

1 **DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**
2 **EXECUTIVE BUDGET BILL**

3
4 A BILL to make appropriations for the department of military
5 and veterans affairs for the fiscal year ending September 30, 2011;
6 to provide for the expenditure of the appropriations; to provide
7 for certain powers and duties of the department of military and
8 veterans affairs, other state agencies, and local units of
9 government related to the appropriations; and to provide for the
10 preparation of certain reports related to the appropriations.
11

12 **THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

13 PART 1

14 LINE-ITEM APPROPRIATIONS

15 Sec. 101. Subject to the conditions set forth in this bill,
16 the amounts listed in this part are appropriated for the department
17 of military and veterans affairs for the fiscal year ending
18 September 30, 2011, from the funds indicated in this part. The
19 following is a summary of the appropriations in this part:
20

21 **DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**

22 APPROPRIATION SUMMARY

23 Full-time equated unclassified positions7.0

24 Full-time equated classified positions970.0

25 GROSS APPROPRIATION..... \$ 151,045,400

26 Interdepartmental grant revenues:

27 Total interdepartmental grants and intradepartmental

28 transfers 1,154,700

29 ADJUSTED GROSS APPROPRIATION..... \$ 149,890,700

1	Federal revenues:	
2	Total federal revenues.....	82,203,800
3	Special revenue funds:	
4	Total local revenues.....	653,200
5	Total private revenues.....	1,422,200
6	Total other state restricted revenues.....	28,660,400
7	State general fund/general purpose.....	\$ 36,951,100
8	Sec. 102. HEADQUARTERS AND ARMORIES	
9	Full-time equated unclassified positions7.0	
10	Full-time equated classified positions110.0	
11	Headquarters and armories--85.0 FTE positions.....	\$ 11,336,700
12	Unclassified military personnel.....	665,000
13	Military appeals tribunal.....	900
14	Michigan emergency volunteers.....	5,000
15	State active duty.....	100,100
16	Challenge program--25.0 FTE positions.....	4,140,100
17	Homeland security.....	1,000,000
18	Military family relief fund.....	<u>600,000</u>
19	GROSS APPROPRIATION.....	\$ 17,847,800
20	Appropriated from:	
21	IDG, challenge grant.....	154,700
22	IDG, community health.....	100,000
23	IDG, state police.....	900,000
24	Federal revenues:	
25	DOD-DOA-NGB.....	6,519,800
26	Special revenue funds:	
27	Local - school aid fund.....	653,200
28	Private donations.....	882,200
29	Rental fees.....	346,400

1	Mackinac Bridge authority.....	70,000
2	Military family relief fund.....	600,000
3	State general fund/general purpose..... \$	7,621,500
4	Sec. 103. MILITARY TRAINING SITES AND SUPPORT FACILITIES	
5	Full-time equated classified positions181.0	
6	Military training sites and support	
7	facilities--181.0 FTE positions	\$ 25,380,900
8	Military training sites and support facilities test	
9	projects	<u>100,000</u>
10	GROSS APPROPRIATION..... \$	25,480,900
11	Appropriated from:	
12	Federal revenues:	
13	DOD-DOA-NGB.....	23,988,400
14	Special revenue funds:	
15	Test project fees.....	100,000
16	State general fund/general purpose..... \$	1,392,500
17	Sec. 104. DEPARTMENTWIDE APPROPRIATIONS	
18	Departmentwide accounts..... \$	1,860,800
19	Special maintenance - federal.....	5,300,000
20	Military retirement.....	3,584,100
21	Counter narcotic operations.....	50,000
22	Starbase grant.....	<u>2,322,000</u>
23	GROSS APPROPRIATION..... \$	13,116,900
24	Appropriated from:	
25	Federal revenues:	
26	DOD-DOA-NGB.....	9,288,100
27	Federal counternarcotic revenues.....	50,000
28	Special revenue funds:	
29	State general fund/general purpose..... \$	3,778,800

1	Sec. 105. VETERANS ADVICE, ADVOCACY AND ASSISTANCE	
2	Veterans advice, advocacy and assistance grants.....	3,029,600
3	GROSS APPROPRIATION.....	\$ 3,029,600
4	Appropriated from:	
5	Special revenue funds:	
6	State general fund/general purpose.....	\$ 3,029,600
7	Sec. 106. GRAND RAPIDS VETERANS' HOME	
8	Full-time equated classified positions513.0	
9	Grand Rapids veterans' home--513.0 FTE positions.....	\$ 51,972,300
10	Board of managers.....	665,000
11	GROSS APPROPRIATION.....	\$ 52,637,300
12	Appropriated from:	
13	Federal revenues:	
14	DVA-VHA.....	17,609,600
15	HHS, Medicaid.....	164,300
16	HHS, Medicare.....	2,561,500
17	Special revenue funds:	
18	Private - veterans' home post and posthumous funds....	415,000
19	Income and assessments.....	15,982,800
20	Military family relief fund.....	250,000
21	Lease revenue.....	12,200
22	State general fund/general purpose.....	\$ 15,641,900
23	Sec. 107. D.J. JACOBETTI VETERANS' HOME	
24	Full-time equated classified positions158.0	
25	D.J. Jacobetti veterans' home--158.0 FTE positions....	\$ 16,718,000
26	Board of managers.....	275,000
27	GROSS APPROPRIATION.....	\$ 16,993,000
28	Appropriated from:	
29	Federal revenues:	

1	DVA-VHA.....	5,924,400
2	HHS, Medicare.....	589,200
3	HHS, Medicaid.....	10,800
4	Special revenue funds:	
5	Private - veterans' home post and posthumous funds....	125,000
6	Military family relief fund.....	150,000
7	Income and assessments.....	5,229,400
8	State general fund/general purpose..... \$	4,964,200
9	Sec. 108. VETERANS' AFFAIRS DIRECTORATE	
10	Full-time equated classified positions8.0	
11	Veterans' affairs directorate administration---2.0	
12	FTE positions \$	205,800
13	Veterans' trust fund administration---6.0 FTE	
14	positions \$	1,302,800
15	Veterans' trust fund grants.....	<u>3,746,500</u>
16	GROSS APPROPRIATION..... \$	5,255,100
17	Appropriated from:	
18	Special revenue funds:	
19	Michigan veterans' trust fund.....	5,049,300
20	State general fund/general purpose..... \$	205,800
21	Sec. 109. INFORMATION TECHNOLOGY	
22	Information technology services and projects..... \$	<u>1,184,800</u>
23	GROSS APPROPRIATION..... \$	1,184,800
24	Appropriated from:	
25	Federal revenues:	
26	DOD-DOA-NGB.....	130,400
27	DVA-VHA.....	356,800
28	HHS, Medicare.....	10,500
29	Special revenue funds:	

1	Income and assessments.....		370,300
2	State general fund/general purpose.....	\$	316,800
3	Sec. 110. CAPITAL OUTLAY		
4	Land acquisitions and appraisals	\$	500,000
5	Special maintenance, remodeling and additions		<u>15,000,000</u>
6	GROSS APPROPRIATION.....	\$	15,500,000
7	Appropriated from:		
8	Federal revenues:		
9	DOD-DOA-NGB.....		15,000,000
10	Special revenue funds:		
11	Michigan national guard construction fund		500,000
12	State general fund/general purpose	\$	0

14 PART 2

15 PROVISIONS CONCERNING APPROPRIATIONS

16 GENERAL SECTIONS

17 Sec. 201. Pursuant to section 30 of article IX of the state
18 constitution of 1963, total state spending from state resources
19 under part 1 for fiscal year 2010-2011 is \$65,611,500.00 and state
20 spending from state resources to be paid to local units of
21 government for fiscal year 2010-2011 is \$120,000.00. The itemized
22 statement below identifies appropriations from which spending to
23 local units of government will occur:

24 DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

25 MILITARY TRAINING SITES AND SUPPORT FACILITIES

26	Payments in lieu of taxes.....	\$	70,000
27	MICHIGAN VETERANS' TRUST FUND		
28	County counselor education and training expenses.....	\$	<u>50,000</u>
29	TOTAL	\$	120,000

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

4 Sec. 203. As used in this bill:

5 (a) "Department" means the department of military and veterans
6 affairs.

7 (b) "Director" means the director of the department of
8 military and veterans affairs.

9 (c) "DOD" means the United States department of defense.

10 (d) "DOD-DOA-NGB" means the DOD department of the army,
11 national guard bureau.

12 (e) "DVA" means the United States department of veterans
13 affairs.

14 (f) "DVA-VHA" means the DVA veterans health administration.

15 (g) "FTE" means full-time equated.

16 (h) "HHS" means the United States department of health and
17 human services.

18 (i) "IDG" means interdepartmental grant.

19 (j) "Large veterans service organization" means a VSO that can
20 certify that its membership exceeds 30,000 individuals.

21 (k) "Medium veterans service organization" means a VSO that
22 can certify that its membership is between 2,500 and 30,000
23 individuals.

24 (l) "Small veterans service organization" means a VSO that can
25 certify that its membership is between 1,000 and 2,499 individuals.

26 (m) "VSO" means veterans service organization.

27 Sec. 204. The civil service commission shall bill departments
28 and agencies at the end of the first fiscal quarter for the charges
29 authorized by section 5 of article XI of the state constitution of

1 1963. Payments shall be made for the total amount of the billing by
2 the end of the second fiscal quarter.

3 Sec. 208. The department receiving appropriations in part 1
4 shall use the Internet to fulfill the reporting requirements of
5 this bill. This requirement may include transmission of reports via
6 electronic mail to the recipients identified for each reporting
7 requirement, or it may include placement of reports on an Internet
8 or Intranet site.

9 Sec. 209. Funds appropriated in part 1 shall not be used for
10 the purchase of foreign goods or services, or both, if
11 competitively priced and of comparable quality American goods or
12 services, or both, are available. Preference shall be given to
13 goods or services, or both, manufactured or provided by Michigan
14 businesses, if they are competitively priced and of comparable
15 quality. In addition, preference should be given to goods or
16 services, or both, that are manufactured or provided by Michigan
17 businesses owned and operated by veterans, if they are
18 competitively priced and of comparable quality.

19 Sec. 210. The director shall take all reasonable steps to
20 ensure businesses in deprived and depressed communities compete for
21 and perform contracts to provide services or supplies, or both. The
22 director shall strongly encourage firms with which the department
23 contracts to subcontract with certified businesses in depressed and
24 deprived communities for services, supplies, or both.

25 Sec. 221. From the funds appropriated in part 1 for
26 information technology, departments and agencies shall pay user
27 fees to the department of technology, management, and budget for
28 technology-related services and projects. Such user fees shall be
29 subject to provisions of an interagency agreement between the

1 departments and agencies and the department of technology,
2 management, and budget.

3 Sec. 225. (1) Due to the current budgetary problems in this
4 state, out-of-state travel shall be limited to situations in which
5 1 or more of the following conditions apply:

6 (a) The travel is required by legal mandate or court order or
7 for law enforcement purposes.

8 (b) The travel is necessary to protect the health or safety of
9 Michigan citizens or visitors or to assist other states in similar
10 circumstances.

11 (c) The travel is necessary to produce budgetary savings or to
12 increase state revenues, including protecting existing federal
13 funds or securing additional federal funds.

14 (d) The travel is necessary to comply with federal
15 requirements.

16 (e) The travel is necessary to secure specialized training for
17 staff that is not available within this state.

18 (f) The travel is financed entirely by federal or nonstate
19 funds.

20 (2) Not later than January 1 of each year, each department
21 shall prepare a travel report listing all travel by classified and
22 unclassified employees outside this state in the immediately
23 preceding fiscal year that was funded in whole or in part with
24 funds appropriated in the department's budget. The report shall be
25 submitted to the senate and house of representatives standing
26 committees on appropriations, the senate and house fiscal agencies,
27 and the state budget director. The report shall include the
28 following information:

1 (a) The name of each person receiving reimbursement for travel
2 outside this state or whose travel costs were paid by this state.

3 (b) The destination of each travel occurrence.

4 (c) The dates of each travel occurrence.

5 (d) A brief statement of the reason for each travel
6 occurrence.

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

12 (f) A total of all out-of-state travel funded for the
13 immediately preceding fiscal year.

14 Sec. 228. Funds appropriated in part 1 shall not be used by a
15 principal executive department, state agency, or authority to hire
16 a person to provide legal services that are the responsibility of
17 the attorney general. This prohibition does not apply to legal
18 services for bonding activities and for those activities that the
19 attorney general authorizes.

20 Sec. 232. (1) In addition to the funds appropriated in part 1,
21 there is appropriated an amount not to exceed \$10,000,000.00 for
22 federal contingency funds. These funds are not available for
23 expenditure until they have been transferred to another line item
24 in this bill under section 393(2) of the management and budget act,
25 1984 PA 431, MCL 18.1393.

26 (2) In addition to the funds appropriated in part 1, there is
27 appropriated an amount not to exceed \$2,000,000.00 for state
28 restricted contingency funds. These funds are not available for
29 expenditure until they have been transferred to another line item

1 in this bill under section 393(2) of the management and budget act,
2 1984 PA 431, MCL 18.1393.

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

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

15 **HEADQUARTERS AND ARMORIES**

16 Sec. 302. (1) The funds appropriated in this bill for private
17 donations to the challenge program shall be considered state
18 restricted revenue, and unexpended funds remaining at the close of
19 the fiscal year shall not lapse to the general fund but shall be
20 carried forward to the subsequent fiscal year.

21 (2) The department may charge a parent or guardian of a
22 participant in the challenge program a fee for participating in the
23 program if the participant is a member of a family with an income
24 that exceeds 200% of the federal poverty guidelines as published by
25 the United States department of health and human services. The
26 amount charged the parent or guardian shall not exceed the per-
27 student state share cost of administering the program. The parent
28 or guardian shall be notified of any charge to be assessed under
29 this subsection prior to enrollment of the child in the program.

1 (3) The department shall take steps to recruit candidates to
2 the challenge program from economically disadvantaged areas,
3 including those with low-income and high-unemployment backgrounds.

4 Sec. 304. The department will partner with the department of
5 human services to identify youth who may be eligible for the
6 challenge program from those youth served by department of human
7 services programs. These eligible youth shall be given priority for
8 enrollment in the program.

9 **VETERANS ADVICE, ADVOCACY, AND ASSISTANCE**

10 Sec. 501. (1) The department shall develop and operate a
11 program which will provide benefits counseling and representation
12 to veterans of this state for the purpose of assisting veterans to
13 obtain United States department of veterans affairs health,
14 financial, and memorial benefits for which they are eligible. The
15 department shall work to maximize the coordination between veterans
16 service organizations and any other organization which assists
17 veterans.

18 (2) The department shall create a 5-member veterans advisory
19 board to assist in matters pertaining to veterans advice, advocacy,
20 and assistance, including recommendations concerning disbursement
21 of any grant money. The department shall request that the state
22 commanders group name candidates serving as president/commander
23 from 2 large veterans service organizations, 2 medium veterans
24 service organizations, and 1 small veterans service organization to
25 serve on the advisory board. The veterans advisory board shall meet
26 no less than twice a year, without reimbursement by the department.

27 (3) The duties of the veterans advisory board shall include,
28 but are not limited to, the following:

- 1 (a) Serving as a liaison between grant recipients, the
2 department, and the legislature.
- 3 (b) Assisting in recognizing any deficiencies in the grant
4 process and performance.
- 5 (c) Providing a forum regarding veterans issues.
- 6 (d) Suggesting changes in department programs that would help
7 keep pace with changing veterans needs.
- 8 (e) Providing a direct contact with the veterans
9 administration regarding updates on procedures.
- 10 (f) Creating an awareness to make sure that grant recipients
11 are performing the services intended.
- 12 (g) Representing a voice for veterans service organizations.
- 13 (h) Providing for a sounding board for grant recipients.
- 14 (i) Assisting the department in establishing criteria for
15 grant awards.
- 16 (j) Assisting the department in developing plans, reviewing
17 service delivery, and identifying goals to better assist veterans
18 in applying for and receiving benefits from the federal, state, and
19 local governments.
- 20 (k) Providing testimony, if requested, to legislative
21 committees.
- 22 (4) Money used for grants to veterans service organizations
23 shall be used only for salaries, wages, related personnel costs,
24 in-state training, and equipment for accredited veteran service
25 advocacy officers and necessary support and managerial staff.
26 Training shall be provided for service advocacy officers and shall
27 be conducted by accredited advocacy officers.
- 28 (5) To receive a grant from the money appropriated in part 1,
29 a veterans service organization or a veterans service organization

1 which is part of a combination of organizations receiving a grant
2 shall meet the following eligibility requirements:

3 (a) Be congressionally chartered by the United States
4 Congress.

5 (b) Be an active participating member of the Michigan veterans
6 organizations' rehabilitation and veterans service committee and
7 abide by its rules, guidelines, and programs.

8 (c) Demonstrate the receipt of monetary or service support
9 from its own organization.

10 (d) Comply with the department's and the legislature's
11 requirements of accounting audits, service work activity,
12 accounting of recoveries, listing of volunteer hours, budget
13 requests, and other requirements specified in subsection (3). Each
14 veterans service organization receiving a grant from the money
15 appropriated in part 1 shall provide a copy of the most recent
16 audit report to the department not later than May 1, 2011.

17 (e) For a veterans service organization founded after
18 September 30, 1989, be in operation and providing service to
19 Michigan veterans for not less than 2 years before receiving an
20 initial state grant. During this 2-year period of time, the
21 organization shall file a listing of service work activity and an
22 accounting of recoveries with the department, the senate and house
23 fiscal agencies, the senate and house of representatives
24 appropriations subcommittees on military affairs, and the state
25 budget office on forms as prescribed by the department.

26 (6) A veterans service organization receiving a grant from the
27 money appropriated in part 1 shall file with the department an
28 accounting of its expenditures, audited and certified by a
29 certified public accountant, within 120 days after the

1 organization's fiscal year end. Each veterans service organization
2 shall provide 5 copies of a listing of all service activity, an
3 accounting of recoveries, and a listing of volunteer hours for the
4 fiscal year ending September 30, 2010 to the department by January
5 31, 2011. Each organization shall include a listing of expenditures
6 by spending category, including a listing of individual salaries of
7 each officer and administrative staff. The listing of volunteer
8 hours shall include the hours, services, and donations provided to
9 residents of the Grand Rapids veterans' home and the D.J. Jacobetti
10 veterans' home. Each veterans service organization shall provide a
11 copy of the most recent and completed internal revenue service form
12 990 to the department at the end of the fiscal year ending
13 September 30, 2010. A veterans service organization receiving a
14 grant from the money appropriated in part 1 shall use the forms
15 recommended by the Michigan veterans organizations rehabilitation
16 and veterans service committee for filing reports required by this
17 act. The department shall provide a report not later than June 1,
18 2011 to the senate and house fiscal agencies, the senate and house
19 appropriations subcommittees on state police and military and
20 veterans affairs, and the state budget office detailing the most
21 recent expenditure information provided by the veterans service
22 organizations. The department shall also provide within that report
23 specific notification whether any veterans service organization
24 receiving a grant from the money appropriated in part 1 failed to
25 comply with the reporting requirements of this section.

26 (7) The veterans service directors committee and the
27 department shall take steps to improve the coordination of veterans
28 benefits counseling in the state to maximize the effective and

1 efficient use of taxpayer dollars in this goal and to ensure that
2 every veteran is served.

3 (8) To accomplish the goal of subsection (7), the veterans
4 service directors committee and the department shall take steps to
5 increase their responsibility in the administration, management,
6 oversight, and outreach of the delivery of services to veterans.
7 The veterans service directors committee and the department shall
8 involve county veterans counselors and representatives from the
9 Michigan veterans trust fund to work in concert to identify,
10 implement, and evaluate steps to do all of the following:

11 (a) Increase the veterans service directors committee and the
12 department's role in working directly with the United States
13 department of veterans affairs to enhance the delivery of services
14 to Michigan veterans.

15 (b) Increase the number of initial claims filed with the
16 United States department of veterans affairs on behalf of veterans
17 for service-connected disability or pension benefits. The veterans
18 service directors committee and the department may work toward
19 either an absolute increase of approved claims or an increase in
20 the percentage of Michigan veterans with approved claims.

21 (c) Develop methods to increase rates of recovery paid by the
22 United States department of veterans affairs to Michigan veterans
23 either by an increase in compensation paid per approved claim or an
24 increase in compensation paid on a per capita basis.

25 (d) Expand training opportunities for veterans service
26 organization service officers.

27 (e) Increase either the number or percentage of Michigan
28 veterans enrolled in the veterans affairs health care system.

1 (f) Publicize the availability, benefit, and value of burial
2 in the Fort Custer and Great Lakes national cemeteries.

3 (g) Review each grant recipient's performance under the
4 program and require that performance be a major consideration in
5 the future funding of each grant recipient.

6 (h) Identify areas of redundancy which may exist among
7 services provided by veterans service organizations grantees,
8 Michigan veterans trust fund county committees, and county veterans
9 counselors and provide a proposal on how any redundancies may be
10 minimized and identify specific cost savings which could result.

11 (9) Each veterans service organization receiving a grant from
12 the money appropriated in part 1 shall file a report with the
13 department not later than May 1, 2011 detailing the following
14 information:

15 (a) Training completed by each veterans service officer
16 employed by or working on behalf of the veterans service
17 organization.

18 (b) A roster of the cases that each veterans service
19 organization is serving or processing, including if those cases
20 have been completed or are still pending, whether those cases have
21 been initiated and completed by the veterans service organization,
22 and which cases have been referred to and by county veterans
23 counselors, congressional or senate offices, or any other
24 organizations that serve veterans.

25 (10) The department shall record any additional administrative
26 costs for collecting and compiling the information from subsections
27 (6) and (9) and also provide this information with the reports
28 required under subsection (6).

1 (11) The veterans affairs directorate shall design and operate
2 an advocacy program to coordinate with other organizations which
3 assist veterans, including county counselors and other groups, to
4 ensure referrals between groups occur when warranted and to provide
5 the veterans of the state with the most cost-effective and
6 comprehensive counseling services possible. The department shall
7 also take steps to become certified with the United States
8 department of veterans affairs to assist in this task.

9 (12) The department shall issue performance standards to each
10 veterans service organization grant recipient. Compliance with
11 these performance standards shall be the basis for funding for
12 future years. Failure to meet any or all of the performance
13 standards may result in that organization losing funding in future
14 years, and the department shall forward to the senate and house of
15 representatives appropriations subcommittees on state police and
16 military and veterans affairs corrective action and penalty
17 recommendations.

18 **VETERANS' HOMES**

19 Sec. 603. The money appropriated in this bill for the boards
20 of managers may be expended for facility improvements, the purchase
21 and repair of equipment and furnishings, member services, and other
22 purposes that benefit the Grand Rapids veterans' home and the D.J.
23 Jacobetti veterans' home.

24 **VETERANS' AFFAIRS DIRECTORATE**

25 Sec. 703. By April 1, 2011, the department shall submit to the
26 senate and house of representatives appropriations subcommittees on
27 military affairs and the state budget office a detailed annual
28 report of the Michigan veterans' trust fund for fiscal year 2009-
29 2010. The report shall include information on grants provided from

1 the emergency grant program, including details concerning the
2 methodology of allocations, the selection of emergency grant
3 program authorized agents, and a detailed breakdown of trust fund
4 expenditures for that year. The report shall also provide an update
5 on the department's efforts to reduce program administrative costs
6 and restore the Michigan veterans' trust fund corpus to its
7 original amount of \$50,000,000.00.

8 **CAPITAL OUTLAY**

9 Sec. 801. The appropriations in part 1 for the department of
10 military and veterans affairs design and construction projects are
11 contingent upon the availability of federal and state restricted
12 funds for financing.

13 Sec. 802. (1) The director shall allocate lump-sum
14 appropriations made in this bill consistent with statutory
15 provisions and the purposes for which funds were appropriated.
16 Lump-sum allocations shall address priority program or facility
17 needs and may include, but are not limited to, design,
18 construction, remodeling and addition, special maintenance, major
19 special maintenance, energy conservation, and demolition.

20 (2) The state budget director may authorize that funds
21 appropriated for lump-sum appropriations shall be available for no
22 more than 3 fiscal years following the fiscal year in which the
23 original appropriation was made. Any remaining balance from
24 allocations made in this section shall lapse to the fund from which
25 it was appropriated pursuant to the lapsing of funds as provided in
26 the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

27 Sec. 803. The appropriations in part 1 for capital outlay
28 shall be carried forward at the end of the fiscal year consistent

1 with section 248 of the management and budget act, 1984 PA 431, MCL
2 18.1248.
3