projects for the
13 ensuing fiscal years.

14 Sec. 310. The department shall provide in a timely manner
15 copies of the agenda and approved minutes of monthly transportation
16 commission meetings to the members of the house and senate
17 appropriations subcommittees on transportation, the house and
18 senate fiscal agencies, and the state budget director.

19 Sec. 313. (1) From funds appropriated in part 1, the
20 department may increase a state infrastructure bank program and
21 grant or loan funds in accordance with regulations of the state
22 infrastructure bank program of the United States Department of
23 Transportation. The state infrastructure bank is to be administered
24 by the department for the purpose of providing a revolving, self-
25 sustaining resource for financing transportation infrastructure
26 projects.

27 (2) In addition to funds provided in subsection (1), money

1 received by the state as federal grants, repayment of state
2 infrastructure bank loans, or other reimbursement or revenue
3 received by the state as a result of projects funded by the program
4 and interest earned on that money shall be deposited in the
5 revolving state infrastructure bank fund and shall be available for
6 transportation infrastructure projects. At the close of the fiscal
7 year, any unencumbered funds remaining in the state infrastructure
8 bank fund shall remain in the fund and be carried forward into the
9 succeeding fiscal year.

10 (3) The department shall submit a report to the state budget
11 director, the house and senate appropriations subcommittees on
12 transportation, and the house and senate fiscal agencies on the
13 status of the state infrastructure bank. The report shall be
14 submitted on or before December 1, 2018. The report shall include
15 all of the following:

16 (a) The balance in the state infrastructure bank at September
17 30, 2018, including a breakdown of the balance by cash and cash
18 equivalents, outstanding loans, and balance available for loan to
19 local agencies.

20 (b) A breakdown of the state infrastructure loan balance by
21 amounts designated as originating from federal sources and the
22 amounts originating from nonfederal sources.

23 (c) A list of outstanding loans by agency, original loan
24 amount, project description, loan term, and amount outstanding.

25 Sec. 319. The department shall post signs at each rest area to
26 identify the agency or contractor responsible for maintenance of
27 the rest area. The signs shall include a department telephone

1 number and shall indicate that unsafe or unclean conditions at the
2 rest area may be reported to that telephone number.

3 Sec. 353. The department shall review its contractor payment
4 process and ensure that all prime contractors are paid promptly.
5 The department shall ensure that prime contractors are in
6 compliance with special provision 109.10 regarding the prompt
7 payment of subcontractors.

8 Sec. 357. When presented with complete local federal aid
9 project submittals, the department shall complete all necessary
10 reviews and inspections required to let local federal aid projects
11 within 120 days of receipt. The department shall implement a system
12 for monitoring the local federal aid project review process.

13 Sec. 375. The department is prohibited from reimbursing
14 contractors or consultants for costs associated with groundbreaking
15 ceremonies, receptions, open houses, or press conferences related
16 to transportation projects funded, in whole or in part, by revenue
17 appropriated in part 1.

18 Sec. 376. The department shall not spend funds appropriated in
19 part 1 for the purpose of examining the potential association
20 between commercial signs, outdoor advertising signs, billboards,
21 digital billboards, or commercial electronic variable message signs
22 and motor vehicle activity or motor vehicle driver behavior.

23 Sec. 381. The department shall require as a condition of each
24 contract or subcontract for construction, maintenance, or
25 engineering services that the prequalified contractor or
26 prequalified subcontractor agree to use the E-Verify system to
27 verify that all persons hired during the contract term by the

1 contractor or subcontractor are legally present and authorized to
2 work in the United States. The department may verify this
3 information directly or may require contractors and subcontractors
4 to verify the information and submit a certification to the
5 department. The department shall report to the house and senate
6 appropriations committees and the house and senate fiscal agencies
7 by March 1 of each year describing the processes it has developed
8 and implemented under provisions of this section. As used in this
9 section, "E-Verify" means an internet-based system operated by the
10 Department of Homeland Security, U.S. Citizenship and Immigration
11 Services in partnership with the Social Security Administration.

12 Sec. 382. In administering a contract with a county road
13 commission, city, or village that allocates costs of construction
14 or reconstruction of highways, roads, and streets as provided in
15 section 18d of 1951 PA 51, MCL 247.668d, the department shall
16 submit the final cost-sharing bill to the county road commission,
17 city, or village not later than 2 years after the date of the final
18 contract payment to the construction contractor.

19 Sec. 383. (1) The department shall prepare a report on use of
20 department-owned aircraft during the fiscal year ending September
21 30, 2018. With respect to each department-owned aircraft, the
22 report shall include all of the following:

23 (a) Total hours of usage.

24 (b) Description of specific flights including dates of travel,
25 names of passengers including state agency, university, or local
26 government affiliation, travel origin and destination, and total
27 estimated costs associated with the air travel.

1 (2) The report shall be submitted to the senate and house
2 appropriations subcommittees on transportation and the house and
3 senate fiscal agencies no later than February 1, 2019.

4 (3) The department shall maintain a system for recovering the
5 cost of operating department-owned aircraft through charges to
6 aircraft users.

7 (4) From the funds appropriated in part 1, the department is
8 prohibited from transporting legislators or legislative staff on
9 state-owned aircraft without prior approval from the senate
10 majority leader or the speaker of the house of representatives and
11 only when the aircraft is already scheduled by state agencies on
12 related official state business.

13 Sec. 384. (1) Except as otherwise provided in subsection (2),
14 the department shall not obligate the state to expend any state
15 transportation revenue for construction planning or construction of
16 the Gordie Howe International Crossing or a renamed successor. In
17 addition, except as provided in subsection (2), the department
18 shall not commit the state to any new contract related to the
19 construction planning or construction of the Gordie Howe
20 International Crossing or a renamed successor that would obligate
21 the state to expend any state transportation revenue. An
22 expenditure for staff resources used in connection with project
23 activities, which expenditure is subject to full and prompt
24 reimbursement from Canada, shall not be considered an expenditure
25 of state transportation revenue.

26 (2) If the legislature enacts specific enabling legislation
27 for the construction of the Gordie Howe International Crossing or a

1 renamed successor, subsection (1) does not apply once the enabling
2 legislation goes into effect.

3 Sec. 385. (1) The department shall submit reports to the state
4 budget director, the speaker of the house, the house minority
5 leader, the senate majority leader, the senate minority leader, the
6 house and senate appropriations subcommittees on transportation,
7 and the house and senate fiscal agencies on department activities
8 related to all nonconstruction or construction planning activities
9 related to the Gordie Howe International Crossing or a renamed
10 successor. The initial report shall be submitted on or before
11 December 1, 2018 and shall cover the fiscal year ending September
12 30, 2018.

13 (2) The initial report shall include, at a minimum, all of the
14 following:

15 (a) Department costs incurred in the fiscal year ending
16 September 30, 2018, including employee salaries, wages, benefits,
17 travel, and contractual services, and what activities those costs
18 were related to.

19 (b) Costs of other executive branch agencies incurred in the
20 fiscal year ending September 30, 2018, including employee salaries,
21 wages, benefits, travel, and contractual services, and what
22 activities those costs were related to.

23 (c) A breakdown of the source of funds used for the activities
24 described in subdivisions (a) and (b).

25 (d) A breakdown of reimbursements made by Canada under section
26 384(1) of this part to the state for expenditures for staff
27 resources used in connection with project activities.

1 (e) A narrative description of the status of the Gordie Howe
2 International Crossing or a renamed successor, including efforts
3 undertaken to implement provisions of the crossing agreement
4 executed June 15, 2012 by representatives of the Canadian
5 government and this state.

6 (3) After submission of the initial report, a subsequent
7 report shall be submitted on March 1, 2019, June 1, 2019, and
8 September 1, 2019 and shall include the same information described
9 in subsection (2) for the applicable previous fiscal quarter.

10 Sec. 386. (1) On or before May 1 of each year, the department
11 shall submit a report to the state budget director, the house and
12 senate appropriations subcommittees on transportation, and the
13 house and senate fiscal agencies on its toll credit program. The
14 report shall include the following information:

15 (a) The amount of toll credits earned and certified by the
16 FHWA in the prior fiscal year.

17 (b) The value of toll credits used by programs and projects in
18 the previous fiscal year.

19 (c) The balance of available toll credits at the end of the
20 prior fiscal year.

21 (d) A discussion of the department's strategy for using toll
22 credits.

23 Sec. 387. (1) Within 60 days of completion of any formal
24 traffic study, formal traffic control study, or formal traffic
25 mitigation study, the department shall post the results of the
26 study on the department's website.

27 (2) As used in this section, the terms "traffic study",

1 "traffic control study", and "traffic mitigation study" include,
2 but are not limited to, investigations into the need for traffic
3 lights, reviews of traffic speeds and related recommendations
4 regarding speed limits, and ways to improve traffic flow during
5 peak travel times.

6 Sec. 389. Within 30 days of entering into a long-term
7 agreement with a private contractor, a public agency, or a
8 partnership between 1 or more private contractors or public
9 agencies, the department shall notify the state budget director,
10 the house and senate appropriations subcommittees on
11 transportation, and the house and senate fiscal agencies of the
12 agreement, including the subject of the agreement, the term of the
13 agreement, and financial obligations under the agreement. As used
14 in this section, "long-term agreement" means an agreement that
15 obligates the department for a period of 5 years or more and that
16 actually or contingently obligates the department to make payments
17 over the contract period of \$5,000,000.00 or more.

18 Sec. 390. (1) Within 14 days after the release of the
19 executive budget recommendation, the department shall report on
20 prior fiscal year revenues, expenditures, and ending balances,
21 including a description of obligations or restrictions in ending
22 balances, for the following funds and accounts:

- 23 (a) The moveable bridge fund.
- 24 (b) The rail grade crossing account.
- 25 (c) The transportation economic development fund.
- 26 (d) The roads and risks reserve fund.
- 27 (e) Any unencumbered general fund revenue.

1 (f) Any unexpended federal earmarks.

2 (2) The department shall transmit the reports required under
3 this section to the state budget director, the house and senate
4 appropriations subcommittees on transportation, and the house and
5 senate fiscal agencies.

6 Sec. 391. The department shall not use any funds from the
7 appropriations in part 1 to perform, or to assist any other state
8 department in performing, inspections or testing of motor fuel
9 quality.

10 Sec. 393. The department shall promote best practices for
11 public transportation services in this state, including, but not
12 limited to, the following:

13 (a) Transit vehicle rehabilitation to reduce life-cycle cost
14 of public transportation through midlife rehabilitation of transit
15 buses.

16 (b) Cooperation between entities using transit, including
17 school districts, cities, townships, and counties with a view to
18 promoting cost savings through joint purchasing of fuel and other
19 procurements.

20 (c) Coordination of transportation dollars among state
21 departments which provide transit-related services, including the
22 department of health and human services. Priority should be given
23 to use of public transportation services where available.

24 (d) Promotion of intelligent transportation services for buses
25 that incorporate computer and navigation technology to make transit
26 systems more efficient, including stoplight coordinating, vehicle
27 tracking, data tracking, and computerized scheduling.

1 Sec. 394. The department and local road agencies shall make
2 the preservation of their existing road networks a funding
3 priority.

4 Sec. 395. From the funds appropriated in part 1 for state
5 trunkline federal aid road and bridge construction, the department
6 may expend up to \$10,000,000.00 on highway maintenance activities
7 to support safety-related, high-priority, and other deferred
8 routine maintenance needs on Michigan's state trunkline network.

9 Sec. 396. In soliciting proposals for contractual services,
10 other than construction contracts, the department shall obtain
11 assurance that the respondents have the financial capability,
12 equipment, work force, and prior work experience sufficient to
13 perform the proposed services.

14 Sec. 398. The department shall continue to work to eliminate
15 fatalities and serious injuries on Michigan's trunkline and shall
16 maintain the Toward Zero Deaths statewide safety campaign. The
17 department shall prioritize additional median cable guardrail
18 installation when appropriate to address trunkline locations with a
19 history of correctable fatal and serious injury crashes.

20 Sec. 399. From the funds appropriated in part 1 for the
21 community service infrastructure fund, \$3,000,000.00 shall be used
22 to establish a local matching grant program for cities and villages
23 with a population of 10,000 or less. The program shall be
24 administered by the office of economic development. The office of
25 economic development may expend up to \$100,000.00 for costs of
26 program administration. The office of economic development shall
27 provide matching grants up to \$250,000.00 for construction or

1 preservation of city and village streets, including, but not
2 limited to, reconstruction, replacement, rehabilitation, and
3 capital prevention maintenance. Grantees will be required to
4 provide a dollar-for-dollar cash match. It is the intent of the
5 legislature that the community service infrastructure fund be
6 supported with ongoing appropriations of not less than
7 \$3,000,000.00 each subsequent fiscal year.

8 **FEDERAL**

9 Sec. 402. A portion of the federal DOT-FHWA highway research,
10 planning, and construction funds made available to this state shall
11 be allocated to transportation programs administered by local
12 jurisdictions in accordance with section 10o of 1951 PA 51, MCL
13 247.660o. A local road agency, with respect to a project approved
14 for federal aid funding in a state transportation improvement
15 program, may enter into a voluntary buyout agreement with the
16 department or with another local road agency to exchange the
17 federal aid with state restricted transportation funds as agreed to
18 by the respective parties. The state restricted transportation
19 funds received in exchange for federal aid funds shall be used for
20 the same purpose as the federal aid funds were originally intended.

21 Sec. 403. After meeting the capital needs of existing section
22 5310 subrecipients, the department shall include in its grant
23 application to the Federal Transit Administration replacement buses
24 for rural transit agencies to the maximum extent possible based on
25 the federal regulations that govern the section 5310 program.

1 MICHIGAN TRANSPORTATION FUND

2 Sec. 501. The money received under the motor carrier act, 1933
3 PA 254, MCL 475.1 to 479.42, and not appropriated to the department
4 of licensing and regulatory affairs or the department of state
5 police is deposited in the Michigan transportation fund.

6 Sec. 503. (1) The funds appropriated in part 1 for the
7 economic development and local bridge programs shall not lapse at
8 the end of the fiscal year but shall carry forward each fiscal year
9 for the purposes for which appropriated in accordance with 1987 PA
10 231, MCL 247.901 to 247.913, and section 10(5) of 1951 PA 51, MCL
11 247.660.

12 (2) Interest earned in the department of transportation
13 economic development fund and local bridge fund shall remain in the
14 respective funds and shall be allocated to the respective programs
15 based on actual interest earned at the end of each fiscal year.

16 (3) In addition to the funds appropriated in part 1, the
17 department of transportation economic development fund and local
18 bridge fund may receive federal, local, or private funds or
19 restricted source funds such as interest earnings. These funds are
20 appropriated for projects that are consistent with the purposes of
21 the respective funds.

22 (4) None of the funds statutorily dedicated to the
23 transportation economic development fund and local bridge fund
24 shall be diverted to other projects.

25 Sec. 504. Funds from the Michigan transportation fund shall be
26 distributed to the comprehensive transportation fund, the economic
27 development fund, the recreation improvement fund, and the state

1 trunkline fund, in accordance with this part and part 1 and part
2 711 of the natural resources and environmental protection act, 1994
3 PA 451, MCL 324.71101 to 324.71108, and may only be used as
4 specified in this part and part 1, 1951 PA 51, MCL 247.651 to
5 247.675, and part 711 of the natural resources and environmental
6 protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

7 **STATE TRUNKLINE FUND**

8 Sec. 601. The department shall maintain documentation to
9 support initial acceptance of warrantied projects, interim and
10 final inspections, and notifications to contractors that the
11 warranty period had expired. The department also shall review and
12 evaluate consultant evaluation requirements or recommendations and
13 update existing policies and procedures accordingly.

14 Sec. 604. At the close of the fiscal year, any unencumbered
15 and unexpended balance in the state trunkline fund shall remain in
16 the state trunkline fund and shall carry forward and is
17 appropriated for federal aid road and bridge programs for projects
18 contained in the annual state transportation program.

19 Sec. 605. (1) From the increased funds appropriated in part 1
20 for highway maintenance, the department shall expand highway
21 maintenance activities in the current fiscal year to support
22 flooding mitigation-related activities on limited-access state
23 trunklines in Wayne, Oakland, and Macomb Counties, as well as other
24 safety-related, high-priority, and deferred routine maintenance
25 needs on Michigan's state trunkline network.

26 (2) The department shall report on specific outcomes and

1 performance measures, including, but not limited to, the following:

2 (a) The number of drainage catch basins cleaned on limited-
3 access state trunklines in Wayne, Oakland, and Macomb Counties
4 during the fiscal year ending September 30, 2019.

5 (b) The number of flooding-related closures on limited-access
6 state trunklines in Wayne, Oakland, and Macomb Counties during the
7 fiscal year ending September 30, 2019.

8 Sec. 606. From the funds appropriated in part 1, it is the
9 intent of the legislature that the department shall expend between
10 \$2,000,000.00 and \$3,000,000.00 for the engineering and design of a
11 rebuilding and modernization project on I-94 between M-60 and
12 Sargent Road in Jackson County. The engineering and design work
13 shall prepare the project for the receipt of any future federal
14 funds, if and when they become available.

15 Sec. 610. The department shall have as a priority the removal
16 of dead deer and other large animal remains from the traveled
17 portion and shoulder of state highways. The department, and
18 counties that perform state highway maintenance under contract,
19 shall remove animal remains, wherever practicable and when funds
20 are available, away from the traveled portion and shoulder of state
21 highways.

22 Sec. 612. The department shall establish guidelines governing
23 incentives and disincentives provided under contracts for state
24 trunkline projects. The guidelines shall include specific financial
25 information concerning incentives and disincentives. On or before
26 January 1 of each year, the department shall prepare a report for
27 the immediately preceding fiscal year regarding contract incentives

1 and disincentives. This report shall include a list, by project, of
2 the contractors that received contract incentives and/or
3 disincentives, the amount of the incentives and/or disincentives,
4 the fund source of any incentives, and the number of days that each
5 project was completed either ahead or past the contracted
6 completion date. This report shall be provided to the senate and
7 house appropriations subcommittees on transportation, the senate
8 and house standing committees on transportation, and the senate and
9 house fiscal agencies.

10 Sec. 613. (1) On or before February 1 of each year, the
11 department shall prepare a report on all capital federal aid
12 participating construction projects completed in the prior fiscal
13 year. The report shall include the following information:

- 14 (a) Location of the project.
- 15 (b) General description of the project.
- 16 (c) As-bid cost of the project.
- 17 (d) As-built cost of the project.
- 18 (e) Estimated completion date.
- 19 (f) Actual completion date.
- 20 (g) Whether design engineering was performed by department
21 staff or contract engineering consultants.
- 22 (h) Design engineering costs.
- 23 (i) Whether construction engineering was performed by
24 department staff or contract engineering consultants.
- 25 (j) Construction engineering costs.
- 26 (k) Design life.
- 27 (2) The report shall include a discussion of design

1 engineering and construction engineering costs as a proportion of
2 total project costs and in comparison with other state
3 transportation agencies. The report shall also include a discussion
4 of relative efficiency and effectiveness of work performed by
5 department staff and work performed by contract engineering
6 consultants.

7 (3) The report described in this section shall be provided to
8 the senate and house appropriations subcommittees on
9 transportation, the senate and house standing committees on
10 transportation, and the senate and house fiscal agencies.

11 Sec. 660. (1) The legislature encourages the department to
12 examine the use of alternative road surface materials, including
13 recycled materials, and to develop criteria and specifications for
14 their use in both department-managed and contracted projects.

15 (2) The department shall report on efforts taken to implement
16 this section. The report shall include descriptions of specific
17 materials evaluated, evaluation methods, and results of specific
18 field or laboratory tests. The department shall complete and submit
19 the report to the state budget director, the house and senate
20 appropriations subcommittees on transportation, and the house and
21 senate fiscal agencies on or before March 1 of each year.

22 Sec. 670. (1) The department shall investigate, by way of bid
23 solicitation and all other practical means, the complete
24 refurbishment of all department winter maintenance trucks scheduled
25 for sale or retirement in the fiscal year ending September 30,
26 2019.

27 (2) On or before November 1, 2019, the department shall submit

1 to the house of representatives and senate appropriations
2 subcommittees and the house and senate fiscal agencies a final
3 report. The final report must include an analysis illustrating the
4 costs and benefits of the complete refurbishment of winter
5 maintenance trucks compared to the sale and purchase of new
6 equipment.

7 **TRANSIT AND RAIL RELATED FUNDS**

8 Sec. 701. The department shall establish an intercity bus
9 equipment and facility fund as a subsidiary fund within the
10 comprehensive transportation fund created under section 10b of 1951
11 PA 51, MCL 247.660b. Proceeds received by this state from the sale
12 of state-owned intercity bus equipment shall be credited to the
13 intercity bus equipment and facility fund for the purchase and
14 repair of intercity bus equipment, as appropriated. Security
15 deposits not returned to a lessee of state-owned intercity bus
16 equipment under terms of the lease agreement shall be credited to
17 the intercity bus equipment and facility fund for the repair of
18 intercity bus equipment, as appropriated. Money received by the
19 department from lease payments for state-owned intercity bus
20 equipment, and facility maintenance charges under terms of leases
21 of state-owned intercity facilities, shall be credited to the
22 intercity bus equipment and facility fund for the purchase and
23 repair of intercity bus equipment or for the maintenance and
24 rehabilitation of state-owned intercity facilities, as
25 appropriated. At the close of the fiscal year, any funds remaining
26 in the intercity bus equipment and facility fund shall remain in

1 the fund and be carried forward into the succeeding fiscal year.

2 Sec. 702. Money that is received by this state as repayment
3 for loans made for rail or water freight capital projects, and as a
4 result of the sale of property or equipment used or projected to be
5 used for rail or water freight projects shall be deposited in the
6 rail freight fund created by section 17 of the state transportation
7 preservation act of 1976, 1976 PA 295, MCL 474.67. At the close of
8 the fiscal year, any funds remaining in the rail freight fund shall
9 remain in the fund and be carried forward into the succeeding
10 fiscal year.

11 Sec. 703. After receiving notification from a railroad company
12 pursuant to section 8 of the state transportation preservation act
13 of 1976, 1976 PA 295, MCL 474.58, the department shall immediately
14 notify the house of representatives and senate appropriations
15 subcommittees on transportation and the state budget office that
16 the railroad company has filed with the appropriate governmental
17 agencies for abandonment of a line.

18 Sec. 704. From the funds appropriated in part 1, the
19 department shall prepare and transmit a report that provides detail
20 regarding the department's obligations for programs funded under
21 the appropriation in part 1 for rail operations and infrastructure.
22 The report shall include a breakdown of the appropriation by
23 program, year-to-date obligations under each program itemized by
24 project, and an estimate of future obligations under each program
25 itemized by project for the remainder of the fiscal year. The
26 initial report shall be submitted to the senate and house
27 appropriations subcommittees on transportation, the state budget

1 director, and the senate and house fiscal agencies, on or before
2 February 1, 2019. The department also shall update and resubmit the
3 final report on or before November 1, 2019.

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, 2019, 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 Sec. 751. From the funds appropriated in part 1 for rail
12 operations and infrastructure, there is appropriated \$2,000,000.00
13 for capital improvements to state-owned rail facilities between
14 Walton Junction and Traverse City.

15 Sec. 752. Not less than twice during each fiscal year, the
16 department shall meet with representatives of a rail industry trade
17 association to provide information on the availability of rail
18 infrastructure loan and grant funding programs and freight economic
19 development project opportunities.

20 AERONAUTICS FUND

21 Sec. 801. Except as otherwise provided in section 903 of this
22 part for capital outlay, at the close of the fiscal year, any
23 unobligated and unexpended balance in the state aeronautics fund
24 created in the aeronautics code of the state of Michigan, 1945 PA
25 327, MCL 259.1 to 259.208, shall lapse to the state aeronautics
26 fund and be appropriated by the legislature in the immediately

1 succeeding fiscal year.

2 Sec. 802. The legislature encourages the department to find
3 private entities or local public agencies to assume ownership and
4 operating responsibility for airports currently owned by the
5 department.

6 Sec. 804. The department shall not expend funds from the
7 appropriation in part 1, air fleet operations and maintenance, if
8 the department owns 5 or more aircraft. The department shall notify
9 the state budget director, the house and senate appropriations
10 subcommittees on transportation, and the house and senate fiscal
11 agencies when it owns 4 aircraft or fewer.

12 **CAPITAL OUTLAY**

13 Sec. 901. (1) From federal-state-local project appropriations
14 contained in part 1 for the purpose of assisting political entities
15 and subdivisions of this state in the construction and improvement
16 of publicly used airports and landing fields within this state, the
17 state transportation department may permit the award of contracts
18 on behalf of units of local government for the authorized locations
19 not to exceed the indicated amounts, of which the state allocated
20 portion shall not exceed the amount appropriated in part 1.

21 (2) Political entities and subdivisions shall provide not less
22 than 5% of the cost of any project under this section, unless a
23 total nonfederal share greater than 10% is otherwise specified in
24 federal law. State money shall not be allocated until local money
25 is allocated. State money for any 1 project shall not exceed 1/3 of
26 the total appropriation in part 1 from state funds for airport

1 improvement programs.

2 (3) The Michigan aeronautics commission may take those steps
3 necessary to match federal money available for airport construction
4 and improvement within this state and to meet the matching
5 requirements of the federal government. Whether acting alone or
6 jointly with another political subdivision or public agency or with
7 this state, a political subdivision or public agency of this state
8 shall not submit to any agency of the federal government a project
9 application for airport planning or development unless it is
10 authorized in this part and part 1 and the project application is
11 approved by the governing body of each political subdivision or
12 public agency making the application and by the Michigan
13 aeronautics commission.

14 Sec. 903. The appropriations in part 1 for capital outlay
15 shall be carried forward at the end of the fiscal year consistent
16 with the provisions of section 248 of the management and budget
17 act, 1984 PA 431, MCL 18.1248.

18 **ONE-TIME APPROPRIATIONS**

19 Sec. 1001. The one-time general fund/general purpose
20 appropriation in part 1 for county road commissions shall be
21 distributed among the county road commissions in accordance with
22 section 12 of 1951 PA 51, MCL 247.662, to be used by county road
23 commissions as provided under that section. The one-time general
24 fund/general purpose appropriation in part 1 for cities and
25 villages shall be distributed among cities and villages in
26 accordance with section 13 of 1951 PA 51, MCL 247.663, to be used

1 by cities and villages as provided under that section.

2 ARTICLE XX
3 SUPPLEMENTAL APPROPRIATIONS
4 PART 1
5 LINE-ITEM APPROPRIATIONS

6 Sec. 101. There is appropriated for the various state
7 departments and agencies and for capital outlay to supplement
8 appropriations for the fiscal year ending September 30, 2018, from
9 the following funds:

10 **APPROPRIATION SUMMARY**

11	Full-time equated classified positions	117.0	
12	GROSS APPROPRIATION.....		\$ (511,995,300)
13	Interdepartmental grant revenues:		
14	Total interdepartmental grants and intradepartmental		
15	transfers		0
16	ADJUSTED GROSS APPROPRIATION.....		\$ (511,995,300)
17	Federal revenues:		
18	Total federal revenues.....		(659,909,400)
19	Special revenue funds:		
20	Total local revenues.....		2,647,800
21	Total private revenues.....		(1,159,100)
22	Total other state restricted revenues.....		38,374,900
23	State general fund/general purpose.....		\$ 108,050,500

24 **Sec. 102. 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) FAIRS AND EXPOSITIONS**

16 Horse racing - purse funding..... \$ 250,000

17 Standardbred purses and supplements - licensed tracks. (671,800)

18 Standardbred purses and supplements - licensed tracks. 671,800

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

20 Appropriated from:

21 Agriculture equine industry development fund..... 0

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

23 **Sec. 103. DEPARTMENT OF ATTORNEY GENERAL**24 **(1) APPROPRIATION SUMMARY**

25 Full-time equated classified positions2.0

26 GROSS APPROPRIATION..... \$ 1,126,200

1	Interdepartmental grant revenues:		
2	Total interdepartmental grants and intradepartmental		
3	transfers		0
4	ADJUSTED GROSS APPROPRIATION.....	\$	1,126,200
5	Federal revenues:		
6	Total federal revenues.....		41,200
7	Special revenue funds:		
8	Total local revenues.....		85,000
9	Total private revenues.....		0
10	Total other state restricted revenues.....		0
11	State general fund/general purpose.....	\$	1,000,000
12	(2) ATTORNEY GENERAL OPERATIONS		
13	Full-time equated classified positions2.0		
14	Attorney general operations--2.0 FTE positions.....	\$	1,000,000
15	Prosecuting attorneys coordinating council.....		<u>126,200</u>
16	GROSS APPROPRIATION.....	\$	1,126,200
17	Appropriated from:		
18	Federal revenues:		
19	Total federal revenues.....		41,200
20	Special revenue funds:		
21	Total local revenues.....		85,000
22	State general fund/general purpose.....	\$	1,000,000
23	Sec. 104. CAPITAL OUTLAY		
24	(1) APPROPRIATION SUMMARY		
25	GROSS APPROPRIATION.....	\$	800
26	Interdepartmental grant revenues:		

1	Total interdepartmental grants and intradepartmental	
2	transfers	0
3	ADJUSTED GROSS APPROPRIATION.....	\$ 800
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.....	\$ 800
11	(2) STATE BUILDING AUTHORITY FINANCED CONSTRUCTION	
12	AUTHORIZATIONS	
13	Lake Superior State University - Center for	
14	Freshwater Research and Education (total authorized	
15	cost \$13,200,000; state building authority	
16	share \$8,849,800; university	
17	share \$4,350,000; state general fund share \$200)	\$ 100
18	Michigan State University - STEM Teaching and	
19	Learning Facility (total authorized cost	
20	\$72,500,000; state building authority share	
21	\$29,869,800; university share \$42,630,000; state	
22	general fund share \$200)	100
23	Wayne State University - STEM Innovation Learning	
24	Center (total authorized cost \$40,000,000; state	
25	building authority share \$14,749,800; university	
26	share \$25,250,000; state general fund share \$200) ...	100
27	Alpena Community College - Center for Health	

1	Sciences and Student Success (total authorized	
2	cost \$8,695,000; state building authority	
3	share \$3,349,800; community college	
4	share \$5,345,000; state general fund share	
5	\$200)	100
6	Grand Rapids Community College - Applied Technology	
7	Center renovation and expansion (total authorized	
8	cost \$12,734,500; state building authority share	
9	\$6,367,000; community college share \$6,367,300;	
10	state general fund share \$200)	100
11	Mott Community College - Southern Lakes Branch	
12	Center rehabilitation/renovation (total authorized	
13	cost \$8,112,200; state building authority share	
14	\$4,055,900; community college share	
15	\$4,056,100; state general fund share \$200)	100
16	North Central Michigan College - AD/CL Classroom	
17	renovation and expanded learning space (total	
18	authorized cost \$6,800,000; state building	
19	authority share \$3,399,800; college share	
20	\$3,400,000; state general fund share \$200)	100
21	Washtenaw Community College - Advanced	
22	Transportation Center (total authorized cost	
23	\$5,670,700; state building authority share	
24	\$1,999,800; community college share \$3,670,700;	
25	state general fund share \$200)	<u>100</u>
26	GROSS APPROPRIATION.....	\$ 800
27	Appropriated from:	

1	State general fund/general purpose.....	\$	800
2	Sec. 105. DEPARTMENT OF CORRECTIONS		
3	(1) APPROPRIATION SUMMARY		
4	GROSS APPROPRIATION.....	\$	1,750,000
5	Interdepartmental grant revenues:		
6	Total interdepartmental grants and intradepartmental		
7	transfers		0
8	ADJUSTED GROSS APPROPRIATION.....	\$	1,750,000
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.....	\$	1,750,000
16	(2) ONE-TIME APPROPRIATIONS		
17	Education program.....	\$	<u>1,750,000</u>
18	GROSS APPROPRIATION.....	\$	1,750,000
19	Appropriated from:		
20	State general fund/general purpose.....	\$	1,750,000
21	Sec. 106. DEPARTMENT OF EDUCATION		
22	(1) APPROPRIATION SUMMARY		
23	GROSS APPROPRIATION.....	\$	14,603,900
24	Interdepartmental grant revenues:		
25	Total interdepartmental grants and intradepartmental		

1	transfers		0
2	ADJUSTED GROSS APPROPRIATION.....	\$	14,603,900
3	Federal revenues:		
4	Total federal revenues.....		14,603,900
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.....	\$	0
10	(2) MICHIGAN OFFICE OF GREAT START		
11	Child development and care public assistance.....	\$	<u>14,603,900</u>
12	GROSS APPROPRIATION.....	\$	14,603,900
13	Appropriated from:		
14	Federal revenues:		
15	Federal revenues.....		14,603,900
16	State general fund/general purpose.....	\$	0
17	Sec. 107. DEPARTMENT OF ENVIRONMENTAL QUALITY		
18	(1) APPROPRIATION SUMMARY		
19	GROSS APPROPRIATION.....	\$	20,070,000
20	Interdepartmental grant revenues:		
21	Total interdepartmental grants and intradepartmental		
22	transfers		0
23	ADJUSTED GROSS APPROPRIATION.....	\$	20,070,000
24	Federal revenues:		
25	Total federal revenues.....		0
26	Special revenue funds:		

1	Total local revenues.....		0
2	Total private revenues.....		0
3	Total other state restricted revenues.....		2,000,000
4	State general fund/general purpose.....	\$	18,070,000
5	(2) WATER RESOURCES DIVISION		
6	Water withdrawal assessment program.....	\$	<u>70,000</u>
7	GROSS APPROPRIATION.....	\$	70,000
8	Appropriated from:		
9	State general fund/general purpose.....	\$	70,000
10	(3) ONE-TIME APPROPRIATIONS		
11	Drinking water declaration of emergency.....	\$	<u>20,000,000</u>
12	GROSS APPROPRIATION.....	\$	20,000,000
13	Appropriated from:		
14	Special revenue funds:		
15	Drinking water declaration of emergency reserve fund..		2,000,000
16	State general fund/general purpose.....	\$	18,000,000
17	Sec. 108. DEPARTMENT OF HEALTH AND HUMAN SERVICES		
18	(1) APPROPRIATION SUMMARY		
19	Full-time equated classified positions	15.0	
20	GROSS APPROPRIATION.....	\$	(681,378,100)
21	Interdepartmental grant revenues:		
22	Total interdepartmental grants and intradepartmental		
23	transfers		0
24	ADJUSTED GROSS APPROPRIATION.....	\$	(681,378,100)
25	Federal revenues:		
26	Total federal revenues.....		(685,261,500)

1	Special revenue funds:	
2	Total local revenues.....	2,562,800
3	Total private revenues.....	(1,159,100)
4	Total other state restricted revenues.....	31,904,900
5	State general fund/general purpose.....	\$ (29,425,200)
6	(2) CHILDREN'S SERVICES AGENCY - CHILD WELFARE	
7	Adoption subsidies.....	\$ (1,218,700)
8	Child care fund.....	6,333,800
9	Children's services administration.....	25,000
10	Family support subsidy.....	(1,071,400)
11	Foster care payments.....	16,323,900
12	Guardianship assistance program.....	<u>(1,187,800)</u>
13	GROSS APPROPRIATION.....	\$ 19,204,800
14	Appropriated from:	
15	Federal revenues:	
16	Social security act, temporary assistance for needy	
17	families	419,800
18	Capped federal revenues.....	(1,312,300)
19	Total other federal revenues.....	4,333,600
20	Special revenue funds:	
21	Local funds - county chargeback.....	2,682,500
22	Private - collections.....	(1,159,100)
23	State general fund/general purpose.....	\$ 14,240,300
24	(3) PUBLIC ASSISTANCE	
25	Family independence program.....	\$ (1,549,300)
26	Food assistance program benefits.....	(418,506,300)
27	State disability assistance payments.....	(664,100)

1	State supplementation.....	<u>(92,600)</u>
2	GROSS APPROPRIATION.....	\$ (420,812,300)
3	Appropriated from:	
4	Federal revenues:	
5	Total other federal revenues.....	(418,506,300)
6	State general fund/general purpose.....	\$ (2,306,000)
7	(4) BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND	
8	SPECIAL PROJECTS	
9	Behavioral health program administration.....	\$ <u>1,500,000</u>
10	GROSS APPROPRIATION.....	\$ 1,500,000
11	Appropriated from:	
12	State general fund/general purpose.....	\$ 1,500,000
13	(5) BEHAVIORAL HEALTH SERVICES	
14	Autism services.....	\$ 46,943,100
15	Healthy Michigan plan - behavioral health.....	17,394,100
16	Medicaid mental health services.....	14,616,700
17	Medicaid substance use disorder services.....	<u>10,111,800</u>
18	GROSS APPROPRIATION.....	\$ 89,065,700
19	Appropriated from:	
20	Federal revenues:	
21	Total other federal revenues.....	62,790,700
22	Special revenue funds:	
23	Total other state restricted revenues.....	(140,000)
24	State general fund/general purpose.....	\$ 26,415,000
25	(6) CHILDREN'S SPECIAL HEALTH CARE SERVICES	
26	Medical care and treatment.....	\$ <u>(27,479,200)</u>
27	GROSS APPROPRIATION.....	\$ (27,479,200)

1	Appropriated from:	
2	Federal revenues:	
3	Total other federal revenues.....	(15,414,300)
4	State general fund/general purpose.....	\$ (12,064,900)
5	(7) MEDICAL SERVICES ADMINISTRATION	
6	Full-time equated classified positions15.0	
7	Medical services administration--15.0 FTE positions... \$	<u>830,100</u>
8	GROSS APPROPRIATION.....	\$ 830,100
9	Appropriated from:	
10	Federal revenues:	
11	Total other federal revenues.....	415,000
12	State general fund/general purpose.....	\$ 415,100
13	(8) MEDICAL SERVICES	
14	Adult home help services.....	\$ 9,767,700
15	Ambulance services.....	(10,804,400)
16	Auxiliary medical services.....	267,600
17	Dental services.....	(8,629,800)
18	Federal Medicare pharmaceutical program.....	(6,283,000)
19	Health plan services.....	(132,753,900)
20	Healthy Michigan plan.....	(177,201,300)
21	Home health services.....	(725,000)
22	Hospice services.....	7,502,500
23	Hospital services and therapy.....	(83,033,200)
24	Integrated care organizations.....	34,387,100
25	Long-term care services.....	13,881,000
26	Maternal and child health.....	6,000,000
27	Medicaid home- and community-based services waiver....	(3,524,100)

1	Medicare premium payments.....	36,982,800
2	Personal care services.....	(455,700)
3	Pharmaceutical services.....	(20,518,500)
4	Physician services.....	(15,818,200)
5	Program of all-inclusive care for the elderly.....	(5,923,500)
6	Special Medicaid reimbursement.....	981,300
7	Transportation.....	<u>(660,600)</u>
8	GROSS APPROPRIATION.....	\$ (356,561,200)
9	Appropriated from:	
10	Federal revenues:	
11	Total other federal revenues.....	(317,987,700)
12	Special revenue funds:	
13	Total local revenues.....	(119,700)
14	Total other state restricted revenues.....	32,044,900
15	State general fund/general purpose.....	\$ (70,498,700)
16	(9) INFORMATION TECHNOLOGY	
17	Information technology services and projects.....	\$ <u>150,000</u>
18	GROSS APPROPRIATION.....	\$ 150,000
19	Appropriated from:	
20	State general fund/general purpose.....	\$ 150,000
21	(10) ONE-TIME BASIS ONLY APPROPRIATIONS	
22	Dental clinic program.....	\$ 250,000
23	Direct primary care pilot program.....	(5,724,000)
24	Direct primary care pilot program.....	5,724,000
25	Lakeshore regional entity PIHP risk sharing.....	6,974,000
26	Legal services.....	3,000,000
27	Public health projects.....	1,500,000

1	Title IX regional consortium pilot program.....		<u>1,000,000</u>
2	GROSS APPROPRIATION.....	\$	12,724,000
3	Appropriated from:		
4	Federal revenues:		
5	Total other federal revenues.....		0
6	State general fund/general purpose.....	\$	12,724,000

7 **Sec. 109. DEPARTMENT OF INSURANCE AND FINANCIAL**

8 **SERVICES**

9 **(1) APPROPRIATION SUMMARY**

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

22 **(2) DEPARTMENT SERVICES**

23	Department services.....	\$	(3,752,200)
24	Department services.....		<u>3,752,200</u>
25	GROSS APPROPRIATION.....	\$	0
26	Appropriated from:		

1	Special revenue funds:		
2	Insurance bureau fund.....		0
3	State general fund/general purpose.....	\$	0
4	Sec. 110. DEPARTMENT OF LICENSING AND REGULATORY		
5	AFFAIRS		
6	(1) APPROPRIATION SUMMARY		
7	GROSS APPROPRIATION.....	\$	600,000
8	Interdepartmental grant revenues:		
9	Total interdepartmental grants and intradepartmental		
10	transfers		0
11	ADJUSTED GROSS APPROPRIATION.....	\$	600,000
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.....		600,000
18	State general fund/general purpose.....	\$	0
19	(2) OCCUPATIONAL REGULATION		
20	Bureau of community and health systems.....	\$	<u>600,000</u>
21	GROSS APPROPRIATION.....	\$	600,000
22	Appropriated from:		
23	Special revenue funds:		
24	Nurse aide registration fund.....		600,000
25	State general fund/general purpose.....	\$	0

1 **Sec. 111. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**

2 **(1) APPROPRIATION SUMMARY**

3 GROSS APPROPRIATION..... \$ 3,766,700

4 Interdepartmental grant revenues:

5 Total interdepartmental grants and intradepartmental
6 transfers 0

7 ADJUSTED GROSS APPROPRIATION..... \$ 3,766,700

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..... \$ 3,766,700

15 **(2) MILITARY**

16 National Guard tuition assistance fund..... \$ 2,500,000

17 GROSS APPROPRIATION..... \$ 2,500,000

18 Appropriated from:

19 State general fund/general purpose..... \$ 2,500,000

20 **(3) MICHIGAN VETERANS AFFAIRS AGENCY**

21 D.J. Jacobetti home for veterans..... \$ 1,266,700

22 GROSS APPROPRIATION..... \$ 1,266,700

23 Appropriated from:

24 State general fund/general purpose..... \$ 1,266,700

25 **Sec. 112. DEPARTMENT OF NATURAL RESOURCES**

26 **(1) APPROPRIATION SUMMARY**

1	GROSS APPROPRIATION.....	\$	8,450,000
2	Interdepartmental grant revenues:		
3	Total interdepartmental grants and intradepartmental		
4	transfers		0
5	ADJUSTED GROSS APPROPRIATION.....	\$	8,450,000
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.....		1,900,000
12	State general fund/general purpose.....	\$	6,550,000
13	(2) ONE-TIME APPROPRIATIONS		
14	Forestry investment.....	\$	1,900,000
15	Invasive species prevention and control.....		250,000
16	Nongame fish and wildlife trust fund.....		1,000,000
17	Wildlife management.....		<u>5,300,000</u>
18	GROSS APPROPRIATION.....	\$	8,450,000
19	Appropriated from:		
20	Special revenue funds:		
21	Forest development fund.....		1,900,000
22	State general fund/general purpose.....	\$	6,550,000
23	Sec. 113. DEPARTMENT OF STATE		
24	(1) APPROPRIATION SUMMARY		
25	Full-time equated classified positions		100.0
26	GROSS APPROPRIATION.....	\$	12,092,400

1	Interdepartmental grant revenues:		
2	Total interdepartmental grants and intradepartmental		
3	transfers		0
4	ADJUSTED GROSS APPROPRIATION.....	\$	12,092,400
5	Federal revenues:		
6	Total federal revenues.....		10,707,000
7	Special revenue funds:		
8	Total local revenues.....		0
9	Total private revenues.....		0
10	Total other state restricted revenues.....		1,250,000
11	State general fund/general purpose.....	\$	135,400
12	(2) CUSTOMER DELIVERY SERVICES		
13	Full-time equated classified positions	100.0	
14	Branch operations--100.0 FTE positions.....	\$	1,000,000
15	Motorcycle safety education administration.....		<u>250,000</u>
16	GROSS APPROPRIATION.....	\$	1,250,000
17	Appropriated from:		
18	Special revenue funds:		
19	Motorcycle safety and education awareness fund.....		250,000
20	Transportation administration collection fund.....		1,000,000
21	State general fund/general purpose.....	\$	0
22	(3) ELECTION REGULATION		
23	Help America vote act.....	\$	<u>11,242,400</u>
24	GROSS APPROPRIATION.....	\$	11,242,400
25	Appropriated from:		
26	Federal revenues:		
27	Help America vote act - election security.....		10,707,000

1	State general fund/general purpose.....	\$	535,400
2	(4) ONE-TIME APPROPRIATIONS		
3	Election administration and services.....	\$	<u>(400,000)</u>
4	GROSS APPROPRIATION.....	\$	(400,000)
5	Appropriated from:		
6	State general fund/general purpose.....	\$	(400,000)
7	Sec. 114. DEPARTMENT OF STATE POLICE		
8	(1) APPROPRIATION SUMMARY		
9	GROSS APPROPRIATION.....	\$	30,000,000
10	Interdepartmental grant revenues:		
11	Total interdepartmental grants and intradepartmental		
12	transfers		0
13	ADJUSTED GROSS APPROPRIATION.....	\$	30,000,000
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.....	\$	30,000,000
21	(2) LAW ENFORCEMENT SERVICES		
22	Grants and community services.....	\$	<u>150,000</u>
23	GROSS APPROPRIATION.....	\$	150,000
24	Appropriated from:		
25	State general fund/general purpose.....	\$	150,000
26	(3) SPECIALIZED SERVICES		

1	Intelligence operations.....	\$	<u>350,000</u>
2	GROSS APPROPRIATION.....	\$	350,000
3	Appropriated from:		
4	State general fund/general purpose.....	\$	350,000
5	(4) ONE-TIME APPROPRIATIONS		
6	Disaster and emergency contingency fund.....	\$	2,500,000
7	Information technology services and projects.....		1,000,000
8	Recruitment, training, and outreach.....		1,000,000
9	School safety grants.....		<u>25,000,000</u>
10	GROSS APPROPRIATION.....	\$	29,500,000
11	Appropriated from:		
12	State general fund/general purpose.....	\$	29,500,000
13	Sec. 115. DEPARTMENT OF TALENT AND ECONOMIC		
14	DEVELOPMENT		
15	(1) APPROPRIATION SUMMARY		
16	GROSS APPROPRIATION.....	\$	23,156,100
17	Interdepartmental grant revenues:		
18	Total interdepartmental grants and intradepartmental		
19	transfers		0
20	ADJUSTED GROSS APPROPRIATION.....	\$	23,156,100
21	Federal revenues:		
22	Total federal revenues.....		0
23	Special revenue funds:		
24	Total local revenues.....		0
25	Total private revenues.....		0
26	Total other state restricted revenues.....		0

1	State general fund/general purpose.....	\$	23,156,100
2	(2) ONE-TIME APPROPRIATIONS		
3	Grant for Michigan law enforcement officers memorial		
4	monument	\$	1,181,100
5	Michigan enhancement grants.....		<u>21,975,000</u>
6	GROSS APPROPRIATION.....	\$	23,156,100
7	Appropriated from:		
8	State general fund/general purpose.....	\$	23,156,100
9	Sec. 116. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND		
10	BUDGET		
11	(1) APPROPRIATION SUMMARY		
12	GROSS APPROPRIATION.....	\$	21,618,200
13	Interdepartmental grant revenues:		
14	Total interdepartmental grants and intradepartmental		
15	transfers		0
16	ADJUSTED GROSS APPROPRIATION.....	\$	21,618,200
17	Federal revenues:		
18	Total federal revenues.....		0
19	Special revenue funds:		
20	Total local revenues.....		0
21	Total private revenues.....		0
22	Total other state restricted revenues.....		420,000
23	State general fund/general purpose.....	\$	21,198,200
24	(2) STATE BUILDING AUTHORITY RENT		
25	State building authority rent - community colleges....	\$	1,438,000
26	State building authority rent - universities.....		<u>4,010,200</u>

1	GROSS APPROPRIATION.....	\$	5,448,200
2	Appropriated from:		
3	State general fund/general purpose.....	\$	5,448,200
4	(3) ONE-TIME APPROPRIATIONS		
5	Enterprisewide special maintenance for state		
6	facilities	\$	3,000,000
7	Gubernatorial transition costs.....		1,750,000
8	Michigan cyber civilian corps.....		420,000
9	Military retirement plan investment.....		<u>11,000,000</u>
10	GROSS APPROPRIATION.....	\$	16,170,000
11	Appropriated from:		
12	Special revenue funds:		
13	Michigan infrastructure fund.....		420,000
14	State general fund/general purpose.....	\$	15,750,000
15	Sec. 117. STATE TRANSPORTATION DEPARTMENT		
16	(1) APPROPRIATION SUMMARY		
17	GROSS APPROPRIATION.....	\$	30,000,000
18	Interdepartmental grant revenues:		
19	Total interdepartmental grants and intradepartmental		
20	transfers		0
21	ADJUSTED GROSS APPROPRIATION.....	\$	30,000,000
22	Federal revenues:		
23	Total federal revenues.....		0
24	Special revenue funds:		
25	Total local revenues.....		0
26	Total private revenues.....		0

1	Total other state restricted revenues.....		0
2	State general fund/general purpose.....	\$	30,000,000
3	(2) ONE-TIME APPROPRIATIONS		
4	Community infrastructure investments.....	\$	<u>30,000,000</u>
5	GROSS APPROPRIATION.....	\$	30,000,000
6	Appropriated from:		
7	State general fund/general purpose.....	\$	30,000,000
8	Sec. 118. DEPARTMENT OF TREASURY		
9	(1) APPROPRIATION SUMMARY		
10	GROSS APPROPRIATION.....	\$	1,898,500
11	Interdepartmental grant revenues:		
12	Total interdepartmental grants and intradepartmental		
13	transfers		0
14	ADJUSTED GROSS APPROPRIATION.....	\$	1,898,500
15	Federal revenues:		
16	Total federal revenues.....		0
17	Special revenue funds:		
18	Total local revenues.....		0
19	Total private revenues.....		0
20	Total other state restricted revenues.....		300,000
21	State general fund/general purpose.....	\$	1,598,500
22	(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT		
23	Office of collections.....	\$	<u>250,000</u>
24	GROSS APPROPRIATION.....	\$	250,000
25	Appropriated from:		
26	Special revenue funds:		

1	Driver responsibility fees.....		250,000
2	State general fund/general purpose.....	\$	0
3	(3) LOCAL GOVERNMENT PROGRAMS		
4	Supervision of the general property tax law.....	\$	<u>583,500</u>
5	GROSS APPROPRIATION.....	\$	583,500
6	Appropriated from:		
7	State general fund/general purpose.....	\$	583,500
8	(4) GRANTS		
9	Financial data analytic tool reimbursement.....	\$	(500,000)
10	Financial data analytic tool reimbursement.....		<u>500,000</u>
11	GROSS APPROPRIATION.....	\$	0
12	Appropriated from:		
13	State general fund/general purpose.....	\$	0
14	(5) INFORMATION TECHNOLOGY		
15	Treasury operations information technology services		
16	and projects	\$	<u>1,015,000</u>
17	GROSS APPROPRIATION.....	\$	1,015,000
18	Appropriated from:		
19	State general fund/general purpose.....	\$	1,015,000
20	(6) ONE-TIME APPROPRIATIONS		
21	Genesee County register of deeds.....	\$	<u>50,000</u>
22	GROSS APPROPRIATION.....	\$	50,000
23	Appropriated from:		
24	Special revenue funds:		
25	Drinking water declaration of emergency reserve fund..		50,000
26	State general fund/general purpose.....	\$	0

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 the fiscal year ending September 30, 2018 is \$146,425,400.00 and total state spending from state sources to be paid to local units of government is \$24,287,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

CAPITAL OUTLAY

Capital outlay projects.....	\$	500
DEPARTMENT OF HEALTH AND HUMAN SERVICES		
Healthy Michigan plan - behavioral health.....	\$	782,000
Medicaid mental health services.....		15,778,600
Medicaid substance use disorder services.....		493,100
Special Medicaid reimbursement.....		259,200
Lakeshore regional entity PIHP risk sharing.....	\$	<u>6,974,000</u>
TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT	\$	24,287,400

Sec. 202. The appropriations made and expenditures authorized under this act and the departments, commissions, boards, offices, and programs for which appropriations are made under this act are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

1 Sec. 301. From the funds appropriated in part 1 from the
 2 agriculture equine industry development fund, available revenue
 3 shall be allocated in the following priority order:

4 (a) To support all administrative, contractual, and regulatory
 5 costs incurred by the department and the Michigan gaming control
 6 board.

7 (b) Not less than \$395,000.00 shall be allocated to the purses
 8 and supplements - fairs/licensed tracks line item.

9 (c) Any remaining funds collected through September 30, after
 10 the obligations in subdivisions (a) and (b) have been met, shall be
 11 prorated equally among the supplements, breeders' awards, and sire
 12 stakes awards to eligible race meeting licensees in accordance with
 13 the horse racing law of 1995, 1995 PA 279, MCL 431.301 to 431.336.

14 Sec. 302. (1) The funds appropriated in part 1 for horse
 15 racing - purse funding shall be allocated as follows:

16	Licensed tracks - light horse racing.....	\$	7,136
17	Light horse racing - breeders' awards.....		3,535
18	Thoroughbred breeders' awards.....		65,432
19	Thoroughbred sire stakes.....		67,300
20	Thoroughbred supplements - licensed tracks.....		106,597

21 (2) The funds appropriated in part 1 for horse racing - purse
 22 funding shall be allocated to a race meeting licensee consistent
 23 with the existing categories outlined in section 20(6) of the horse
 24 racing law of 1995, 1995 PA 279, MCL 431.320.

25 (3) If no thoroughbred or light horse racing occurs in the
 26 2017-2018 fiscal year, all unexpended funds appropriated in part 1
 27 for horse racing - purse funding 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 expenditures in fiscal year 2018-2019 for the same purpose for
4 which they were appropriated in this article, subject to the
5 requirements described in subsections (1) and (2). The following is
6 in compliance with section 451a(1) of the management and budget
7 act, 1984 PA 431, MCL 18.1451a:

8 (a) The purpose of the project is to ensure awards and
9 supplements are available for thoroughbred and light horse racing
10 programs.

11 (b) Any payments made from these funds will be in accordance
12 with this section.

13 (c) The estimated cost of this work project is \$250,000.00.

14 (d) The estimated completion date for the work project is
15 September 30, 2019.

16 **DEPARTMENT OF ATTORNEY GENERAL**

17 Sec. 401. The unexpended funds appropriated in part 1 for the
18 prosecuting attorneys coordinating council are designated as a work
19 project appropriation, and any unencumbered or unallotted funds
20 shall not lapse at the end of the fiscal year and shall be
21 available for expenditure for projects under this section until the
22 projects have been completed. The following is in compliance with
23 section 451a of the management and budget act, 1984 PA 431, MCL
24 18.1451a:

25 (a) The purpose of the project is for the design, development,
26 and implementation of a case management computer system.

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

3 (c) The total estimated cost of the project is \$126,200.00.

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

5 **CAPITAL OUTLAY**

6 Sec. 501. For the state building authority financed
7 construction authorizations in part 1, the legislature hereby
8 determines that the leases of the facilities from the authority are
9 for a public purpose as authorized by 1964 PA 183, MCL 830.411 to
10 830.425. The legislature approves and authorizes the leases and
11 conveyances of the property to the state building authority, the
12 state building authority acquiring the facilities and leasing them
13 to the state and the educational institutions, or state, as
14 applicable, and the governor and secretary of state executing the
15 leases for and on behalf of the state pursuant to the requirements
16 of 1964 PA 183, MCL 830.411 to 830.425. Per the requirements of the
17 leases, it is the intent of the legislature to annually appropriate
18 sufficient amounts to pay the rent as obligated pursuant to the
19 leases.

20 **DEPARTMENT OF ENVIRONMENTAL QUALITY**

21 Sec. 601. From the funds appropriated in part 1 for drinking
22 water declaration of emergency, the department of environmental
23 quality shall allocate funds to address legal obligations related
24 to the *Concerned Pastors for Social Action v Khouri* settlement
25 agreement.

1 Sec. 602. The unexpended funds appropriated in part 1 for
2 drinking water declaration of emergency are designated as a work
3 project appropriation, and any unencumbered or unallotted funds
4 shall not lapse at the end of the fiscal year and shall be
5 available for expenditure for projects under this section until the
6 projects have been completed. The following is in compliance with
7 section 451a of the management and budget act, 1984 PA 431, MCL
8 18.1451a:

9 (a) The purpose of the project is to provide support for the
10 drinking water declaration of emergency.

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

13 (c) The total estimated cost of the project is \$20,000,000.00.

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

15 **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

16 Sec. 701. From the funds appropriated in part 1 for title IX
17 regional consortium pilot program, the department of health and
18 human services shall oversee a pilot program of independent
19 regional centers to review and investigate reports of sexual
20 misconduct on college and university campuses. These regional
21 centers are intended to serve as an independent network of trained
22 professionals and investigators to review and help resolve reports
23 of sexual misconduct in an appropriate and timely manner. One goal
24 of the pilot program shall be to develop a framework of best
25 practices for campus sexual assault prevention.

26 Sec. 702. (1) From the funds appropriated in part 1 for

1 information technology services and projects, the department shall
2 allocate \$150,000.00 by September 1, 2018 to support new payment
3 processes and the implementation of technological changes to
4 MiSACWIS to meet the implementation requirements described in
5 section 117a(4)(a) of the social welfare act, 1939 PA 280, MCL
6 400.117a.

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

15 (a) The purpose of the project is to implement changes to the
16 MiSACWIS system.

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 of the project is \$150,000.00.

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

21 Sec. 703. From the funds appropriated in part 1 for foster
22 care payments, the department shall maintain the \$6,000.00 payment,
23 in effect as of September 30, 2017, made to private child placing
24 agencies upon the completion of the child welfare caseworker
25 training. The department shall allocate a sufficient amount from
26 the \$15,800,000.00 appropriated in the foster care payments line
27 for noncaseload spending purposes to ensure these payments are

1 made.

2 Sec. 704. From the funds appropriated in part 1 for children's
3 services administration, the department shall expend up to
4 \$25,000.00 to support a workgroup to update child welfare training
5 methods.

6 Sec. 705. (1) The department of health and human services
7 shall determine whether federal financial participation is
8 available to support direct primary care services for managed care
9 Medicaid enrollees. Based on this assessment, the department shall
10 do 1 of the following:

11 (a) If federal financial participation is available, from the
12 funds appropriated in part 1 for direct primary care pilot program,
13 the department shall expend \$710,000.00 general fund/general
14 purpose plus associated federal match for this program as part of a
15 work project.

16 (b) If federal financial participation is not available, from
17 the funds appropriated in part 1 for direct primary care pilot
18 program, the department shall expend \$864,000.00 general
19 fund/general purpose to fund a direct primary care pilot program as
20 part of a work project.

21 (2) If federal financial participation is available, the
22 department shall implement a direct primary care pilot program for
23 managed care Medicaid enrollees that shall run from no later than
24 July 1, 2018 to September 30, 2018. The pilot program shall include
25 no more than 400 enrollees from each of the following Medicaid
26 eligibility categories:

27 (a) Childless adults.

1 (b) Children ages 0 to 6 years.

2 (c) Children ages 7 to 18 years.

3 (d) Parents.

4 (e) Elderly individuals.

5 (f) Disabled individuals.

6 (3) If federal financial participation is not available, the
7 department shall implement a direct primary care pilot program for
8 managed care Medicaid enrollees that shall run from no later than
9 July 1, 2018 to September 30, 2018. The pilot program shall include
10 no more than 400 enrollees from each of the following Medicaid
11 eligibility categories:

12 (a) Childless adults.

13 (b) Children ages 0 to 18 years.

14 (c) Parents.

15 (4) The department shall open enrollment for the direct
16 primary care pilot program to Medicaid beneficiaries, enrolled or
17 assigned to participating managed care organizations using direct
18 primary care services as an alternative payment model and shall
19 keep enrollment open until the limits described in subsections (2)
20 and (3) are reached. For the purposes of the pilot program, each
21 enrollee, up to the limits described in subsections (2) and (3),
22 that opts into the pilot program shall be enrolled in a single,
23 eligible direct primary care service provider plan. The department
24 shall maintain and publicly share a list of participating managed
25 care organizations and require these managed care organizations to
26 maintain and publicly share a list of participating direct primary
27 care service providers with potential pilot program enrollees.

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

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

5 (b) If federal financial participation is available, the
6 monthly direct primary care enrollment fee shall not exceed a
7 weighted average of \$70.00 per month across all eligibility
8 categories. The average shall be weighted by the population makeup
9 of the pilot program. If federal financial participation is not
10 available, the monthly direct primary care enrollment fee shall not
11 exceed a weighted average of \$60.00 per month across all
12 eligibility categories. The average shall be weighted by the
13 population makeup of the pilot program.

14 (c) The direct primary care service provider must only provide
15 primary care services.

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

19 (6) For managed care enrollees participating in the direct
20 primary care pilot, the enrollee's managed care organization shall
21 authorize the contracted direct primary care service providers
22 participating in the pilot program to refer pilot enrollees to
23 nonprimary care services within the managed care organization's
24 provider network. The direct primary care service providers must do
25 all of the following:

26 (a) Only refer pilot program enrollees to nonprimary care
27 service providers within the managed care organization's provider

1 network when making referrals for nonprimary care services.

2 (b) Follow all prior authorization requirements mandated by
3 the managed care organization.

4 (7) If, by August 1, 2018, the direct primary care pilot
5 program described under subsection (4) has not begun enrolling
6 Medicaid beneficiaries, the department shall begin the process of
7 implementing a direct primary care pilot for fee for service
8 Medicaid beneficiaries. This includes, but is not limited to,
9 seeking federal approval for federal financial participation. The
10 direct primary care pilot program for fee for service Medicaid
11 beneficiaries shall be implemented by October 1, 2018 using the
12 funds described under subsection (1) and using the parameters
13 described under subsections (2), (3), and (5) for fee for service
14 Medicaid beneficiaries.

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

18 (9) On a quarterly basis, the department shall report to the
19 senate and house appropriations subcommittees on the department
20 budget, the senate and house fiscal agencies, the senate and house
21 policy offices, and the state budget office on the status and
22 implementation of the direct primary care pilot program for both
23 managed care Medicaid beneficiaries and fee for service Medicaid
24 beneficiaries. The report shall include, but is not limited to, the
25 following performance metrics:

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

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

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

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

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

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

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

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

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

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

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

27 (l) The total savings. As used in this subdivision, "total

1 savings" means the per-member-per-month rate paid in the previous
2 fiscal year minus the per-member-per-month actual cost, times the
3 total number of enrollees in the program.

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

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

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

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

22 (d) The tentative completion date is June 30, 2021.

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

1 the assessment of the success of the pilot program.

2 **DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

3 Sec. 751. From the funds appropriated in part 1 from the
4 insurance bureau fund, funds may be expended to support legislative
5 participation in insurance activities coordinated by insurance and
6 legislative associations, in accordance with section 225 of the
7 insurance code of 1956, 1956 PA 218, MCL 500.225.

8 **DEPARTMENT OF NATURAL RESOURCES**

9 Sec. 801. The unexpended funds appropriated in part 1 for
10 wildlife management are designated as a work project appropriation,
11 and any unencumbered or unallotted funds shall not lapse at the end
12 of the fiscal year and shall be available for expenditure for
13 projects under this section until the projects have been completed.
14 The following is in compliance with section 451a of the management
15 and budget act, 1984 PA 431, MCL 18.1451a:

16 (a) The purpose of the project is to fund wildlife disease
17 research.

18 (b) The project will be accomplished by utilizing state
19 resources and contracts.

20 (c) The total estimated cost of the project is \$5,300,000.00.

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

22 Sec. 802. The unexpended funds appropriated in part 1 for
23 forestry investment are designated as a work project appropriation,
24 and any unencumbered or unallotted funds shall not lapse at the end
25 of the fiscal year and shall be available for expenditure for

1 projects under this section until the projects have been completed.
2 The following is in compliance with section 451a of the management
3 and budget act, 1984 PA 431, MCL 18.1451a:

4 (a) The purpose of the project is to fund enhancements to the
5 vegetative management system.

6 (b) The project will be accomplished by utilizing state
7 resources and contracts.

8 (c) The total estimated cost of the project is \$1,900,000.00.

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

10 Sec. 803. From the funds appropriated in part 1 for the
11 nongame fish and wildlife trust fund, \$1,000,000.00 is transferred
12 from the state general fund for deposit to the Kirtland's warbler
13 dedicated account of the Michigan nongame fish and wildlife trust
14 fund created under section 42 of article IX of the state
15 constitution of 1963.

16 **DEPARTMENT OF STATE**

17 Sec. 901. The unexpended funds appropriated in part 1 for the
18 help America vote act are designated as a work project
19 appropriation, and any unencumbered or unallotted funds shall not
20 lapse at the end of the fiscal year and shall be available for
21 expenditure for projects under this section until the projects have
22 been completed. The following is in compliance with section 451a of
23 the management and budget act, 1984 PA 431, MCL 18.1451a:

24 (a) The purpose of the project is to provide election security
25 improvements to the election system, equipment, and processes used
26 in federal elections.

1 (b) The project will be accomplished by utilizing state
2 employees or contracts with private vendors, or both.

3 (c) The total estimated cost of the project is \$11,242,400.00.

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

5 Sec. 902. The unexpended funds appropriated in part 1 for
6 branch operations are designated as a work project appropriation,
7 and any unencumbered or unallotted funds shall not lapse at the end
8 of the fiscal year and shall be available for expenditure for
9 projects under this section until the projects have been completed.
10 The following is in compliance with section 451a of the management
11 and budget act, 1984 PA 431, MCL 18.1451a:

12 (a) The purpose of the project is to provide driver license
13 reinstatement for 350,000 eligible citizens due to elimination of
14 driver responsibility fees.

15 (b) The project will be accomplished by utilizing 100 limited-
16 term state employees.

17 (c) The total estimated cost of the project is \$1,000,000.00.

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

19 **DEPARTMENT OF STATE POLICE**

20 Sec. 1001. (1) Funding appropriated in part 1 for school
21 safety grants shall be used to provide and administer competitive
22 grants to public or nonpublic schools, school districts, and
23 intermediate school districts to purchase technology equipment,
24 upgrade hardening measures, or conduct school building safety
25 assessments to improve the safety and security of school buildings,
26 students, and school staff. As used in this section, a "school

1 district" includes a public school academy. The department of state
2 police, grants and community services division, shall administer
3 the grant program described in this section.

4 (2) The goal of the grant program is to create a safer school
5 environment through equipment and technology enhancements.

6 (3) Applications shall be accepted directly from public or
7 nonpublic schools, school districts, and intermediate school
8 districts. School district and intermediate school district
9 applications are required to be for buildings that have pre-K to 12
10 classrooms and students. There is a limit of 1 application per
11 eligible applicant. Individual schools may submit their own
12 application but must not also be included in a school district
13 application if they submitted an individual application. All grants
14 shall be funded on a reimbursement-only basis.

15 (4) From the \$25,000,000.00 appropriated in part 1 for school
16 safety grants, \$10,000,000.00 shall be made available without a
17 local matching fund requirement, subject to the requirements of
18 subsection (3), to individual public or nonpublic schools, school
19 districts, and intermediate school districts. Grants are limited to
20 \$25,000.00 per application for individual schools and \$250,000.00
21 for school districts or intermediate school districts.

22 (5) From the \$25,000,000.00 appropriated in part 1 for school
23 safety grants, \$15,000,000.00 shall be made available requiring a
24 25% local matching fund requirement, subject to the requirements of
25 subsection (3), to individual public or nonpublic schools, school
26 districts, and intermediate school districts. Grants are limited to
27 \$1,000,000.00 per application.

1 (6) Eligible applicants are allowed to submit 1 application.
2 Funding will not be awarded to a school building more than once. If
3 a school district submits an application and an individual school
4 within that district submits an application and includes that
5 building, that building cannot receive 2 funding awards. If an
6 agency submits more than 1 application, the most recent application
7 submitted will be the one considered for funding.

8 (7) Applications shall be selected for funding based on
9 eligibility, the project description, and whether the project
10 reflects the highest security need of the applicant within grant
11 funding constraints, the budget narrative, the budget, project
12 goals, objectives, and performance measures. Priority shall be
13 given to projects that involve multiple agencies working in
14 partnership, to proposals that seek to secure exterior access
15 points of school buildings, and to those applicants that did not
16 receive a school safety grant in the past. Grant applicants must
17 demonstrate proof that a school has an emergency operation plan
18 that had been updated after August 1, 2017 to align with the state
19 of Michigan emergency operations plan guidance and school safety
20 information policy developed under section 1308 of the revised
21 school code, 1976 PA 451, MCL 380.1308.

22 (8) Eligible expenditures under school safety grants include 1
23 or more of the following:

24 (a) Physical security enhancement equipment, such as door
25 locks, proximity access card readers, keypads, motion detection
26 systems, lighting, closed-circuit television systems, and audio or
27 video intercom devices.

1 (b) Improved or hardened exterior access points of school
2 buildings or enhancements to entryways.

3 (c) Public address systems.

4 (d) Inspection and screening systems, including metal
5 detectors.

6 (e) Shatterproof glass or film for exterior doors or windows.

7 (f) Signs, such as "Emergency Exit Only" and "Visitors
8 Register at Front Office" signs.

9 (g) Fences and gates.

10 (h) Mobile telephone applications that provide the ability to
11 communicate with personnel on site while also connecting an
12 emergency telephone call to a 9-1-1 center.

13 (i) School safety assessments such as those conducted by the
14 Department of Homeland Security or a comparable private contractor
15 service.

16 (9) The following items shall not be eligible for grant
17 expenditure:

18 (a) Weapons, including tasers.

19 (b) Personal body armor for routine use.

20 (c) Construction of new facilities.

21 (d) Costs in applying for this grant, such as consultants and
22 grant writers.

23 (e) Expenses incurred prior to the date of the award or after
24 the end of the grant performance period.

25 (f) Personnel costs or operation costs related to a capital
26 improvement.

27 (g) Indirect costs or indirect administrative expenses.

1 (h) All travel, including first-class or out-of-state travel.

2 (i) Contributions or donations.

3 (j) Management or administrative training and conferences,
4 except as otherwise preapproved by the department of state police.

5 (k) Management studies or research and development.

6 (l) Memberships and dues, unless a specific requirement of the
7 project that has been preapproved by the department of state
8 police.

9 (m) Vehicles, watercraft, or aircraft, including unmanned or
10 remotely piloted aircraft and vehicles.

11 (n) Service contracts and training beyond the performance
12 period of the grant award.

13 (o) Food, refreshments, and snacks.

14 (10) The department shall issue grant guidance and application
15 materials, including required performance measures, no later than
16 August 1, 2018 and shall begin issuing awards no later than October
17 31, 2018. A project awarded a grant under this program must be
18 completed by September 2019.

19 (11) The department of state police shall report on grant
20 activities to the house and senate appropriations subcommittees on
21 state police, the house and senate fiscal agencies, and the state
22 budget office by March 1, 2019, including available performance
23 outcomes as identified in individual grant agreements.

24 (12) Unexpended and unencumbered appropriations for school
25 safety grants shall not lapse to the general fund but shall be
26 carried forward into the subsequent fiscal year.

1 DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT

2 Sec. 1101. (1) From the one-time funds appropriated in part 1
3 for Michigan enhancement grants, \$1,900,000.00 is allocated for
4 projects at Grand Haven State Park. Of this amount, \$800,000.00 is
5 allocated for the third stage of the parking lot replacement at
6 Grand Haven State Park and \$1,100,000.00 is allocated to the
7 replacement of the beach house at Grand Haven State Park. The
8 department of natural resources shall use these funds and other
9 funds, if available, for this purpose.

10 (2) From the one-time funds appropriated in part 1 for
11 Michigan enhancement grants, \$1,400,000.00 shall be awarded for
12 trail improvements in a county with a population between 26,500 and
13 27,000 according to the most recent federal decennial census.

14 (3) From the one-time funds appropriated in part 1 for
15 Michigan enhancement grants, \$1,150,000.00 is allocated for the
16 department of natural resources to conduct a dredging project on
17 the Grand River between the Fulton Street bridge in Kent County and
18 the Bass River inlet in Ottawa County, as outlined in the
19 department of technology, management, and budget dredging
20 feasibility study completed on May 3, 2017. Of this amount, up to
21 \$150,000.00 is allocated for collecting and analyzing sediment
22 samples from that section of the Grand River. The remainder is
23 allocated to dredging, and shall be spent only if sediment tests
24 are satisfactory and necessary permits are issued. The purpose of
25 the dredging project is to facilitate recreational boating traffic
26 over that section of the river. The department of natural resources
27 shall accomplish these tasks by issuing requests for proposals and

1 hiring private contractors. The department of natural resources
2 shall issue the requests for proposals for this project no later
3 than October 1, 2018. The funds allocated under this subsection are
4 considered a work project appropriation, and any unencumbered or
5 unallotted funds are carried forward into the succeeding fiscal
6 year. The following is in compliance with section 451a(1) of the
7 management and budget act, 1984 PA 431, MCL 18.1451a:

8 (a) The purpose of the project to be carried forward is to
9 test sediment and facilitate recreational boating traffic on the
10 Grand River between the Fulton Street bridge in Kent County and the
11 Bass River inlet in Ottawa County.

12 (b) The selected contractors will work with the department to
13 establish a plan to complete the project.

14 (c) The total estimated cost of the project is \$1,150,000.00.

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

16 (4) From the one-time funds appropriated in part 1 for
17 Michigan enhancement grants, \$1,000,000.00 shall be awarded to a
18 civic theater in a county with a population between 600,000 and
19 610,000 and in a city with a population over 185,000 according to
20 the most recent federal decennial census.

21 (5) From the one-time funds appropriated in part 1 for
22 Michigan enhancement grants, \$750,000.00 shall be awarded towards
23 riverfront park improvements in a county with a population between
24 600,000 and 610,000 and in a charter township with a population
25 between 5,900 and 6,100 according to the most recent federal
26 decennial census.

27 (6) From the one-time funds appropriated in part 1 for

1 Michigan enhancement grants, \$500,000.00 shall be awarded to a
2 public museum for expansion in a county with a population between
3 400,000 and 450,000 and in a city with a population over 100,000
4 according to the most recent federal decennial census.

5 (7) From the one-time funds appropriated in part 1 for
6 Michigan enhancement grants, \$500,000.00 shall be awarded to a
7 501(c)(3) nonprofit that provides evening meals to children at or
8 below poverty to increase access in a county with a population
9 between 600,000 and 610,000 according to the most recent federal
10 decennial census.

11 (8) From the one-time funds appropriated in part 1 for
12 Michigan enhancement grants, \$500,000.00 shall be awarded to a
13 museum that is a national historic landmark in a county with a
14 population over 1,300,000 and in a city with a population between
15 97,000 and 500,000 according to the most recent federal decennial
16 census for security upgrades.

17 (9) From the one-time funds appropriated in part 1 for
18 Michigan enhancement grants, \$500,000.00 shall be awarded for a
19 road project on a road south of the highest population center of a
20 county located in a county with a population of between 45,000 and
21 46,000 according to the most recent federal decennial census.

22 (10) From the one-time funds appropriated in part 1 for
23 Michigan enhancement grants, \$500,000.00 shall be awarded to
24 support an Arab-American museum located in a county with a
25 population over 1,300,000 and in a city with a population between
26 97,000 and 500,000 according to the most recent federal decennial
27 census.

1 (11) From the one-time funds appropriated in part 1 for
2 Michigan enhancement grants, \$500,000.00 shall be awarded to
3 support capital improvements to an African-American museum in a
4 city with a population greater than 600,000 according to the most
5 recent federal decennial census.

6 (12) From the one-time funds appropriated in part 1 for
7 Michigan enhancement grants, \$500,000.00 shall be awarded to
8 support a memorial center in a county with a population between
9 1,000,000 and 1,700,000 and in a city with a population between
10 79,000 and 80,000 according to the most recent federal decennial
11 census to expand educational access.

12 (13) From the one-time funds appropriated in part 1 for
13 Michigan enhancement grants, \$300,000.00 shall be awarded to a
14 county for trail improvements in a county with a population between
15 55,000 and 59,000 according to the most recent federal decennial
16 census.

17 (14) From the one-time funds appropriated in part 1 for
18 Michigan enhancement grants, \$250,000.00 shall be awarded for
19 environmental clean-up in a county with a population between
20 1,000,000 and 1,700,000 and in a township with a population between
21 30,000 and 34,000 according to the most recent federal decennial
22 census.

23 (15) From the one-time funds appropriated in part 1 for
24 Michigan enhancement grants, \$150,000.00 shall be awarded to a
25 university for community center improvements for a university with
26 a fiscal year equated student population of fewer than 5,000
27 students.

1 (16) From the one-time funds appropriated in part 1 for
2 Michigan enhancement grants, \$150,000.00 shall be awarded to a
3 501(c) (3) nonprofit organization that maintains parks and
4 neighborhood improvements for community center improvements located
5 in a city with a population greater than 600,000 according to the
6 most recent federal decennial census.

7 (17) From the one-time funds appropriated in part 1 for
8 Michigan enhancement grants, \$100,000.00 shall be awarded to a city
9 to purchase a boat launch in a county with a population between
10 15,000 and 16,000 and in a city with a population between 800 and
11 1,000 according to the most recent federal decennial census.

12 (18) From the one-time funds appropriated in part 1 for
13 Michigan enhancement grants, \$100,000.00 shall be awarded towards
14 projects that will deepen a river that extends through a county
15 with a population between 200,000 and 250,000 and another county
16 with a population between 107,770 and 110,000 according to the most
17 recent federal decennial census.

18 (19) From the one-time funds appropriated in part 1 for
19 Michigan enhancement grants, \$100,000.00 shall be awarded to a
20 501(c) (3) nonprofit organization that is a locally certified
21 community housing development organization for a community
22 engagement grant in a county with a population between 250,000 and
23 260,000 and a city with a population above 50,000 according to the
24 most recent federal decennial census.

25 (20) From the one-time funds appropriated in part 1 for
26 Michigan enhancement grants, \$100,000.00 shall be awarded to a
27 501(c) (3) nonprofit organization that provides access to food,

1 medical care, and counseling services located in a county with a
2 population between 280,000 and 300,000 and a city with a population
3 above 50,000 according to the most recent federal decennial census.

4 (21) From the one-time funds appropriated in part 1 for
5 Michigan enhancement grants, \$45,000.00 shall be awarded to a
6 county conservation district for watershed improvements located in
7 a county with a population between 90,000 and 100,000 according to
8 the most recent federal decennial census.

9 (22) From the one-time funds appropriated in part 1 for
10 Michigan enhancement grants, \$25,000.00 shall be awarded to a city
11 as a community heritage grant in a county with a population between
12 38,000 and 40,000 and a city with a population above 10,000
13 according to the most recent federal decennial census.

14 (23) From the one-time funds appropriated in part 1 for
15 Michigan enhancement grants, \$5,000.00 shall be awarded to a city
16 with the oldest World War I concrete monument for preservation of
17 the monument.

18 (24) From the one-time funds appropriated in part 1 for
19 Michigan enhancement grants, \$500,000.00 shall be awarded for a
20 water and sewer project located in a county with a population
21 between 130,000 and 140,000 and a city with a population between
22 8,600 and 8,700.

23 (25) From the one-time funds appropriated in part 1 for
24 Michigan enhancement grants, \$200,000.00 shall be awarded for a
25 behavioral and physical health clinic located in a county with a
26 population between 130,000 and 140,000 and a city with a population
27 between 8,600 and 8,700.

1 (26) From the one-time funds appropriated in part 1 for
2 Michigan enhancement grants, \$325,000.00 shall be awarded for phase
3 1 of a water pipeline hookup located in a county with a population
4 of between 25,800 and 25,900 and in a charter township with a
5 population of between 6,900 and 7,100 according to the most recent
6 federal decennial census.

7 (27) From the one-time funds appropriated in part 1 for
8 Michigan enhancement grants, \$100,000.00 shall be awarded for a
9 rural broadband project located in a county with a population of
10 between 13,300 and 13,400 and in a township with a population of
11 between 1,600 and 1,700 according to the most recent federal
12 decennial census.

13 (28) From the one-time funds appropriated in part 1 for
14 Michigan enhancement grants, \$100,000.00 shall be awarded for
15 community center renovation located in a county with a population
16 of between 152,000 and 152,100 and in a city with a population of
17 between 20,700 and 20,800 according to the most recent federal
18 decennial census.

19 (29) From the one-time funds appropriated in part 1 for
20 Michigan enhancement grants, \$100,000.00 shall be awarded for a
21 women's addiction center renovation located in a county with a
22 population of between 152,000 and 152,100 and in a charter township
23 with a population of between 14,500 and 14,600 according to the
24 most recent federal decennial census.

25 (30) From the one-time funds appropriated in part 1 for
26 Michigan enhancement grants, \$73,000.00 shall be awarded to a
27 center for the arts located in a county with a population of

1 between 152,000 and 153,000 and in a city with a population of
2 between 20,700 and 20,800 according to the most recent federal
3 decennial census.

4 (31) From the one-time funds appropriated in part 1 for
5 Michigan enhancement grants, \$1,000,000.00 shall be awarded to a
6 center for the arts located in a county with a population of
7 between 32,600 and 32,700 and in a city with a population of
8 between 5,600 and 5,700 according to the most recent federal
9 decennial census.

10 (32) From the one-time funds appropriated in part 1 for
11 Michigan enhancement grants, \$1,500,000.00 shall be awarded to a
12 community hospital located in a county with a population of between
13 38,500 and 38,600 and in a township with a population of between
14 1,300 and 1,400 according to the most recent federal decennial
15 census.

16 (33) From the one-time funds appropriated in part 1 for
17 Michigan enhancement grants, \$1,000,000.00 shall be awarded to a
18 private, not-for-profit provider of children and family welfare
19 services and behavioral health care services with more than 15
20 centers throughout the state.

21 (34) From the one-time funds appropriated in part 1 for
22 Michigan enhancement grants, \$500,000.00 shall be awarded to a
23 downtown development authority property redevelopment project
24 located in a county with a population of between 840,900 and
25 841,000 and in a city with a population of between 4,700 and 4,800
26 according to the most recent federal decennial census.

27 (35) From the one-time funds appropriated in part 1 for

1 Michigan enhancement grants, \$25,000.00 shall be awarded for
2 development and landscaping at a park located in a county with a
3 population of between 840,900 and 841,000 and in a city with a
4 population of between 4,700 and 4,800 according to the most recent
5 federal decennial census.

6 (36) From the one-time funds appropriated in part 1 for
7 Michigan enhancement grants, \$50,000.00 shall be awarded for park
8 sidewalk repair located in a county with a population of between
9 840,900 and 841,000 and in a township with a population of between
10 43,300 and 43,400 according to the most recent federal decennial
11 census.

12 (37) From the one-time funds appropriated in part 1 for
13 Michigan enhancement grants, \$500,000.00 shall be awarded to a
14 scholars program at a university located in a county with a
15 population of between 250,300 and 250,400 and in a city with a
16 population of between 74,200 and 74,300 according to the most
17 recent federal decennial census.

18 (38) From the one-time funds appropriated in part 1 for
19 Michigan enhancement grants, \$500,000.00 shall be awarded to a
20 human and social services organization providing assistance to the
21 disadvantaged, hardship cases, and newcomer populations located in
22 a county with a population of between 840,900 and 841,000 and in a
23 city with a population of between 129,600 and 129,800 according to
24 the most recent federal decennial census.

25 (39) From the one-time funds appropriated in part 1 for
26 Michigan enhancement grants, \$100,000.00 shall be awarded to a
27 community vitality center located in a county with a population

1 greater than 1,800,000 and in a city with a population of between
2 84,000 and 84,100 according to the most recent federal decennial
3 census.

4 (40) From the one-time funds appropriated in part 1 for
5 Michigan enhancement grants, \$500,000.00 shall be awarded for a
6 veterans hall of fame to be located in a county with a population
7 of between 37,000 and 37,100 and in a city with a population of
8 between 12,600 and 12,700 according to the most recent federal
9 decennial census.

10 (41) From the one-time funds appropriated in part 1 for
11 Michigan enhancement grants, \$1,000,000.00 shall be awarded to a
12 county community mental health service located in a county with a
13 population of between 840,900 and 841,000 according to the most
14 recent federal decennial census.

15 (42) From the one-time funds appropriated in part 1 for
16 Michigan enhancement grants, \$1,500,000.00 shall be awarded for
17 local match funding to a community college located in a county with
18 a population of between 61,200 and 61,300 and in a township with a
19 population of between 3,200 and 3,300 according to the most recent
20 federal decennial census.

21 (43) From the one-time funds appropriated in part 1 for
22 Michigan enhancement grants, \$200,000.00 shall be awarded for a new
23 emergency dispatch system for a city with a population of between
24 9,100 and 9,200 and a charter township with a population of between
25 27,500 and 27,600 according to the most recent federal decennial
26 census located in a county with a population greater than 1,800,000
27 according to the most recent federal decennial census.

1 (44) From the one-time funds appropriated in part 1 for
2 Michigan enhancement grants, \$400,000.00 shall be awarded for the
3 purchase of a new fire engine in a county with a population greater
4 than 1,800,000 and in a charter township with a population of
5 between 27,500 and 27,600 according to the most recent federal
6 decennial census.

7 (45) From the one-time funds appropriated in part 1 for
8 Michigan enhancement grants, \$81,000.00 shall be awarded for
9 upgrades at a library located in a county with a population greater
10 than 1,800,000, a county with a population of between 1,200,000 and
11 1,205,000, and in a city with a population of between 5,900 and
12 6,000 according to the most recent federal decennial census.

13 (46) From the one-time funds appropriated in part 1 for
14 Michigan enhancement grants, \$96,000.00 shall be awarded for
15 upgrades at a library located in a county with a population greater
16 than 1,800,000 and in a city with a population of between 9,100 and
17 9,200 according to the most recent federal decennial census.

18 (47) From the one-time funds appropriated in part 1 for
19 Michigan enhancement grants, \$75,000.00 shall be awarded for land
20 improvements and law enforcement building improvements for police
21 officer training at a national guard training facility located
22 primarily in a county with a population of between 14,000 and
23 14,100 according to the most recent federal decennial census.

24 (48) From the one-time funds appropriated in part 1 for
25 Michigan enhancement grants, \$125,000.00 shall be awarded for tree
26 cutting at a public and military use airport located in a county
27 with a population of between 14,000 and 14,100 according to the

1 most recent federal decennial census.

2 (49) From the one-time funds appropriated in part 1 for
3 Michigan enhancement grants, \$150,000.00 shall be awarded for a
4 cooperative lakes monitoring program conducted by a Michigan
5 network of volunteer water quality monitoring programs created
6 under Executive Order No. 2003-15.

7 (50) From the one-time funds appropriated in part 1 for
8 Michigan enhancement grants, \$250,000.00 shall be awarded to a not-
9 for-profit research institute, incubator, and manager located in a
10 county with a population of between 344,700 and 344,800 and in a
11 charter township with a population of between 34,600 and 34,700
12 according to the most recent federal decennial census.

13 (51) Except as otherwise noted, the unexpended funds
14 appropriated in part 1 for Michigan enhancement grants are
15 designated as work project appropriations, and any unencumbered or
16 unallotted funds shall not lapse at the end of the fiscal year and
17 shall be available for expenditure for projects under this section
18 until the projects have been completed. The following is in
19 compliance with section 451a of the management and budget act, 1984
20 PA 431, MCL 18.1451a:

21 (a) The purpose of the projects is to enhance the quality of
22 life of Michigan residents.

23 (b) The projects will be accomplished by utilizing state
24 employees or contracts with service providers, or both.

25 (c) The total estimated cost of the projects is
26 \$20,825,000.00.

27 (d) The tentative completion date of the projects is September

1 30, 2022.

2 **DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET**

3 Sec. 1151. The unexpended funds appropriated in part 1 for
4 gubernatorial office transition costs are designated as a work
5 project appropriation, and any unencumbered or unallotted funds
6 shall not lapse at the end of the fiscal year and shall be
7 available for expenditure for projects under this section until the
8 projects have been completed. The following is in compliance with
9 section 451a of the management and budget act, 1984 PA 431, MCL
10 18.1451a:

11 (a) The purpose of the project is to provide for executive
12 office transition costs.

13 (b) The project will be accomplished by utilizing 100 limited-
14 term state employees or contracts with service providers, or both.

15 (c) The total estimated cost of the project is \$1,750,000.00.

16 (d) The tentative completion date is December 30, 2019.

17 Sec. 1152. By November 1, 2018, the department of technology,
18 management, and budget shall work cooperatively with the department
19 of health and human services to identify a location for the new
20 Northern Satellite Psychiatric Facility capital outlay project
21 approved for planning authorization in article II of 2017 PA 107.
22 If a location has not been identified by November 1, 2018, the
23 department of technology, management, and budget shall provide a
24 status report on potential locations, reasoning why a location has
25 not been identified, and the progress toward completing the new
26 Northern Satellite Psychiatric Facility capital outlay project

1 approved for planning authorization in article II of 2017 PA 107.
2 The report shall be provided to the state budget office, the house
3 and senate standing committees on appropriations, the joint capital
4 outlay subcommittee, and the house and senate fiscal agencies.

5 Sec. 1153. There is appropriated from general fund/general
6 purpose revenue, for the fiscal year ending September 30, 2018,
7 beyond any amounts previously deposited, the sum of \$115,000,000.00
8 for deposit into the countercyclical budget and economic
9 stabilization fund created in section 351 of the management and
10 budget act, 1984 PA 431, MCL 18.1351.

11 **STATE TRANSPORTATION DEPARTMENT**

12 Sec. 1201. (1) From the one-time funds appropriated in part 1
13 for community infrastructure investments, \$1,070,000.00 shall be
14 awarded for a highway project located in a county with a population
15 of between 200,000 and 201,000 and in a township with a population
16 of between 1,650 and 1,700 according to the most recent federal
17 decennial census.

18 (2) From the one-time funds appropriated in part 1 for
19 community infrastructure investments, \$200,000.00 shall be awarded
20 for a bridge project located in a county with a population of
21 between 200,000 and 201,000 and in a township with a population of
22 between 1,650 and 1,700 according to the most recent federal
23 decennial census.

24 (3) From the one-time funds appropriated in part 1 for
25 community infrastructure investments, \$303,600.00 shall be awarded
26 for a road project located in a county with a population of between

1 425,000 and 426,000 and in a charter township with a population of
2 between 10,600 and 10,700 according to the most recent federal
3 decennial census.

4 (4) From the one-time funds appropriated in part 1 for
5 community infrastructure investments, \$700,000.00 shall be awarded
6 for a road project located in a county with a population of between
7 1,202,000 and 1,203,000 and in a city with a population of between
8 70,000 and 71,000 according to the most recent federal decennial
9 census.

10 (5) From the one-time funds appropriated in part 1 for
11 community infrastructure investments, \$1,250,000.00 shall be
12 awarded for a road project located in a county with a population of
13 between 1,202,000 and 1,203,000 and partly in a city with a
14 population of between 70,000 and 71,000 and partly in a city with a
15 population of between 80,900 and 81,000 according to the most
16 recent federal decennial census.

17 (6) From the one-time funds appropriated in part 1 for
18 community infrastructure investments, \$1,000,000.00 shall be
19 awarded for a road project located in a county with a population of
20 between 602,000 and 603,000 and in a census designated place with a
21 population of between 10,000 and 11,000 according to the most
22 recent federal decennial census.

23 (7) From the one-time funds appropriated in part 1 for
24 community infrastructure investments, \$850,000.00 shall be awarded
25 for a road project located in a county with a population of between
26 250,000 and 251,000 and in a city with a population of between
27 74,000 and 75,000 according to the most recent federal decennial

1 census.

2 (8) From the one-time funds appropriated in part 1 for
3 community infrastructure investments, \$850,000.00 shall be awarded
4 for a road project located in a county with a population of between
5 250,000 and 251,000 and in a city with a population of between
6 46,000 and 47,000 according to the most recent federal decennial
7 census.

8 (9) From the one-time funds appropriated in part 1 for
9 community infrastructure investments, \$460,000.00 shall be awarded
10 for a road project located in a county with a population of between
11 250,000 and 251,000 and in a charter township with a population of
12 between 14,500 and 14,750 according to the most recent federal
13 decennial census.

14 (10) From the one-time funds appropriated in part 1 for
15 community infrastructure investments, \$55,000.00 shall be awarded
16 for a road project located in a county with a population of between
17 250,000 and 251,000 and in a village with a population of between
18 2,900 and 3,000 according to the most recent federal decennial
19 census.

20 (11) From the one-time funds appropriated in part 1 for
21 community infrastructure investments, \$300,000.00 shall be awarded
22 for a reconstruction project located in a county with a population
23 of between 86,000 and 87,000 and in a city with a population of
24 between 14,500 and 15,000 according to the most recent federal
25 decennial census.

26 (12) From the one-time funds appropriated in part 1 for
27 community infrastructure investments, \$360,000.00 shall be awarded

1 for a road project located in a county with a population of between
2 25,500 and 25,700 and in a city with a population of between 1,050
3 and 1,100 according to the most recent federal decennial census.

4 (13) From the one-time funds appropriated in part 1 for
5 community infrastructure investments, \$800,000.00 shall be awarded
6 for a bridge project located in a county with a population of
7 between 46,000 and 47,000 and in a township with a population of
8 between 2,490 and 2,500 according to the most recent federal
9 decennial census.

10 (14) From the one-time funds appropriated in part 1 for
11 community infrastructure investments, \$1,800,000.00 shall be
12 awarded for a road project located in a county with a population of
13 between 150,000 and 155,000 according to the most recent federal
14 decennial census.

15 (15) From the one-time funds appropriated in part 1 for
16 community infrastructure investments, \$7,600,000.00 shall be
17 awarded for a road project located in a county with a population of
18 between 75,000 and 76,000 and partially located in a city with a
19 population of between 48,500 and 48,600 according to the most
20 recent federal decennial census.

21 (16) From the one-time funds appropriated in part 1 for
22 community infrastructure investments, \$2,400,000.00 shall be
23 awarded for a trail extension project located in a county with a
24 population of between 86,000 and 87,000 and in a city with a
25 population of between 14,500 and 15,000 according to the most
26 recent federal decennial census.

27 (17) From the one-time funds appropriated in part 1 for

1 community infrastructure investments, \$1,550,000.00 shall be
2 awarded for a road project located in a county with a population of
3 between 150,000 and 155,000 according to the most recent federal
4 decennial census.

5 (18) From the one-time funds appropriated in part 1 for
6 community infrastructure investments, \$200,000.00 shall be awarded
7 for flood levee and pump repair in a county with a population of
8 between 150,000 and 155,000 and in a township with a population of
9 between 9,200 and 9,300 according to the most recent federal
10 decennial census.

11 (19) From the one-time funds appropriated in part 1 for
12 community infrastructure investments, \$500,000.00 shall be awarded
13 for a road project located in a county with a population of between
14 1,820,000 and 1,821,000 and in a township with a population of
15 between 27,500 and 27,600 according to the most recent federal
16 decennial census.

17 (20) From the one-time funds appropriated in part 1 for
18 community infrastructure investments, \$750,000.00 shall be awarded
19 for a highway planning study located in a county with a population
20 of between 1,820,000 and 1,821,000 and in a township with a
21 population of between 90,100 and 90,200 according to the most
22 recent federal decennial census.

23 (21) From the one-time funds appropriated in part 1 for
24 community infrastructure investments, \$450,000.00 shall be awarded
25 for a road improvement project located in a county with a
26 population of between 99,000 and 100,000 and in a city with a
27 population of between 21,100 and 21,200 according to the most

1 recent federal decennial census.

2 (22) From the one-time funds appropriated in part 1 for
3 community infrastructure investments, \$297,200.00 shall be awarded
4 for a road project located in a county with a population of between
5 840,000 and 841,000 and in a city with a population of between
6 129,600 and 129,700 according to the most recent federal decennial
7 census.

8 (23) From the one-time funds appropriated in part 1 for
9 community infrastructure investments, \$150,000.00 shall be awarded
10 for a road project located in a county with a population of between
11 840,000 and 841,000 and in a city with a population of between
12 4,700 and 4,800 according to the most recent federal decennial
13 census.

14 (24) From the one-time funds appropriated in part 1 for
15 community infrastructure investments, \$100,000.00 shall be awarded
16 for a road project located in a county with a population of between
17 840,000 and 841,000 and in a city with a population of between
18 4,700 and 4,800 according to the most recent federal decennial
19 census.

20 (25) From the one-time funds appropriated in part 1 for
21 community infrastructure investments, \$3,000,000.00 shall be
22 awarded for infrastructure improvements located in a county with a
23 population of between 70,300 and 70,400 and in a township with a
24 population of between 2,270 and 2,300 according to the most recent
25 federal decennial census.

26 (26) From the one-time funds appropriated in part 1 for
27 community infrastructure investments, \$600,000.00 shall be awarded

1 for a road project located in a county with a population of between
2 70,300 and 70,400 and in a township with a population of between
3 12,900 and 13,000 according to the most recent federal decennial
4 census.

5 (27) From the one-time funds appropriated in part 1 for
6 community infrastructure investments, \$1,800,000.00 shall be
7 awarded for a road project located in a county with a population of
8 between 250,000 and 251,000 and in a city with a population of
9 between 46,000 and 47,000 according to the most recent federal
10 decennial census.

11 (28) From the one-time funds appropriated in part 1 for
12 community infrastructure investments, \$600,000.00 shall be awarded
13 for a road project located in a county with a population of between
14 250,000 and 251,000 and in a city with a population of between
15 46,000 and 47,000 according to the most recent federal decennial
16 census.

17 (29) The unexpended funds appropriated in part 1 for community
18 infrastructure investments are designated as work project
19 appropriations, and any unencumbered or unallotted funds shall not
20 lapse at the end of the fiscal year and shall be available for
21 expenditure for projects under this section until the projects have
22 been completed. The following is in compliance with section 451a of
23 the management and budget act, 1984 PA 431, MCL 18.1451a:

24 (a) The purpose of the projects is to improve infrastructure
25 in the state.

26 (b) The projects will be accomplished by utilizing state
27 employees or contracts with service providers, or both.

1 (c) The total estimated cost of the projects is
2 \$30,000,000.00.

3 (d) The tentative completion date of the projects is September
4 30, 2022.

5 **DEPARTMENT OF TREASURY**

6 Sec. 1302. (1) From the funds appropriated in part 1 for
7 financial data analytic tool reimbursement, there is allocated an
8 amount not to exceed \$500,000.00 for reimbursements to cities,
9 villages, townships, counties, and regional councils of government
10 for the licensing of data analytic tools as described under this
11 section. Reimbursements are for cities, villages, townships,
12 counties, and regional councils of governments that choose to use a
13 data analytic tool with 1 of the 2 vendors approved by the MDTMB in
14 2017-2018. Funds allocated under this section are intended to
15 provide cities, villages, townships, counties, and regional
16 councils of government with financial forecasting and transparency
17 reporting tools to improve the financial health of cities,
18 villages, townships, counties, and regional councils of government
19 and to improve communication with the public.

20 (2) The approved data analytic tool vendors from 2017-2018
21 must continue to do all of the following:

- 22 (a) Analyze financial data.
23 (b) Analyze pension and other postemployment benefit trends.
24 (c) Provide early warning indicators of financial stress.
25 (d) Provide peer community comparisons of financial data.
26 (e) Provide financial projections for at least 3 subsequent

1 fiscal years.

2 (3) Funds from any financial data analytic tool reimbursement
3 work projects shall be used prior to using funds appropriated in
4 the current year. Funds allocated under this section shall be paid
5 to cities, villages, townships, counties, and regional councils of
6 government that execute an agreement on behalf of their geographic
7 local units as a reimbursement for already having a licensing
8 agreement or for entering into a licensing agreement not later than
9 December 1, 2018 with a vendor approved under subsection (2) from
10 the 2017-2018 appropriation, to implement a data analytic
11 agreement. Reimbursement under this section shall be made as
12 follows:

13 (a) All cities, villages, townships, counties, and regional
14 councils of government seeking reimbursement shall submit requests
15 not later than December 1, 2018 indicating the cost paid for the
16 financial data analytic tool by virtue of providing an invoice,
17 purchase order, or proof of payment.

18 (b) The department of treasury shall determine the sum of the
19 funding requested by all cities, villages, townships, counties, and
20 regional councils of government under subdivision (a) and, if there
21 are sufficient funds, shall reimburse 1/2 of the costs submitted by
22 each city, village, township, county, and regional council of
23 government under subdivision (a). If there are insufficient funds
24 to pay 1/2 of the costs submitted under subdivision (a), the
25 reimbursement shall be made on an equal percentage basis using 2016
26 census population estimates from the United States Census Bureau.

27 (c) The reimbursement to a city, village, township, county, or

1 regional council of government shall not be greater than the amount
2 paid for a data analytic application.

3 (d) A city, village, township, county, or regional council of
4 government shall not be reimbursed for the purchase of more than 1
5 software application.

6 (e) Any unexpended funds are designated as a work project
7 appropriation, and any unencumbered or unallotted funds shall not
8 lapse at the end of the fiscal year and shall be available for
9 expenditures for projects under this section until the projects
10 have been completed. The following is in compliance with section
11 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

12 (i) The purpose of the project is for financial data analytic
13 tool reimbursement.

14 (ii) The project will be accomplished by utilizing state
15 employees, contracts with a vendor, or contracts with local units,
16 or any combination of these.

17 (iii) The total estimated cost of the project is \$500,000.00.

18 (iv) The tentative completion date is September 30, 2023.

19 (4) Payments under this section shall be made on a schedule
20 determined by the department.

21 (5) Within 30 days after the department has made all payments
22 under subsection (3), the department of treasury shall report the
23 following to the senate and house of representatives standing
24 committees on appropriations subcommittees on general government,
25 the state budget director, and the fiscal agencies:

26 (a) The total amount of payments made.

27 (b) If the payments were prorated, the amount of proration.

1 (c) A list of each payment made to cities, villages,
2 townships, counties, and regional councils of government.

3 **REPEALER**

4 Enacting section 1. Section 802 of article I of 2017 PA 107 is
5 repealed.

6 Enacting section 2. Section 936 of article VIII of 2017 PA 107
7 is repealed.

8 Enacting section 3. Section 1407 of 2017 PA 158 is repealed.