**FY 2027-2028 EXECUTIVE RECOMMENDATION**
**GENERAL OMNIBUS BUDGET BILL**
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**EXECUTIVE BUDGET BILL**

A bill to make appropriations for various state departments and agencies; the judicial branch, and the legislative branch for the fiscal year ending September 30, 2027; to provide anticipated appropriations for the fiscal year ending September 30, 2028; to provide for certain conditions on appropriations; to provide for the expenditure of the appropriations.

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

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **APPROPRIATION SUMMARY** | | |
| **GROSS APPROPRIATION** | **$ 88,084,871,000** | **$ 86,778,536,500** |
| Total interdepartmental grants and intradepartmental transfers | 1,338,627,100 | 1,338,627,100 |
| ADJUSTED GROSS APPROPRIATION | $ 86,746,243,900 | $ 85,439,909,400 |
| Total federal revenues | 35,993,835,400 | 35,992,335,400 |
| Total local revenues | 311,404,400 | 311,404,400 |
| Total private revenues | 235,608,800 | 225,608,800 |
| Total other state restricted revenues | 36,596,514,500 | 35,439,917,900 |
| State general fund/general purpose | $ 13,608,880,800 | $ 13,470,642,900 |

## Article 1

## DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 1-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of agriculture and rural development are appropriated for the fiscal year ending September 30, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 552.0 | 552.0 |
| **GROSS APPROPRIATION ..... | **$ 148,047,700** | **$ 147,047,700** |
| Total interdepartmental grants and intradepartmental transfers ..... | 338,600 | 338,600 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 147,709,100 | $ 146,709,100 |
| Total federal revenues ..... | 20,245,000 | 20,245,000 |
| Total local revenues ..... | 0 | 0 |
| Total private revenues ..... | 0 | 0 |
| Total other state restricted revenues ..... | 54,563,700 | 54,563,700 |
| State general fund/general purpose ..... | $ 72,900,400 | $ 71,900,400 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose ..... | *71,900,400* | *71,900,400* |
| *One-time state general fund/general purpose ..... | *1,000,000* | *0* |
| **Sec. 1-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 31.0 | 31.0 |
| Unclassified salaries-6.0 FTE positions ..... | $ 1,096,200 | $ 1,096,200 |
| Accounting service center ..... | 1,206,700 | 1,206,700 |
| Commissions and boards ..... | 23,800 | 23,800 |
| Emergency management-8.0 FTE positions ..... | 2,799,700 | 2,799,700 |
| Emerging contaminants in food and agriculture-6.0 FTE positions ..... | 1,368,700 | 1,368,700 |
| Executive direction-17.0 FTE positions ..... | 2,549,600 | 2,549,600 |
| Property management ..... | 953,200 | 953,200 |
| **GROSS APPROPRIATION ..... | **$ 9,997,900** | **$ 9,997,900** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 1,065,200 | 1,065,200 |
| Special revenue funds: | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Other state restricted revenues ..... | 650,000 | 650,000 |
| State general fund/general purpose ..... | $ 8,282,700 | $ 8,282,700 |
| **Sec. 1-103. INFORMATION TECHNOLOGY** | | |
| Information technology services and projects ..... | $ 2,832,300 | $ 2,832,300 |
| **GROSS APPROPRIATION ..... ** | **$ 2,832,300** | **$ 2,832,300** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 674,300 | 674,300 |
| State general fund/general purpose ..... | $ 2,158,000 | $ 2,158,000 |
| **Sec. 1-104. FOOD SAFETY AND ANIMAL HEALTH** | | |
| Full-time equated classified positions..... | 217.0 | 217.0 |
| Animal disease prevention and response-63.0 FTE positions | $ 11,360,700 | $ 11,360,700 |
| Animal feed safety-10.0 FTE positions ..... | 2,165,200 | 2,165,200 |
| Food safety and quality assurance-108.0 FTE positions | 19,656,600 | 19,656,600 |
| Indemnification - livestock depredation ..... | 15,000 | 15,000 |
| Milk safety and quality assurance-36.0 FTE positions . | 6,160,700 | 6,160,700 |
| **GROSS APPROPRIATION ..... ** | **$ 39,358,200** | **$ 39,358,200** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 4,163,400 | 4,163,400 |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 12,311,700 | 12,311,700 |
| State general fund/general purpose ..... | $ 22,883,100 | $ 22,883,100 |
| **Sec. 1-106. ENVIRONMENT AND SUSTAINABILITY** | | |
| Full-time equated classified positions..... | 117.5 | 117.5 |
| Environmental stewardship - MAEAP-27.0 FTE positions . | $ 11,175,800 | $ 11,175,800 |
| Local conservation districts ..... | 3,000,000 | 3,000,000 |
| Pesticide and plant pest management-79.0 FTE positions | 14,032,100 | 14,032,100 |
| Right-to-farm-6.5 FTE positions ..... | 1,073,500 | 1,073,500 |
| Soil health/regenerative agriculture-5.0 FTE positions | 2,066,000 | 2,066,000 |
| **GROSS APPROPRIATION ..... ** | **$ 31,347,400** | **$ 31,347,400** |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of environment, great lakes, and energy | 97,800 | 97,800 |
| Federal revenues: | | |
| Other federal revenues | 3,389,300 | 3,389,300 |
| Special revenue funds: | | |
| Other state restricted revenues | 15,019,700 | 15,019,700 |
| State general fund/general purpose | $ 12,840,600 | $ 12,840,600 |
| **Sec. 1-108. AGRICULTURE DEVELOPMENT** | | |
| Full-time equated classified positions | 73.0 | 73.0 |
| Agricultural support-5.0 FTE positions | $ 919,900 | $ 919,900 |
| Agriculture development-16.0 FTE positions | 4,927,800 | 4,927,800 |
| Agricultural preservation easement grants | 1,900,000 | 1,900,000 |
| Fair food network - double up food bucks | 4,000,000 | 4,000,000 |
| Farm to family-6.0 FTE positions | 3,021,100 | 3,021,100 |
| Farm start-2.0 FTE positions | 2,000,000 | 2,000,000 |
| Farmland and open space preservation-10.0 FTE positions | 1,639,800 | 1,639,800 |
| Food and agriculture investment program | 2,449,300 | 2,449,300 |
| Food and agriculture supply chain-1.0 FTE position | 305,000 | 305,000 |
| Fruit and vegetable inspections-8.0 FTE positions | 1,330,400 | 1,330,400 |
| Intercounty drain-5.0 FTE positions | 910,700 | 910,700 |
| Michigan craft beverage council-1.0 FTE position | 1,353,000 | 1,353,000 |
| Migrant labor housing-9.0 FTE positions | 1,433,500 | 1,433,500 |
| Producer security/grain dealers-6.0 FTE positions | 1,059,800 | 1,059,800 |
| Qualified forest program-4.0 FTE positions | 8,147,600 | 8,147,600 |
| **GROSS APPROPRIATION** | **$ 35,397,900** | **$ 35,397,900** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 8,091,600 | 8,091,600 |
| Special revenue funds: | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Other state restricted revenues ..... | 10,229,600 | 10,229,600 |
| State general fund/general purpose ..... | $ 17,076,700 | $ 17,076,700 |
| **Sec. 1-109. LABORATORY AND CONSUMER PROTECTION** | | |
| Full-time equated classified positions..... | 113.5 | 113.5 |
| Consumer protection program-39.0 FTE positions ..... | $ 7,104,200 | $ 7,104,200 |
| Integrated solutions-25.0 FTE positions ..... | 3,925,400 | 3,925,400 |
| Laboratory services-40.5 FTE positions ..... | 8,545,900 | 8,545,900 |
| USDA monitoring-9.0 FTE positions ..... | 1,774,300 | 1,774,300 |
| **GROSS APPROPRIATION ..... | **$ 21,349,800** | **$ 21,349,800** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of licensing and regulatory affairs ..... | 240,800 | 240,800 |
| Federal revenues: | | |
| Other federal revenues ..... | 3,535,500 | 3,535,500 |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 9,164,200 | 9,164,200 |
| State general fund/general purpose ..... | $ 8,409,300 | $ 8,409,300 |
| **Sec. 1-111. FAIRS AND EXPOSITIONS** | | |
| County fairs, shows, and expositions ..... | $ 250,000 | $ 250,000 |
| Fairs and racing ..... | 376,600 | 376,600 |
| Horse racing advisory commission ..... | 125,000 | 125,000 |
| Purses and supplements - fairs/licensed tracks ..... | 3,017,600 | 3,017,600 |
| Standardbred breeders' awards ..... | 503,900 | 503,900 |
| Standardbred purses and supplements - licensed tracks | 1,441,100 | 1,441,100 |
| Standardbred sire stakes ..... | 1,050,000 | 1,050,000 |
| **GROSS APPROPRIATION ..... | **$ 6,764,200** | **$ 6,764,200** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 6,514,200 | 6,514,200 |
| State general fund/general purpose ..... | $ 250,000 | $ 250,000 |
| **Sec. 1-112. ONE-TIME APPROPRIATIONS** | | |

| | | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|---|
| 1 | Fair food network - double up food bucks ..... | $ 1,000,000 | $ 0 |
| 2 | **GROSS APPROPRIATION ..... | **$ 1,000,000** | **$ 0** |
| 3 | Appropriated from: | | |
| 4 | Special revenue funds: | | |
| 5 | State general fund/general purpose ..... | $ 1,000,000 | $ 0 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

**GENERAL SECTIONS**

Sec. 1-201. 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 30,2027 is $127,464,100.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is $10,400,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

| | |
|---|---|
| Environmental stewardship - MAEAP | $ 4,100,000 |
| Local conservation districts | 3,000,000 |
| Agricultural preservation easement grants | 1,900,000 |
| Qualified forest program | 1,400,000 |
| TOTAL | $ 10,400,000 |

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

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

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

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

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

(d) "IDG" means interdepartmental grant.

(e) "MAEAP" means the Michigan agriculture environmental assurance program.

environment, Great Lakes, and energy.

(f) "Standard report recipients" means the senate and house appropriations subcommittees on the department, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

(g) "TB" means tuberculosis.

(h) "USDA" means the United States Department of Agriculture

Sec. 1-204. A department or agency shall use the internet to fulfill the reporting requirements of this part and shall make each report readily accessible to the public and

conspicuously post each required report in a single archivable location on the department's or agency's Michigan.gov website not later than the due date required for each report. In addition to placing all reports required in the current fiscal year on the department's or agency's website, the department or agency shall maintain on its website all reports placed on the website from previous fiscal years posted by fiscal year in the same single archivable location. The department or agency shall also transmit all required reports for the current fiscal year to the standard recipients and any other required recipients by email.

Sec. 1-205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds appropriated in part 1:

(a) The funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 1-206. (1) The department shall maximize utilization of its in-person state workforce. The department shall prioritize occupancy utilization of office space for each division within the department. Employees with job responsibilities that require the employees to serve in their capacities outside of an office shall be monitored each pay period to ensure all work hours reported on the timesheet were actually worked.

(2) The department shall comply with requirements set forth by the office of the state employer on in-person work and utilization and occupancy rates of state buildings to ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to market conditions.

(3) The department shall adhere to civil service rules and regulations that state the standard biweekly work period for a full-time employee in the classified service of this state is the equivalent of 80.0 hours of work. The department shall establish policies and processes to ensure all employees are working their jobs during agreed upon business hours.

Sec. 1-207. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall prepare a report on out of state travel expenses not later than January 1. The report must list all travel by classified and unclassified employees outside this state in the previous fiscal year that was funded in whole or in part with funds appropriated in the department's or agency's budget. The department or agency shall submit the report to the standard report recipients and to the house and senate appropriations committees. The report must include all of the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related expenses of each travel occurrence and the proportions funded with state general fund/general purpose revenues, state restricted revenues, federal revenues, and other revenues.

Sec. 1-208. Not later than 6 months after the state budget office issues work project letters, a department, agency and the legislature shall submit an annual report that summarizes all work project accounts. The report must include all of the following:

(a) A list of all work project accounts.

(b) The status of all work project accounts, including amounts expended, amounts encumbered, and available balances for each account.

(c) The amount of funds that lapsed from any previously designated work project accounts, the name and description of the work project account, and the funds that received the lapsed amounts.

Sec. 1-209. Not later than December 15, the state budget office shall prepare and submit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the previous fiscal year. The report must summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall submit the report to the standard report recipients and the chairpersons of the senate and house appropriations committees.

Sec. 1-210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $3,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431,

MCL 18.1393.

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

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

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

Sec. 1-211. A department or agency shall cooperate with the department of technology, management and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

Sec. 1-212. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of a local health officer.

Sec. 1-213. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving appropriations in part 1 shall take all reasonable steps to ensure geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department or agency contracts to subcontract with certified geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined in Executive Directive No.

2023-1.

Sec. 1-214. The department must provide an annual report to the standard report recipients detailing significant federal policy changes that do, or are expected to significantly impact the operations of the department, including reductions in federal revenue and/or changes that are likely to lead to a reduction in the department's ability to safeguard the health or welfare of the public.

Sec. 1-215. (1) Within 30 days of enactment of this act, the house and senate fiscal agencies shall provide to the state budget office a jointly agreed upon list of legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33 of 2025. The list must include all information and documents pertaining to the funded items as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

(2) In accordance with section 364(4) of the Management and Budget Act, the department or agency administering the grant shall post a report in a publicly accessible location on its website beginning March 15 of the current fiscal year. The department or agency shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

Sec. 1-216. On a quarterly basis, a department or agency receiving appropriations in part 1 shall report on the number of FTEs in pay status by type of staff and civil service classification, including comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTE positions employed by the department or agency at the end of the reporting period. The report must be submitted to the senate and house appropriations committees and to the standard report recipients.

Sec. 1-217. The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal recovery funds that would otherwise lapse after September 30, 2026, are automatically reappropriated for the same purpose as originally authorized and available for expenditure through December 31, 2026, and any subsequent financial close out period.

Sec. 1-218. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021,

Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

(a) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of corrections.

(b) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of state police.

(2) All applicable guidance, implementation, and reporting provisions of Public Law 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under subsection (1).

(3) The state budget director shall notify the senate and house appropriations committees not later than 10 business days after making any reallocations under subsection (1). The notification must include the authorized program under which funds were originally appropriated, the amount of the reallocation, the program, or programs, or purpose, and the department to which the funds are being reallocated under subsection (1), and the amount reallocated to each program or purpose.

**DEPARTMENTAL ADMINISTRATION AND SUPPORT**

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

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

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

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

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

(2) The department may receive and expend revenue from the fees authorized under subsection (1), subject to appropriation, to recover expenses associated with the work activities and services described in subsection (1). Fee revenue collected by the department under subsection (1) does not lapse to the state general fund at the end of the fiscal year but carries forward for appropriation by the legislature in the subsequent fiscal year.

(3) The department shall notify the standard report recipients 30 days before proposing changes in fees authorized under this section or under section 5 of 1915 PA 91, MCL 285.35.

Sec. 1-302. (1) The department may contract with or provide grants to local units of government, institutions of higher education, or nonprofit organizations to support activities authorized by appropriations in part 1.

(2) The department shall notify members of the legislature of grants or contracts awarded to recipients located within a member's legislative district.

(3) As used in this section:

(a) "Contracts" includes, but is not limited to, contracts for delivery of groundwater/freshwater programs, MAEAP technical assistance, forest management, invasive species monitoring, and wildlife risk mitigation.

(b) "Grants" includes, but is not limited to, grants promoting proper pesticide disposal and research grants for the purpose of enhancing the agricultural industries in this state.

Sec. 1-303. (1) From the funds appropriated in part 1 for emerging contaminants in food and agriculture the department shall support efforts to identify and respond to the impacts of emerging contaminants to the food and agriculture sector, help address and mitigate current issues caused by emerging contaminants, and work to prevent and minimize future impacts. The department shall coordinate these efforts with other state agencies, federal agencies, tribal governments, local governments, institutions of higher learning, and the food and agriculture sector. Emerging contaminants include but are not limited to pesticides, dioxins, and per- and polyfluoroalkyl substances.

(2) The unexpended funds appropriated in part 1 for emerging contaminants in food and

agriculture are designated as a work project appropriation, and any unencumbered or unallotted funds do not lapse at the end of the fiscal year and are available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to support efforts to identify and respond to the impacts of emerging contaminants to the food and agriculture sector, help address and mitigate current issues caused by emerging contaminants, and work to prevent and minimize future impacts.

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

(c) The estimated cost of this project is $1,368,700.00.

(d) The tentative completion date for the work project is September 30, 2031.

**FOOD SAFETY AND ANIMAL HEALTH**

Sec. 1-401. Not later than April 1, the department shall report on the previous calendar year's activities of the bureau of food safety and animal health. The report must include the following:

(a) Information on activities and outcomes of the dairy safety and inspection program, the food safety inspection program, the foodborne illness and emergency response program, and the food service program.

(b) Significant foodborne outbreaks and emergencies, including any significant enforcement actions taken related to food safety.

(c) All indemnification payments for livestock depredation made including all of the following:

(i) The reason for the indemnification.

(ii) The amount of the indemnification.

(iii) The person for whom the indemnification was paid.

Sec. 1-402. From the funds appropriated in part 1, the department shall pay for all whole herd bovine TB testing costs and individual animal testing costs in the modified accredited zone and buffer counties as referenced in the current memorandum of understanding between the department and the USDA to maintain split-state status

requirements. These costs include indemnity and compensation for injury causing death or downer to animals.

Sec. 1-403. The department shall collaborate with the USDA to monitor bovine TB, consistent with the current required memorandum of understanding between the department and the USDA.

Sec. 1-404. From the funds appropriated in part 1 for animal disease prevention and response, the department shall use $200,000.00 to cover costs associated with testing of registered privately owned cervid facilities as follows:

(a) Required surveillance testing for chronic wasting disease.

(b) Infected herd bovine TB testing.

Sec. 1-405. (1) Not later than October 15, the department shall provide a report on bovine TB status and department activities.

(2) For each fiscal quarter following the report required in subsection (1), the department shall provide an update that identifies the following:

(a) Significant impacts to the program, including new incidence of bovine TB in this state, department activity associated with specific new incidence of bovine TB, any changes in USDA requirements or movement orders, and information and data on wildlife risk mitigation plan implementation in the modified accredited zone.

(b) Implementation of a movement certificate process.

(c) Progress toward annual surveillance test requirements.

(d) Efforts to work with slaughter facilities in this state, as well as those that slaughter a significant number of animals from this state.

(e) Educational programs and information for this state's livestock community.

**ENVIRONMENT AND SUSTAINABILITY**

Sec. 1-501. The department shall report on the previous calendar year's activities of the bureau of environment and sustainability on or before April 1.

Sec. 1-502. (1) The purpose of the part 1 appropriation for soil health and regenerative agriculture is to advance the adoption and implementation of best regenerative agricultural practices and new environmentally sustainable technologies, promoting soil health and regenerative agriculture principles throughout the state.

(2) From the funds appropriated in part 1 for soil health/regenerative agriculture,

the department shall do both of the following:

(a) Promote the principles of soil health and regenerative agriculture through at least the following:

(i) The maintenance of soil cover.

(ii) The minimization of soil disturbance.

(iii) The maximization of plant and crop diversity.

(iv) The maximization of the presence of living roots.

(v) The integration of livestock into the cropping systems.

(b) Ensure that program outcomes include at least the following:

(i) The increase of soil organic matter content.

(ii) The improvement of soil water infiltration capacity.

(iii) The increase in soil water holding capacity.

(iv) The improvement of soil biological capacity to break down plant residue and other substances and to maintain soil aggregation.

(v) The improvement of soil nutrient sequestration and cycling capacity.

(vi) The reduction of nutrient losses.

(vii) The increase of carbon sequestration capacity of soil.

(3) From the funds appropriated in part 1 for soil health/regenerative agriculture, the department shall promote practices of soil health and regenerative agriculture, including the use of no-till farming, intercropping, cover crops, multispecies cover crops, roller crimping, managed rotational grazing, and other practices identified that utilize natural biological processes to advance the goals of soil health and regenerative agriculture.

(4) Funds appropriated in part 1 for soil health/regenerative agriculture shall not be used for applied research into the precision application of fertilizer, pesticides, or herbicides.

(5) In the report required under section 501 of this part, the department shall provide information on the program described in this section, including department activities, uses of program funds by activity or project, contractors, grantees, and a summary of projects and project results.

(6) Of the funds appropriated in part 1 for soil health/regenerative agriculture, not less than $1,000,000.00 must be used by the department to partner with the state land grant

university through MSU Extension and AgBioResearch to develop, implement, and evaluate a soil health/regenerative agriculture program. The partnership described in this subsection must be focused on researching and assisting the agricultural industry in implementing soil health/regenerative agricultural principles and techniques.

Sec. 1-505. The funds appropriated in part 1 for environmental stewardship-MAEAP must be used to support department agriculture pollution prevention programs, including groundwater and freshwater protection programs under part 87 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.8701 to 324.8717, and technical assistance in implementing conservation grants available under the federal farm bill.

Sec. 1-506. The department may receive and expend federal revenues up to a total of $1,000,000.00 in excess of the federal revenue appropriated in part 1 for environmental stewardship and MAEAP activities.

Sec. 1-507. (1) From the appropriations in part 1 for local conservation districts, $3,000,000.00 must be distributed through a grant program to local conservation districts in this state that were in operation in the previous fiscal year based upon criteria established by the department.

(2) On or before April 1, the department shall report on the previous calendar year's activities of local conservation districts. The report must include descriptions of local conservation district activities and the use of funding. In preparing this report, the department shall coordinate with representatives of local conservation districts.

**AGRICULTURE DEVELOPMENT**

Sec. 1-601. (1) From the funds appropriated in part 1 for the food and agriculture investment program, the department shall operate a food and agriculture investment program that does the following:

(a) Expand the Michigan food and agriculture sector.

(b) Promote food security.

(c) Develop local and regional food systems.

(d) Grow Michigan exports.

(e) Promote the development of value-added agricultural production.

(f) Support urban farms, food hubs, food incubators, and community-based processing facilities with a focus on new and expanding protein processors.

(g) Promote the expansion of farm markets, flower markets, and urban agriculture, including hoop houses.

(h) Increase food processing activities within this state by accelerating investment projects and infrastructure development that support growth in production agriculture and food and agriculture processing, expand opportunity to new agricultural producers and processors, promote agriculture tourism and agricultural heritage, and develop agricultural education and interpretation activities.

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

(3) Before the allocation of funding, all projects must receive approval from the Michigan commission of agriculture and rural development, except for projects selected through a competitive process by a joint evaluation committee selected by the director and consisting of representatives that have agriculture, food security, local and regional food systems, business, and economic development expertise. Projects funded through the food and agriculture investment program will be required to have a grant agreement that outlines milestones and activities that must be met in order to receive a disbursement of funds. Projects must also identify measurable project outcomes.

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

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

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

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

(d) The tentative completion date for the work project is September 30, 2029.

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

(a) Grants.

(b) Loans or loan guarantees.

(c) Infrastructure development.

(d) Other economic assistance.

(e) Program administration.

(f) Export assistance.

(6) The department shall expend no more than 5% from the funds appropriated in part 1 for the food and agriculture investment program for administrative purposes.

(7) In awarding grants under the food and agriculture investment program, the department shall identify and encourage applications from members of socially disadvantaged groups, women, veterans, and beginning farmers and ranchers. In awarding grants under the food and agriculture investment program, the department must also prioritize Michigan-based small businesses, nonprofits, and organizations promoting agriculture and food security activities.

Sec. 1-602. (1) From the funds appropriated in part 1 for fair food network - double up food bucks, the department shall work with the fair food network to ensure that at least 80% of the funds allocated to the double up food bucks program are directly used for the payments to participating vendors.

(2) The department shall work with the department of health and human services to do the following:

(a) Notify recipients of food assistance program benefits that food assistance program benefits can be accessed at many farmer's markets in this state with bridge cards.

(b) Notify recipients of food assistance program benefits about the double up food bucks program and that it is administered by the fair food network. Food assistance program recipients shall receive information about the double up food bucks program.

(3) The department shall work with the fair food network to expand access to the double up food bucks program in each of the state's counties with grocery stores or farmer's markets that meet the program's eligibility requirements.

(4) Not later than June 1, the department shall submit a report on activities and outcomes of the double up food bucks program. The report must contain the following:

(b) Counties with participating double up food bucks vendors, the number of vendors by county, and the name and location of vendors, as of May 1. The report must identify

counties and vendors added to the program or removed from the program since May 1 of the prior fiscal year.

(c) Number of individuals participating in the program, by county.

Sec. 1-603. (1) Not later than April 1, the department shall report on the previous calendar year's activities of the agriculture development bureau.

(2) The report described in subsection (1) must include the following information on any grants awarded during the prior fiscal year:

(a) The name of the grantee.

(b) The amount of the grant.

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

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

(e) The completion date of grant-funded activities

(3) The report must include the following information on the Michigan craft beverage council established under section 303 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1303:

(a) Council activities and accomplishments

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

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

(4) The report must identify grant recipients who are members of socially disadvantaged groups, women, veterans, and beginning farmers and ranchers.

Sec. 1-604. Unexpended industry support fund revenues at the end of the fiscal year shall be carried forward into the industry support fund in the succeeding fiscal year and do not lapse to the general fund.

Sec. 1-605. (1) The appropriations in part 1 for the qualified forest program are for the purpose of increasing the knowledge of nonindustrial private forestland owners regarding sound forest management practices and increasing the amount of commercial timber production from those lands.

(2) The department shall work in partnership with stakeholder groups and other state and federal agencies to increase the active management of nonindustrial private forestland

to foster the growth of this state's timber product industry.

Sec. 1-606. From the funds appropriated in part 1, the department shall maintain coordination with the department of treasury to improve the timely processing and issuance of tax credits under section 36109 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.36109, for the Michigan's farmland and open space preservation program under parts 361 and 362 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.36101 to 324.36116 and 324.36201 to 324.36207. The improvement of timely processing and issuance, as described in this section, includes, but is not limited to:

(a) Timely review of mailed applications and paperwork.

(b) Timely and proactive communications to applicants on the status of their application.

(c) The provision of a clear and understood timeline for the issuance of any tax credits.

Sec. 1-607. The department shall collaborate with the department of labor and economic opportunity's office of rural prosperity on the rural development fund grant program as part of the state's coordinated strategy for achieving rural prosperity across the state.

**LABORATORY AND CONSUMER PROTECTION**

Sec. 1-701. The department shall report by April 1 on the previous calendar year's activities of the laboratory bureau.

Sec. 1-702. Funds from the appropriations in part 1 shall not be used for the purpose of consolidating state-run laboratories.

**FAIRS AND EXPOSITIONS**

Sec. 1-801. All appropriations from the agriculture equine industry development fund must be spent on equine-related purposes. Funds from the agriculture equine industry development fund shall not be expended for non-equine-related purposes without prior approval of the legislature.

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

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

(b) Any remaining funds collected through September 30, 2026 after the obligations in subdivision (a) have been met, must be prorated among the county fairs, supplements, breeders' awards, and sire stakes awards to eligible race meeting licensees in accordance with section 20 of the horse racing law of 1995, 1995 PA 279, MCL 431.320.

Sec. 1-803. From the funds appropriated in part 1 from purses and supplements - fairs/licensed tracks, $720,000.00 may be spent only if there is no standardbred race meeting in this state that is licensed under the horse racing law of 1995, 1995 PA 279, MCL 431.301 to 431.336, by January 1.

Sec. 1-805. (1) From the funds appropriated in part 1 for county fairs, shows, and expositions, the department shall establish and administer a county fairs, shows, and expositions grant program. The program must have the following objectives:

(a) Assist in the financing of building improvements or other capital improvements at county fairgrounds of this state.

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

(2) The department shall award grants on a competitive basis to county fairs or other organizations from the funds appropriated in part 1 for county fairs, shows, and expositions grants. Grantees will be required to provide a 50% cash match with grant awards and identify measurable project outcomes. A county fair organization that received a county fair capital improvement grant in the prior fiscal year must not receive a grant from the appropriation in part 1.

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

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

(5) The department shall identify criteria, evaluate applications, and provide

recommendations to the director for final approval of grant awards.

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

(7) The unexpended portion of the appropriation in part 1 for county fairs, shows, and expositions grants are designated as a work project appropriation and any unencumbered or unallotted funds do not lapse at the end of the fiscal year and are available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

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

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

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

(d) The estimated cost of the project is $250,000.00.

(e) The tentative completion date for the work project is September 30, 2029.

(8) The department shall provide a year-end report on the county fairs, shows, and expositions grants no later than December 1, that includes a listing of the grantees, award amounts, match funding, project outcomes, and department costs of grant administration.

## Article 2

## DEPARTMENT OF ATTORNEY GENERAL

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 2-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of attorney general are appropriated for the fiscal year ending September 30, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **DEPARTMENT OF ATTORNEY GENERAL** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 679.0 | 679.0 |
| **GROSS APPROPRIATION ..... | **$ 130,692,400** | **$ 128,037,300** |
| Total interdepartmental grants and intradepartmental transfers ..... | 39,899,600 | 39,899,600 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 90,792,800 | $ 88,137,700 |
| Total federal revenues ..... | 10,710,500 | 10,710,500 |
| Total local revenues ..... | 0 | 0 |
| Total private revenues ..... | 961,400 | 961,400 |
| Total other state restricted revenues ..... | 31,073,200 | 30,618,100 |
| State general fund/general purpose ..... | $ 48,047,700 | $ 45,847,700 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose .....* | *45,847,700* | *45,847,700* |
| *One-time state general fund/general purpose .....* | *2,200,000* | *0* |
| **Sec. 2-102. ATTORNEY GENERAL OPERATIONS** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 679.0 | 679.0 |
| Alcohol and gambling enforcement division-17.0 FTE positions ..... | $ 2,926,300 | $ 2,926,300 |
| Assistance with convictions and expungements-30.0 FTE positions ..... | 4,734,600 | 4,734,600 |
| Attorney general-1.0 FTE position ..... | 112,500 | 112,500 |
| Child elder family financial crimes division-20.5 FTE positions ..... | 5,154,400 | 5,154,400 |
| Child support enforcement-25.0 FTE positions ..... | 4,141,300 | 4,141,300 |
| Children and youth services division-28.0 FTE positions ..... | 5,392,700 | 5,392,700 |
| Civil rights and elections-12.0 FTE positions ..... | 2,485,100 | 2,485,100 |
| Collections-15.5 FTE positions ..... | 2,818,800 | 2,818,800 |
| Corporate oversight division-48.0 FTE positions ..... | 9,414,500 | 9,414,500 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Corrections-40.0 FTE positions ..... | 7,809,500 | 7,809,500 |
| Criminal appellate division-17.0 FTE positions ..... | 2,421,600 | 2,421,600 |
| Criminal investigations-46.0 FTE positions ..... | 3,029,900 | 3,029,900 |
| Criminal trials-37.0 FTE positions ..... | 10,824,500 | 10,824,500 |
| Environment, natural resources, and agriculture division 34.0 FTE positions ..... | 6,840,500 | 6,840,500 |
| Executive-7.0 FTE positions ..... | 1,313,100 | 1,313,100 |
| Finance division-11.0 FTE positions ..... | 2,414,400 | 2,414,400 |
| Fiscal management-9.0 FTE positions ..... | 1,284,500 | 1,284,500 |
| Health care fraud division-35.0 FTE positions ..... | 6,289,100 | 6,289,100 |
| Health education and family services-36.0 FTE positions ..... | 5,881,900 | 5,881,900 |
| Human resources-7.0 FTE positions ..... | 1,135,500 | 1,135,500 |
| Labor division-34.0 FTE positions ..... | 5,300,200 | 5,300,200 |
| Licensing and regulation division-38.0 FTE positions . | 5,014,900 | 5,014,900 |
| Office of communications-9.0 FTE positions ..... | 1,193,200 | 1,193,200 |
| Office of legislative affairs-2.0 FTE positions ..... | 422,100 | 422,100 |
| Opinions review board-1.0 FTE position ..... | 332,300 | 332,300 |
| Public administration-3.0 FTE positions ..... | 427,700 | 427,700 |
| Public service commission-14.0 FTE positions ..... | 2,509,600 | 2,509,600 |
| Revenue and tax-27.0 FTE positions ..... | 5,690,100 | 5,690,100 |
| Sexual assault law enforcement-5.0 FTE positions ..... | 1,507,100 | 1,507,100 |
| Solicitor general-4.0 FTE positions ..... | 1,697,900 | 1,697,900 |
| Special litigation-5.0 FTE positions ..... | 2,126,100 | 2,126,100 |
| State operations-42.0 FTE positions ..... | 8,696,200 | 8,696,200 |
| Transportation-10.0 FTE positions ..... | 2,579,300 | 2,579,300 |
| Unclassified salaries-5.0 FTE positions ..... | 1,022,900 | 1,022,900 |
| Victim rights/victim services-10.0 FTE positions ..... | 1,368,600 | 1,368,600 |
| **GROSS APPROPRIATION ..... | **$ 126,312,900** | **$ 126,312,900** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of corrections ..... | 745,700 | 745,700 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| IDG from department of education ..... | 832,000 | 832,000 |
| IDG from department of environment, great lakes, and energy ..... | 2,468,400 | 2,468,400 |
| IDG from department of health and human services ..... | 8,553,200 | 8,553,200 |
| IDG from department of insurance and financial services ..... | 1,644,800 | 1,644,800 |
| IDG from department of labor and economic opportunity | 1,825,000 | 1,825,000 |
| IDG from department of licensing and regulatory affairs ..... | 8,762,500 | 8,762,500 |
| IDG from department of military and veterans affairs . | 185,100 | 185,100 |
| IDG from department of state ..... | 45,000 | 45,000 |
| IDG from department of state police ..... | 291,400 | 291,400 |
| IDG from department of technology, management and budget ..... | 3,143,900 | 3,143,900 |
| IDG from department of transportation ..... | 2,579,300 | 2,579,300 |
| IDG from department of treasury ..... | 7,798,800 | 7,798,800 |
| IDG from department of lifelong education, advancement, and potential ..... | 1,024,500 | 1,024,500 |
| Federal revenues: | | |
| Other federal revenues ..... | 10,710,500 | 10,710,500 |
| Special revenue funds: | | |
| Private revenues ..... | 961,400 | 961,400 |
| Michigan merit award trust fund ..... | 550,800 | 550,800 |
| Other state restricted revenues ..... | 30,067,300 | 30,067,300 |
| State general fund/general purpose ..... | $ 44,123,300 | $ 44,123,300 |
| **Sec. 2-103. INFORMATION TECHNOLOGY** | | |
| Information technology services and projects ..... | $ 1,724,400 | $ 1,724,400 |
| **GROSS APPROPRIATION ..... ** | **$ 1,724,400** | **$ 1,724,400** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State general fund/general purpose ..... | $ 1,724,400 | $ 1,724,400 |
| **Sec. 2-104. ONE-TIME APPROPRIATIONS** | | |

| | | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|---|
| 1 | Prosecuting attorneys coordinating council ..... | $ 2,655,100 | $ 0 |
| 2 | **GROSS APPROPRIATION ..... | **$ 2,655,100** | **$ 0** |
| 3 | Appropriated from: | | |
| 4 | Special revenue funds: | | |
| 5 | Other state restricted revenues ..... | 455,100 | 0 |
| 6 | State general fund/general purpose ..... | $ 2,200,000 | $ 0 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

**GENERAL SECTIONS**

Sec. 2-201. 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 30,2027 is $79,120,900.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is $0.00.

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

Sec. 2-203. As used in this part and part 1:

(a) "Department" means the department of attorney general.

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

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

(d) "IDG" means interdepartmental grant.

(e) "DNA" means deoxyribonucleic acid.

Sec. 2-204. A department or agency shall use the internet to fulfill the reporting requirements of this part and shall make each report readily accessible to the public and conspicuously post each required report in a single archivable location on the department's or agency's Michigan.gov website not later than the due date required for each report. In addition to placing all reports required in the current fiscal year on the department's or agency's website, the department or agency shall maintain on its website all reports placed on the website from previous fiscal years posted by fiscal year in the same single archivable location. The department or agency shall also transmit all required reports for the current fiscal year to the standard recipients and any other required recipients by email.

Sec. 2-205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds appropriated in part 1:

(a) The funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or

both, are available.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 2-206. (1) The department shall maximize utilization of its in-person state workforce. The department shall prioritize occupancy utilization of office space for each division within the department. Employees with job responsibilities that require the employees to serve in their capacities outside of an office shall be monitored each pay period to ensure all work hours reported on the timesheet were actually worked.

(2) The department shall comply with requirements set forth by the office of the state employer on in-person work and utilization and occupancy rates of state buildings to ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to market conditions.

(3) The department shall adhere to civil service rules and regulations that state the standard biweekly work period for a full-time employee in the classified service of this state is the equivalent of 80.0 hours of work. The department shall establish policies and processes to ensure all employees are working their jobs during agreed upon business hours.

Sec. 2-207. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall prepare a report on out of state travel expenses not later than January 1. The report must list all travel by classified and unclassified employees outside this state in the previous fiscal year that was funded in whole or in part with funds appropriated in the department's or agency's budget. The department or agency shall submit the report to the standard report recipients and to the house and senate appropriations committees. The report must include all of the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related expenses of each travel occurrence and the proportions funded with state general fund/general purpose revenues, state restricted revenues, federal revenues, and other revenues.

Sec. 2-208. Not later than 6 months after the state budget office issues work project

letters, a department, agency and the legislature shall submit an annual report that summarizes all work project accounts. The report must include all of the following:

(a) A list of all work project accounts.

(b) The status of all work project accounts, including amounts expended, amounts encumbered, and available balances for each account.

(c) The amount of funds that lapsed from any previously designated work project accounts, the name and description of the work project account, and the funds that received the lapsed amounts.

Sec. 2-209. Not later than December 15, the state budget office shall prepare and submit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the previous fiscal year. The report must summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall submit the report to the standard report recipients and the chairpersons of the senate and house appropriations committees.

Sec. 2-210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $750,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $750,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $50,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $50,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 2-211. A department or agency shall cooperate with the department of technology, management and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

Sec. 2-212. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of a local health officer.

Sec. 2-213. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving appropriations in part 1 shall take all reasonable steps to ensure geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department or agency contracts to subcontract with certified geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined in Executive Directive No. 2023-1.

Sec. 2-214. The department must provide an annual report to the standard report recipients detailing significant federal policy changes that do, or are expected to significantly impact the operations of the department, including reductions in federal revenue and/or changes that are likely to lead to a reduction in the department's ability to safeguard the health or welfare of the public.

Sec. 2-215. (1) Within 30 days of enactment of this act, the house and senate fiscal agencies shall provide to the state budget office a jointly agreed upon list of legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33 of 2025. The list must include all information and documents pertaining to the funded items as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

(2) In accordance with section 364(4) of the Management and Budget Act, the department or agency administering the grant shall post a report in a publicly accessible

location on its website beginning March 15 of the current fiscal year. The department or agency shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

Sec. 2-216. On a quarterly basis, a department or agency receiving appropriations in part 1 shall report on the number of FTEs in pay status by type of staff and civil service classification, including comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTE positions employed by the department or agency at the end of the reporting period. The report must be submitted to the senate and house appropriations committees and to the standard report recipients.

Sec. 2-217. The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal recovery funds that would otherwise lapse after September 30, 2026, are automatically reappropriated for the same purpose as originally authorized and available for expenditure through December 31, 2026, and any subsequent financial close out period.

Sec. 2-218. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

(a) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of corrections.

(b) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of state police.

(2) All applicable guidance, implementation, and reporting provisions of Public Law

117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under subsection (1).

(3) The state budget director shall notify the senate and house appropriations committees not later than 10 business days after making any reallocations under subsection (1). The notification must include the authorized program under which funds were originally appropriated, the amount of the reallocation, the program, or programs, or purpose, and the department to which the funds are being reallocated under subsection (1), and the amount reallocated to each program or purpose.

**DEPARTMENT OF ATTORNEY GENERAL**

Sec. 2-302. (1) The attorney general shall provide, upon request, legal services to a principal executive department or state agency, including representation before courts and administrative agencies, rendering legal opinions, and providing legal advice.

(2) The attorney general shall defend judges of all state courts if a claim is made or a civil action is commenced for injuries to persons or property caused by the judge through the performance of the judge's duties while acting within the scope of the judge's authority as a judge.

(3) The attorney general shall perform the duties specified in 1846 RS 12, MCL 14.28 to 14.35, and 1919 PA 232, MCL 14.101 to 14.102, and as otherwise provided by law.

Sec. 2-303. The attorney general may provide not more than 350 copies of the report required under section 30 of 1846 RS 12, MCL 14.30, on a gratis basis. If the attorney general provides 350 copies of the report on a gratis basis, the attorney general may sell additional copies of the report. The attorney general shall not provide gratis copies of the report to members of the legislature. Electronic copies of biennial reports must be made available on the department of attorney general's website. The attorney general shall sell copies of the report at not less than the actual cost of the report and deposit the money received from the sales into the general fund.

Sec. 2-304. The department of attorney general is responsible for the legal representation of the law of this state and the legal representation for state of Michigan state employee worker's disability compensation cases. The risk management revolving fund revenue appropriation in part 1 must be satisfied by billings from the department of attorney general for the actual costs of legal representation, including salaries and

support costs.

Sec. 2-307. (1) In addition to the antitrust enforcement collections revenues in part 1, not more than $350,000.00 in antitrust revenues, securities fraud revenues, consumer protection or class action enforcement revenues, or attorney fees recovered by the department of attorney general are appropriated to the department of attorney general for antitrust, securities fraud, and consumer protection or class action enforcement cases.

(2) Not more than $1,000,000.00 of the unexpended funds from antitrust revenues, securities fraud revenues, or consumer protection or class action enforcement revenues at the end of the fiscal year, including antitrust funds in part 1, may be carried forward for expenditure in the following fiscal year.

(3) On request, the department of attorney general shall make available information detailing the amount of revenue described in subsection (1) recovered by the attorney general and a description of the source of the revenue and the carryforward amount.

Sec. 2-308. (1) In addition to the funds appropriated in part 1, not more than $1,000,000.00 is appropriated from litigation expense reimbursements awarded to this state.

(2) The funds described in subsection (1) may be expended for the payment of court judgments, settlements, arbitration awards or other administrative and litigation decisions, attorney fees, and litigation costs, assessed against the office of the governor, the department of attorney general, the governor, or the attorney general when acting in an official capacity as the named party in litigation against this state. The funds described in subsection (1) may also be expended for the payment of state costs incurred under section 16 of chapter X of the code of criminal procedure, 1927 PA 175, MCL 770.16.

(3) Unexpended funds at the end of the fiscal year may be carried forward for expenditure in the following year, but not more than a maximum authorization of $250,000.00.

Sec. 2-309. (1) From the prisoner reimbursement funds appropriated in part 1, the department of attorney general may expend not more than $804,300.00 on activities related to the state correctional facility reimbursement act, 1935 PA 253, MCL 800.401 to 800.406. In addition to the funds appropriated in part 1, if the department of attorney general collects more than $1,131,000.00 in gross annual prisoner reimbursement receipts provided to the general fund, not more than $1,000,000.00 of the excess is appropriated to the

department of attorney general and may be spent on the representation of the Michigan department of corrections and its officers, employees, and agents, including, but not limited to, the defense of litigation in civil actions filed by prisoners against this state, its departments, officers, employees, or agents. (2) Not later than March 1, the department of attorney general shall submit a report to the standard report recipients and the house of representatives and senate appropriations subcommittees with jurisdiction over the budget of the Michigan department of corrections. The report must include all of the following:

(a) The total amount of reimbursements received under section 6 of the state correctional facility reimbursement act, 1935 PA 253, MCL 800.406.

(b) A description of each expenditure made from the reimbursements.

(c) The amount paid to conduct the investigations from the reimbursements.

(d) The amount credited to the general fund from the reimbursements.

Sec. 2-310. (1) For the purposes of providing title IV-D child support enforcement funding, the attorney general shall maintain a cooperative agreement with the department of health and human services, as the state IV-D agency, for federal IV-D funding to support the child support enforcement activities within the department of attorney general.

(2) The attorney general or the attorney general's designee shall, to the extent allowed under federal law, have access to any information used by this state to locate parents who fail to pay court-ordered child support.

Sec. 2-312. The department of attorney general shall not receive or expend funds, other than those authorized in part 1, for legal services provided specifically to other state departments or agencies except for expert witness costs, court costs, or other nonsalary litigation costs associated with a pending legal action.

Sec. 2-313. The department of attorney general shall submit a quarterly report on the lawsuit settlement proceeds fund described in section 33 of 1846 RS 12, MCL 14.33, to the standard report recipients. Each report must include all of the following:

(a) The total amount of revenue deposited in the lawsuit settlement proceeds fund in the current fiscal year delineated by case.

(b) The total amount appropriated from the lawsuit settlement proceeds fund in the current fiscal year delineated by appropriation.

(c) Earned settlement proceeds that are anticipated but not yet deposited in the fund

delineated by case.

(d) Any known potential settlement amounts from cases that have not been decided, delineated by case.

Sec. 2-316. (1) From the funds appropriated in part 1 for sexual assault law enforcement efforts, the department of attorney general shall use the funds to test backlogged sexual assault kits across this state. The funding provided in part 1 must be used for only 1 or more of the following purposes:

(a) To eliminate all county sexual assault kit backlogs across this state.

(b) To assist local prosecutors with investigations and prosecutions of viable sexual assault cases.

(c) To provide victim services.

(2) Not later than February 1, the department of attorney general shall submit a report to the standard report recipients. The report must include all of the following information:

(a) The number of sexual assault kits across this state that remain untested as of January 31, 2027.

(b) A detailed work plan that outlines the department of attorney general's action plan to eliminate all outstanding sexual assault kits and the time frame for completion of testing of all untested sexual assault kits.

(c) A detailed work and spending plan that outlines anticipated litigation action and expenditures resulting from findings of the sexual assault kit testing.

(3) Any funds remaining after the department of attorney general has met the obligations required under subsection (1) may be used for the purpose of retesting any previously tested sexual assault kits across this state using currently available DNA testing. Funds may be used under this subsection only for DNA testing on previously tested kits that were not tested for DNA. If there are remaining untested sexual assault kits on January 31, 2027, funds appropriated in part 1 must be used only for the testing of those kits.

Sec. 2-319. From the funds appropriated in part 1, the attorney general shall submit a quarterly report on the wrongful imprisonment compensation fund that includes at least all of the following:

(a) All payments made from the wrongful imprisonment compensation fund in each prior

quarter of the fiscal year, and the total of those payments, including if each payment is part of a new settlement or part of an installment plan.

(b) Total payments made from each prior fiscal year and the total of all payments to date.

(c) Any settlements that have been decided but have yet to receive a payment.

(d) The number of known cases seeking a settlement, but do not have a final judgment, and the dollar amount of each potential payment for these known cases, and the total of these payments.

(e) The balance of the wrongful imprisonment compensation fund at the end of the previous quarter.

(f) The percentage of claims received in the immediately preceding fiscal quarter that were awarded compensation.

(g) The percentage of claims received in the immediately preceding fiscal year that were awarded compensation.

(h) For claims that did not receive the full amount of compensation sought, both of the following:

(i) The amount of compensation that was sought.

(j) The amount of compensation that was received.

Sec. 2-320. (1) From the funds appropriated in part 1, the department of attorney general shall do all of the following:

(a) Not later than 14 days after the settlement of a lawsuit with a fiscal impact of $200,000.00 or more, submit a report on the settlement to the standard report recipients.

(b) Enforce the laws of this state.

(2) Any proceeds from a lawsuit initiated by or settlement agreement entered into on behalf of this state against a manufacturer of tobacco products or manufacturer or distributor of opioid products by the attorney general are state funds, unless otherwise directed by a court or legal agreement, and are subject to appropriation as provided by law.

Sec. 2-321. From the funds appropriated in part 1, the department of attorney general shall maintain a publicly accessible website dedicated to opioid settlement distributions. The website must include estimated future amounts payable to local units of government and estimated amounts received by local units of government, delineated by case settlement

agreement.

Sec. 2-322. (1) Not later than February 1, the department of attorney general shall submit a report to the standard report recipients on the cumulative dollar expenditure amount related to each of the following initiatives and activities of the department of attorney general for the immediately preceding fiscal year:

(a) Elder abuse task force.

(b) Conviction integrity unit.

(c) Opioid litigation.

(d) Hate crimes unit and domestic terrorism unit.

(e) Payroll fraud enforcement unit.

(f) PFAS contamination. As used in this subdivision, "PFAS" means perfluoroalkyl and polyfluoroalkyl substances.

(g) Human trafficking.

(h) Robocall enforcement.

(i) Job court.

(j) Organized retail crime unit.

(k) Reducing utility rate increases.

(l) Address confidentiality program.

(2) For each expenditure required to be reported under subsection (1), the report must include the dollar amount spent by fund source.

(3) For each initiative listed under subsection (1), the department of attorney general shall provide a summary of activities, staffing levels, and outcomes as feasible.

## Article 3

## DEPARTMENT OF CIVIL RIGHTS

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 3-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of civil rights are appropriated for the fiscal year ending September 30, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **DEPARTMENT OF CIVIL RIGHTS** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 168.0 | 168.0 |
| **GROSS APPROPRIATION .....** | **$ 29,444,300** | **$ 29,444,300** |
| Total interdepartmental grants and intradepartmental transfers ..... | 0 | 0 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 29,444,300 | $ 29,444,300 |
| Total federal revenues ..... | 3,435,200 | 3,435,200 |
| Total local revenues ..... | 0 | 0 |
| Total private revenues ..... | 18,700 | 18,700 |
| Total other state restricted revenues ..... | 58,500 | 58,500 |
| State general fund/general purpose ..... | $ 25,931,900 | $ 25,931,900 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose .....* | *25,931,900* | *25,931,900* |
| *One-time state general fund/general purpose .....* | *0* | *0* |
| **Sec. 3-102. CIVIL RIGHTS OPERATIONS** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 168.0 | 168.0 |
| Unclassified salaries-6.0 FTE positions ..... | $ 895,900 | $ 895,900 |
| Complaint investigation and enforcement-112.0 FTE positions ..... | 18,804,800 | 18,804,800 |
| Disability rights and compliance-11.0 FTE positions .. | 1,729,000 | 1,729,000 |
| Division on deaf, deafblind, and hard of hearing-6.0 FTE positions ..... | 773,100 | 773,100 |
| Executive office-25.0 FTE positions ..... | 3,330,300 | 3,330,300 |
| Public affairs-14.0 FTE positions ..... | 2,354,000 | 2,354,000 |
| **GROSS APPROPRIATION .....** | **$ 27,887,100** | **$ 27,887,100** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 3,420,200 | 3,420,200 |
| Special revenue funds: | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Private revenues ..... | 18,700 | 18,700 |
| Other state restricted revenues ..... | 58,500 | 58,500 |
| State general fund/general purpose ..... | $ 24,389,700 | $ 24,389,700 |
| **Sec. 3-103. INFORMATION TECHNOLOGY** | | |
| Information technology services and projects ..... | $ 1,557,200 | $ 1,557,200 |
| **GROSS APPROPRIATION ..... ** | **$ 1,557,200** | **$ 1,557,200** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 15,000 | 15,000 |
| Special revenue funds: | | |
| State general fund/general purpose ..... | $ 1,542,200 | $ 1,542,200 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

**GENERAL SECTIONS**

Sec. 3-201. 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 30,2027 is $25,990,400.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is $0.00.

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

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

(a) "Department" means the department of civil rights.

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

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

(d) "IDG" means interdepartmental grant.

Sec. 3-204. A department or agency shall use the internet to fulfill the reporting requirements of this part and shall make each report readily accessible to the public and conspicuously post each required report in a single archivable location on the department's or agency's Michigan.gov website not later than the due date required for each report. In addition to placing all reports required in the current fiscal year on the department's or agency's website, the department or agency shall maintain on its website all reports placed on the website from previous fiscal years posted by fiscal year in the same single archivable location. The department or agency shall also transmit all required reports for the current fiscal year to the standard recipients and any other required recipients by email.

Sec. 3-205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds appropriated in part 1:

(a) The funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 3-206. (1) The department shall maximize utilization of its in-person state workforce. The department shall prioritize occupancy utilization of office space for each division within the department. Employees with job responsibilities that require the employees to serve in their capacities outside of an office shall be monitored each pay period to ensure all work hours reported on the timesheet were actually worked.

(2) The department shall comply with requirements set forth by the office of the state employer on in-person work and utilization and occupancy rates of state buildings to ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to market conditions.

(3) The department shall adhere to civil service rules and regulations that state the standard biweekly work period for a full-time employee in the classified service of this state is the equivalent of 80.0 hours of work. The department shall establish policies and processes to ensure all employees are working their jobs during agreed upon business hours.

Sec. 3-207. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall prepare a report on out of state travel expenses not later than January 1. The report must list all travel by classified and unclassified employees outside this state in the previous fiscal year that was funded in whole or in part with funds appropriated in the department's or agency's budget. The department or agency shall submit the report to the standard report recipients and to the house and senate appropriations committees. The report must include all of the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related expenses of each travel occurrence and the proportions funded with state general fund/general purpose revenues, state restricted revenues, federal revenues, and other revenues.

Sec. 3-208. Not later than 6 months after the state budget office issues work project letters, a department, agency and the legislature shall submit an annual report that

summarizes all work project accounts. The report must include all of the following:

(a) A list of all work project accounts.

(b) The status of all work project accounts, including amounts expended, amounts encumbered, and available balances for each account.

(c) The amount of funds that lapsed from any previously designated work project accounts, the name and description of the work project account, and the funds that received the lapsed amounts.

Sec. 3-209. Not later than December 15, the state budget office shall prepare and submit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the previous fiscal year. The report must summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall submit the report to the standard report recipients and the chairpersons of the senate and house appropriations committees.

Sec. 3-210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $1,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $375,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 3-211. A department or agency shall cooperate with the department of technology, management and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

Sec. 3-212. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of a local health officer.

Sec. 3-213. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving appropriations in part 1 shall take all reasonable steps to ensure geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department or agency contracts to subcontract with certified geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined in Executive Directive No. 2023-1.

Sec. 3-214. The department must provide an annual report to the standard report recipients detailing significant federal policy changes that do, or are expected to significantly impact the operations of the department, including reductions in federal revenue and/or changes that are likely to lead to a reduction in the department's ability to safeguard the health or welfare of the public.

Sec. 3-215. (1) Within 30 days of enactment of this act, the house and senate fiscal agencies shall provide to the state budget office a jointly agreed upon list of legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33 of 2025. The list must include all information and documents pertaining to the funded items as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

(2) In accordance with section 364(4) of the Management and Budget Act, the department or agency administering the grant shall post a report in a publicly accessible location on its website beginning March 15 of the current fiscal year. The department or agency shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

Sec. 3-216. On a quarterly basis, a department or agency receiving appropriations in part 1 shall report on the number of FTEs in pay status by type of staff and civil service classification, including comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTE positions employed by the

department or agency at the end of the reporting period. The report must be submitted to the senate and house appropriations committees and to the standard report recipients.

Sec. 3-217. The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal recovery funds that would otherwise lapse after September 30, 2026, are automatically reappropriated for the same purpose as originally authorized and available for expenditure through December 31, 2026, and any subsequent financial close out period.

Sec. 3-218. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

(a) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of corrections.

(b) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of state police.

(2) All applicable guidance, implementation, and reporting provisions of Public Law 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under subsection (1).

(3) The state budget director shall notify the senate and house appropriations committees not later than 10 business days after making any reallocations under subsection (1). The notification must include the authorized program under which funds were originally appropriated, the amount of the reallocation, the program, or programs, or purpose, and the department to which the funds are being reallocated under subsection (1), and the amount reallocated to each program or purpose.

**CIVIL RIGHTS OPERATIONS**

Sec. 3-402. (1) In addition to the appropriations contained in part 1, the department of civil rights may receive and expend not more than $600,000.00 in funds from local sources, private sources, or both, for all of the following purposes:

(a) Developing and presenting training for employers on equal employment opportunity law and procedures.

(b) Publishing and selling civil rights related informational material.

(c) Providing copies of material made available in response to requests under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(d) Paying other copy fees, subpoena fees, and witness fees.

(e) Developing, presenting, and participating in mediation processes for certain civil rights cases.

(f) Providing workshops, seminars, and recognition or award programs consistent with the programmatic mission of the individual unit sponsoring or coordinating the programs.

(g) Paying staffing costs for all activities included in this subsection.

(2) Not later than November 30, the department of civil rights shall submit a report to the standard report recipients and the senate and house of representatives standing committees on appropriations on the amount of funds received and expended for purposes authorized under this section.

Sec. 3-403. (1) The department of civil rights may contract with local units of government to review equal employment opportunity compliance of potential and existing contractors and may charge for and expend amounts received from local units of government for the purpose of developing and providing these contractual services.

(2) Not later than November 30, the department of civil rights shall submit a report to the standard report recipients and the senate and house of representatives standing committees on appropriations on the amount of funds received and expended for purposes authorized under this section.

Sec. 3-404. The department of civil rights shall submit quarterly reports to the standard report recipients that include, but are not limited to, all of the following information for the immediately preceding fiscal quarter:

(a) The number of all complaints received by the department by basis of complaint.

(b) The number of certified complaint cases initiated by basis of complaint.

(c) The number of certified complaint cases completed.

(d) The final disposition of certified complaint case investigations.

(e) The average number of days for a case to be completed after certification.

(f) The number of FTE positions filled from the FTE authorization for complaint investigations and enforcement.

(g) The number of open cases that have been open for more than 1 year.

(h) The quotient of the number of certified cases completed divided by the number of filled FTE positions.

(i) A listing of amounts awarded to claimants.

Sec. 3-405. On submitting a report or complaint to the United States Commission on Civil Rights or any other federal department, the department of civil rights shall submit a copy of the report or complaint to the standard report recipients not later than the next business day.

## Article 4

## DEPARTMENT OF CORRECTIONS

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 4-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of corrections are appropriated for the fiscal year ending September 30, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **DEPARTMENT OF CORRECTIONS** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 16.0 | 16.0 |
| Full-time equated classified positions..... | 12,758.0 | 12,758.0 |
| **GROSS APPROPRIATION ..... | **$ 2,198,138,100** | **$ 2,198,138,100** |
| Total interdepartmental grants and intradepartmental transfers ..... | 0 | 0 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 2,198,138,100 | $ 2,198,138,100 |
| Total federal revenues ..... | 5,222,600 | 5,222,600 |
| Total local revenues ..... | 275,000 | 275,000 |
| Total private revenues ..... | 0 | 0 |
| Total other state restricted revenues ..... | 30,559,800 | 30,559,800 |
| State general fund/general purpose ..... | $ 2,162,080,700 | $ 2,162,080,700 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose ..... | *2,162,080,700* | *2,162,080,700* |
| *One-time state general fund/general purpose ..... | *0* | *0* |
| **Sec. 4-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT** | | |
| Full-time equated unclassified positions..... | 16.0 | 16.0 |
| Full-time equated classified positions..... | 414.0 | 414.0 |
| Unclassified salaries-16.0 FTE positions ..... | $ 2,433,800 | $ 2,433,800 |
| Administrative hearings officers ..... | 4,229,600 | 4,229,600 |
| Budget and operations administration-317.0 FTE positions ..... | 46,106,500 | 46,106,500 |
| Compensatory buyout and union leave bank ..... | 100 | 100 |
| County jail reimbursement program ..... | 14,564,600 | 14,564,600 |
| Employee wellness programming-9.0 FTE positions ..... | 2,593,300 | 2,593,300 |
| Equipment and special maintenance ..... | 1,559,700 | 1,559,700 |
| Executive direction-28.0 FTE positions ..... | 5,586,700 | 5,586,700 |
| Judicial data warehouse user fees ..... | 50,600 | 50,600 |
| New custody staff training ..... | 24,677,100 | 24,677,100 |
| Prison industries operations-60.0 FTE positions ..... | 10,449,400 | 10,449,400 |
| Property management ..... | 2,638,000 | 2,638,000 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Prosecutorial and detainer expenses ..... | 2,551,000 | 2,551,000 |
| Worker's compensation ..... | 8,584,100 | 8,584,100 |
| **GROSS APPROPRIATION ..... $** | **126,024,500 $** | **126,024,500** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 674,700 | 674,700 |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 17,071,000 | 17,071,000 |
| State general fund/general purpose ..... $ | 108,278,800 $ | 108,278,800 |
| **Sec. 4-103. OFFENDER SUCCESS ADMINISTRATION** | | |
| Full-time equated classified positions..... | 330.9 | 330.9 |
| Community corrections comprehensive plans and services $ | 15,198,100 $ | 15,198,100 |
| Community residential services ..... | 13,575,500 | 13,575,500 |
| Criminal justice reinvestment ..... | 1,448,400 | 1,448,400 |
| Education/skilled trades/career readiness programs-249.9 | | |
| FTE positions ..... | 39,917,800 | 39,917,800 |
| Enhanced food technology program-11.0 FTE positions .. | 1,614,700 | 1,614,700 |
| Higher education in prison ..... | 1,250,000 | 1,250,000 |
| Offender success community partners ..... | 18,925,000 | 18,925,000 |
| Offender success federal grants ..... | 751,000 | 751,000 |
| Offender success programming ..... | 15,742,200 | 15,742,200 |
| Offender success services-70.0 FTE positions ..... | 16,074,500 | 16,074,500 |
| **GROSS APPROPRIATION ..... $** | **124,497,200 $** | **124,497,200** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 2,394,800 | 2,394,800 |
| Special revenue funds: | | |
| State general fund/general purpose ..... $ | 122,102,400 $ | 122,102,400 |
| **Sec. 4-104. FIELD OPERATIONS ADMINISTRATION** | | |
| Full-time equated classified positions..... | 1,701.5 | 1,701.5 |
| Field operations-1,670.5 FTE positions ..... $ | 233,379,000 $ | 233,379,000 |
| Parole board operations-31.0 FTE positions ..... | 3,999,100 | 3,999,100 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Parole/probation services ..... | 940,000 | 940,000 |
| **GROSS APPROPRIATION ..... $** | **238,318,100 $** | **238,318,100** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Local revenues ..... | 275,000 | 275,000 |
| Other state restricted revenues ..... | 7,580,500 | 7,580,500 |
| State general fund/general purpose ..... $ | 230,462,600 $ | 230,462,600 |
| **Sec. 4-105. CORRECTIONAL FACILITIES ADMINISTRATION** | | |
| Full-time equated classified positions..... | 678.0 | 678.0 |
| Body-worn cameras-8.0 FTE positions ..... $ | 3,848,700 $ | 3,848,700 |
| Central records-43.0 FTE positions ..... | 5,010,200 | 5,010,200 |
| Contraband prevention ..... | 2,750,000 | 2,750,000 |
| Correctional facilities administration-37.0 FTE positions ..... | 7,089,300 | 7,089,300 |
| Housing inmates in federal institutions ..... | 511,000 | 511,000 |
| Inmate housing fund ..... | 100 | 100 |
| Inmate legal services ..... | 290,900 | 290,900 |
| Intelligence unit-30.0 FTE positions ..... | 4,135,000 | 4,135,000 |
| Leased beds and alternatives to leased beds ..... | 100 | 100 |
| Prison food service-324.0 FTE positions ..... | 79,029,100 | 79,029,100 |
| Prison store operations-32.0 FTE positions ..... | 3,745,300 | 3,745,300 |
| Transportation-204.0 FTE positions ..... | 36,578,600 | 36,578,600 |
| **GROSS APPROPRIATION ..... $** | **142,988,300 $** | **142,988,300** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 683,000 | 683,000 |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 4,647,200 | 4,647,200 |
| State general fund/general purpose ..... $ | 137,658,100 $ | 137,658,100 |
| **Sec. 4-106. HEALTH CARE** | | |
| Full-time equated classified positions..... | 1,475.3 | 1,475.3 |
| Clinical complexes-1,000.8 FTE positions ..... $ | 183,630,400 $ | 183,630,400 |

| | | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|---|
| 1 | Health care administration-18.0 FTE positions ..... | 3,805,400 | 3,805,400 |
| 2 | Healthy Michigan plan administration-12.0 FTE | | |
| 3 | positions ..... | 1,085,000 | 1,085,000 |
| 4 | Hepatitis C treatment ..... | 7,499,100 | 7,499,100 |
| 5 | Interdepartmental grant to health and human services, | | |
| 6 | eligibility specialists ..... | 120,200 | 120,200 |
| 7 | Mental health and substance use disorder treatment | | |
| 8 | services-444.5 FTE positions ..... | 68,887,100 | 68,887,100 |
| 9 | Prisoner health care services ..... | 117,540,700 | 117,540,700 |
| 10 | Vaccination program ..... | 691,200 | 691,200 |
| 11 | **GROSS APPROPRIATION ..... | **$ 383,259,100** | **$ 383,259,100** |
| 12 | Appropriated from: | | |
| 13 | Federal revenues: | | |
| 14 | Other federal revenues ..... | 435,300 | 435,300 |
| 15 | Special revenue funds: | | |
| 16 | Other state restricted revenues ..... | 257,200 | 257,200 |
| 17 | State general fund/general purpose ..... | $ 382,566,600 | $ 382,566,600 |
| 18 | **Sec. 4-107. CORRECTIONAL FACILITIES** | | |
| 19 | Full-time equated classified positions..... | 8,158.3 | 8,158.3 |
| 20 | Alger Correctional Facility - Munising-259.0 FTE | | |
| 21 | positions ..... | $ 33,528,200 | $ 33,528,200 |
| 22 | Baraga Correctional Facility - Baraga-279.8 FTE | | |
| 23 | positions ..... | 38,236,100 | 38,236,100 |
| 24 | Bellamy Creek Correctional Facility - Ionia-414.1 FTE | | |
| 25 | positions ..... | 55,641,900 | 55,641,900 |
| 26 | Carson City Correctional Facility - Carson City-422.4 | | |
| 27 | FTE positions ..... | 56,476,100 | 56,476,100 |
| 28 | Central Michigan Correctional Facility - St. Louis-385.0 | | |
| 29 | FTE positions ..... | 54,679,200 | 54,679,200 |
| 30 | Charles E. Egeler Correctional Facility - Jackson-374.6 | | |
| 31 | FTE positions ..... | 53,956,200 | 53,956,200 |
| 32 | Chippewa Correctional Facility - Kincheloe-443.6 | | |

| | | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|---|
| 1 | FTE positions ..... | 59,958,900 | 59,958,900 |
| 2 | Cooper Street Correctional Facility - Jackson-254.6 | | |
| 3 | FTE positions ..... | 31,790,000 | 31,790,000 |
| 4 | Earnest C. Brooks Correctional Facility - Muskegon-248.2 | | |
| 5 | FTE positions ..... | 35,936,700 | 35,936,700 |
| 6 | G. Robert Cotton Correctional Facility - Jackson-375.0 | | |
| 7 | FTE positions ..... | 48,423,000 | 48,423,000 |
| 8 | Gus Harrison Correctional Facility - Adrian-285.4 | | |
| 9 | FTE positions ..... | 42,600,300 | 42,600,300 |
| 10 | Ionia Correctional Facility - Ionia-286.3 | | |
| 11 | FTE positions ..... | 40,863,000 | 40,863,000 |
| 12 | Kinross Correctional Facility - Kincheloe-222.0 | | |
| 13 | FTE positions ..... | 34,490,400 | 34,490,400 |
| 14 | Lakeland Correctional Facility - Coldwater-272.4 | | |
| 15 | FTE positions ..... | 39,046,400 | 39,046,400 |
| 16 | Macomb Correctional Facility - New Haven-313.3 | | |
| 17 | FTE positions ..... | 44,158,600 | 44,158,600 |
| 18 | Marquette Branch Prison - Marquette-319.7 | | |
| 19 | FTE positions ..... | 40,496,800 | 40,496,800 |
| 20 | Muskegon Correctional Facility - Muskegon-217.3 | | |
| 21 | FTE positions ..... | 32,505,200 | 32,505,200 |
| 22 | Newberry Correctional Facility - Newberry-200.1 | | |
| 23 | FTE positions ..... | 28,962,700 | 28,962,700 |
| 24 | Oaks Correctional Facility - Eastlake-289.4 | | |
| 25 | FTE positions ..... | 41,656,100 | 41,656,100 |
| 26 | Parnall Correctional Facility - Jackson-262.5 | | |
| 27 | FTE positions ..... | 34,569,800 | 34,569,800 |
| 28 | Richard A. Handlon Correctional Facility - Ionia-268.3 | | |
| 29 | FTE positions ..... | 37,801,200 | 37,801,200 |
| 30 | Saginaw Correctional Facility - Freeland-268.6 | | |
| 31 | FTE positions ..... | 39,318,000 | 39,318,000 |
| 32 | Special alternative incarceration program - Jackson-26.2 | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| FTE positions ..... | 3,713,700 | 3,713,700 |
| St. Louis Correctional Facility - St. Louis-302.9 | | |
| FTE positions ..... | 44,779,100 | 44,779,100 |
| Thumb Correctional Facility - Lapeer-295.6 | | |
| FTE positions ..... | 42,332,400 | 42,332,400 |
| Womens Huron Valley Correctional Complex - Ypsilanti-494.8 | | |
| FTE positions ..... | 68,374,300 | 68,374,300 |
| Woodland Correctional Facility - Whitmore Lake-287.2 | | |
| FTE positions ..... | 43,481,600 | 43,481,600 |
| Northern region administration and support-42.0 | | |
| FTE positions ..... | 4,685,400 | 4,685,400 |
| Southern region administration and support-48.0 | | |
| FTE positions ..... | 18,834,700 | 18,834,700 |
| **GROSS APPROPRIATION ..... | **$ 1,151,296,000** | **$ 1,151,296,000** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 1,034,800 | 1,034,800 |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 102,100 | 102,100 |
| State general fund/general purpose ..... | $ 1,150,159,100 | $ 1,150,159,100 |
| **Sec. 4-108. INFORMATION TECHNOLOGY** | | |
| Information technology services and projects ..... | $ 31,754,900 | $ 31,754,900 |
| **GROSS APPROPRIATION ..... | **$ 31,754,900** | **$ 31,754,900** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 901,800 | 901,800 |
| State general fund/general purpose ..... | $ 30,853,100 | $ 30,853,100 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

**GENERAL SECTIONS**

Sec. 4-201. 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 30,2027 is $2,192,640,500.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is $122,497,200.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF CORRECTIONS

| | |
|---|---|
| County jail reimbursement program | $ 14,564,600 |
| Prosecutorial and detainer expenses | 2,551,000 |
| Community corrections comprehensive plans and services | 15,198,100 |
| Community residential services | 13,575,500 |
| Field operations | 76,607,900 |
| Leased beds and alternatives to leased beds | 100 |
| TOTAL | $ 122,497,200 |

Sec. 4-202. The appropriations under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

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

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

(b) "Department" means the department of corrections.

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

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

(e) "FTE" means full-time equated position in the classified service of this state.

(f) "Jail" means a facility operated by a local unit of government for the physical detention and correction of individuals charged with or convicted of criminal offenses.

(g) "OCC" means the office of community corrections.

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

(i) "Serious emotional disturbance" means that term as defined in section 100d(3) of the mental health code, 1974 PA 258, MCL 330.1100d.

(j) "Serious mental illness" means that term as defined in section 100d(4) of the mental health code, 1974 PA 258, MCL 330.1100d.

(k) "Standard report recipients" means the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, the legislative corrections ombudsman, and the state budget office.

Sec. 4-204. A department or agency shall use the internet to fulfill the reporting requirements of this part and shall make each report readily accessible to the public and conspicuously post each required report in a single archivable location on the department's or agency's Michigan.gov website not later than the due date required for each report. In addition to placing all reports required in the current fiscal year on the department's or agency's website, the department or agency shall maintain on its website all reports placed on the website from previous fiscal years posted by fiscal year in the same single archivable location. The department or agency shall also transmit all required reports for the current fiscal year to the standard recipients and any other required recipients by email.

Sec. 4-205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds appropriated in part 1:

(a) The funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 4-206. (1) The department shall maximize utilization of its in-person state workforce. The department shall prioritize occupancy utilization of office space for each

division within the department. Employees with job responsibilities that require the employees to serve in their capacities outside of an office shall be monitored each pay period to ensure all work hours reported on the timesheet were actually worked.

(2) The department shall comply with requirements set forth by the office of the state employer on in-person work and utilization and occupancy rates of state buildings to ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to market conditions.

(3) The department shall adhere to civil service rules and regulations that state the standard biweekly work period for a full-time employee in the classified service of this state is the equivalent of 80.0 hours of work. The department shall establish policies and processes to ensure all employees are working their jobs during agreed upon business hours.

Sec. 4-207. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall prepare a report on out of state travel expenses not later than January 1. The report must list all travel by classified and unclassified employees outside this state in the previous fiscal year that was funded in whole or in part with funds appropriated in the department's or agency's budget. The department or agency shall submit the report to the standard report recipients and to the house and senate appropriations committees. The report must include all of the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related expenses of each travel occurrence and the proportions funded with state general fund/general purpose revenues, state restricted revenues, federal revenues, and other revenues.

Sec. 4-208. Not later than 6 months after the state budget office issues work project letters, a department, agency and the legislature shall submit an annual report that summarizes all work project accounts. The report must include all of the following:

(a) A list of all work project accounts.

(b) The status of all work project accounts, including amounts expended, amounts encumbered, and available balances for each account.

(c) The amount of funds that lapsed from any previously designated work project accounts, the name and description of the work project account, and the funds that received the lapsed amounts.

Sec. 4-209. Not later than December 15, the state budget office shall prepare and submit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the previous fiscal year. The report must summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall submit the report to the standard report recipients and the chairpersons of the senate and house appropriations committees.

Sec. 4-210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $2,500,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $2,500,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 4-211. A department or agency shall cooperate with the department of technology, management and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

Sec. 4-212. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of a local health officer.

Sec. 4-213. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving appropriations in part 1 shall take all reasonable steps to ensure geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department

or agency contracts to subcontract with certified geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined in Executive Directive No. 2023-1.

Sec. 4-214. The department must provide an annual report to the standard report recipients detailing significant federal policy changes that do, or are expected to significantly impact the operations of the department, including reductions in federal revenue and/or changes that are likely to lead to a reduction in the department's ability to safeguard the health or welfare of the public.

Sec. 4-215. (1) Within 30 days of enactment of this act, the house and senate fiscal agencies shall provide to the state budget office a jointly agreed upon list of legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33 of 2025. The list must include all information and documents pertaining to the funded items as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

(2) In accordance with section 364(4) of the Management and Budget Act, the department or agency administering the grant shall post a report in a publicly accessible location on its website beginning March 15 of the current fiscal year. The department or agency shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

Sec. 4-216. On a quarterly basis, a department or agency receiving appropriations in part 1 shall report on the number of FTEs in pay status by type of staff and civil service classification, including comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTE positions employed by the department or agency at the end of the reporting period. The report must be submitted to the senate and house appropriations committees and to the standard report recipients.

Sec. 4-217. The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal recovery funds that would otherwise lapse after September 30, 2026, are automatically reappropriated for the same purpose as originally authorized and available for expenditure

through December 31, 2026, and any subsequent financial close out period.

Sec. 4-218. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

(a) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of corrections.

(b) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of state police.

(2) All applicable guidance, implementation, and reporting provisions of Public Law 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under subsection (1).

(3) The state budget director shall notify the senate and house appropriations committees not later than 10 business days after making any reallocations under subsection (1). The notification must include the authorized program under which funds were originally appropriated, the amount of the reallocation, the program, or programs, or purpose, and the department to which the funds are being reallocated under subsection (1), and the amount reallocated to each program or purpose.

**DEPARTMENTAL ADMINISTRATION AND SUPPORT**

Sec. 4-301. For 3 years after a felony offender is released from the department's jurisdiction, the department shall maintain the offender's file on the offender tracking information system and make it publicly accessible in the same manner as the file of the current offender. The department shall immediately remove the offender's file from the offender tracking information system upon determination that the offender was wrongfully convicted and the offender's file is not otherwise required to be maintained on the

offender tracking information system.

Sec. 4-302. From the funds appropriated in part 1, the department shall submit a report not later than March 1 on the departments staff retention strategies. The report must include, but not be limited to, the following:

(a) Mechanisms by which the department receives employee feedback how the department considers suggestions made by employees.

(b) Steps the department has taken, and future plans and goals the department has for retention.

Sec. 4-303. From the funds appropriated in part 1, the department shall submit a report not later than March 1 on the number of employee departures. The report must include all of the following:

(a) The number of corrections officers that departed from employment at a state correctional facility in the previous fiscal year and the number of years they worked for the department.

(b) A chart that shows the normal distribution of employee departures in the positions described under subdivision (a) based on years of service. Years of service must be grouped into the following ranges: 1 to 3 years, 3 to 5 years, 5 to 10 years, 10 to 15 years, 15 to 20 years, and 20 and more years.

(c) A section that shows the distinction between all of the following:

(i) Recruits who are in training at the academy that depart employment.

(ii) Recruits who are in training at a facility that depart employment.

(iii) Employees who have been on the job that depart employment.

(d) A summary of the primary reasons for departure for each of the ranges of years of service described under subdivision (1)(b) based on the available responses.

Sec. 4-304. Funds appropriated in part 1 for prosecutorial and detainer expenses must be used to reimburse counties for housing and custody of parole violators and offenders being returned by the department from community placement who are available for return to institutional status and for prisoners who volunteer for placement in a county jail.

Sec. 4-305. The department shall provide fiduciary oversight of funds received under the local corrections officers training act, 2003 PA 125, MCL 791.531 to 791.546.

Sec. 4-306. From the funds appropriated in part 1, the department shall issue a report not later than March 1 for all vendor contracts with a value of $500,000.00 or more

that includes the following:

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

(b) The number of available option years.

(c) The number, if any, of contract compliance monitoring site visits completed by the department for each vendor in the previous fiscal year.

(d) The number and amount of fines in the previous fiscal year for service-level agreement noncompliance for each vendor broken down by area of noncompliance.

Sec. 4-307. (1) The department must ensure that a prisoner telephone system is maintained. The prisoner telephone system must meet ongoing operational needs of the department while maintaining the lowest per-minute rate possible. The department must provide notice to the public and standard report recipients of any changes to telephone rates.

(2) To the extent that department intelligence operations are funded in Part 1 rather than funds received through the telephone contract, any resulting savings to the state and contract must be passed to phone system users in the negotiated phone call rate.

Sec. 4-308. From the funds appropriated in part 1, the department shall provide for the training of all custody staff in effective and safe ways of handling prisoners with mental illness and referring prisoners to mental health treatment programs. Mental health awareness training must be incorporated into the training of new custody staff.

Sec. 4-309. From the funds appropriated in part 1, the department shall issue a report for all correctional facilities not later than January 1 that includes all of the following information for each facility:

(a) The name, street address, and date of construction.

(b) The current maintenance costs.

(c) Any maintenance planned.

(d) The current utility costs.

(e) The expected future capital improvement costs.

(f) The current unspent balance of any authorized capital outlay projects, including the original authorized amount.

(g) The expected future useful life.

Sec. 4-310. From the funds appropriated in part 1, the department shall provide a report on the Michigan state industries program not later than December 1. The report must

include, but is not limited to, all of the following information:

(a) The locations of the programs.

(b) The total number of participants at each location.

(c) A description of job duties and typical inmate schedules, and the products that are produced.

(d) How the program provides marketable skills that lead to employable outcomes after release from a department facility.

Sec. 4-311. (1) Funds appropriated in part 1 for employee wellness programming must be used for post-traumatic stress outreach, treating mental health issues, peer support programs, and providing mental health programming for all department staff, including former employees.

(2) Not later than December 15, the department shall submit a report on programs the department has established, the level of employee involvement, and expenditures made by the department for employee wellness programming.

Sec. 4-312. (1) From the funds appropriated in part 1 for new custody staff, the department shall work to hire and train new corrections officers to address attrition of corrections officers and to decrease overtime costs. The department shall submit quarterly reports on new employee schools. The reports must include all of the following information for the immediately preceding fiscal quarter, and as much of the information as possible for the current and next fiscal year:

(a) The number of new employee schools that took place and the location of each.

(b) The number of recruits that started in each employee school.

(c) The number of recruits that graduated from each employee school and continued employment with the department.

(2) Third quarter reports must outline department recruiting strategies.

Sec. 4-313. From the funds appropriated in part 1, the department shall submit a quarterly report on the number of overtime hours worked by all custody staff, by facility. The report must include, for each facility, the reasons for overtime hours worked and the average number of overtime hours worked by active employees.

Sec. 4-314. From the funds appropriated in part 1, the department may establish agreements and exchange offender data with local, state, and federal agencies, law enforcement, community service and treatment providers, and research partners in order to

improve offender success, reduce recidivism risk, and enhance public safety. This data sharing may include, but is not limited to, efforts to support all of the following:

(a) Providing continuing access to behavioral health, physical health, and medication needs through community-based providers.

(b) Establishing assistance program eligibility and participation.

(c) Collaborating with community service providers for continued care and access to services for offenders.

(d) Providing ongoing cognitive and behavioral treatment programming in the community.

(e) Providing substance abuse testing and referrals for counseling services and treatment.

(f) Providing vocational skill training, job placement support, and monitoring employment attainment.

(g) Determining educational attainment and needs.

(h) Establishing accurate offender identification, criminal histories, and monitoring new criminal activity.

(i) Measuring and evaluating treatment programs and services in support of evidence-based practices.

Sec. 4-315. From the funds appropriated in part 1, the department shall submit 3-year and 5-year prison population projection updates not later than April 1, including explanations of the methodology and assumptions used in developing the projection updates.

Sec. 4-316. From the funds appropriated in part 1, the department shall provide an annual statistical report for the preceding calendar year not later than June 30 that includes, but is not limited to, the types of information as provided in the 2022 statistical report.

Sec. 4-317. From the funds appropriated in part 1, the department shall report the reincarceration recidivism rates of offenders based on available data.

Sec. 4-318. (1) The department shall administer a county jail reimbursement program from the funds appropriated in part 1 for the purpose of reimbursing counties for housing in jails certain felons who otherwise would have been sentenced to prison.

(2) The county jail reimbursement program must be used to reimburse counties for convicted felons in the custody of the sheriff if the conviction was for a crime committed

on or after January 1, 1999 and 1 of the following applies:

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

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

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

(3) State reimbursement under this section must be $70.00 per diem per diverted offender for offenders with a presumptive prison guideline score, $60.00 per diem per diverted offender for offenders with a straddle cell guideline for a group 1 crime, and $45.00 per diem per diverted offender for offenders with a straddle cell guideline for a group 2 crime. Reimbursements must be paid for sentences up to a 1-year total.

(4) County jail reimbursement program expenditures must not exceed the amount appropriated in part 1 for the county jail reimbursement program. Payments to counties under the county jail reimbursement program must be made in the order in which properly documented requests for reimbursements are received. A request is properly documented if it meets departmental requirements for documentation. Not later than October 15, the department shall distribute the documentation requirements to all counties.

(5) Any county that receives funding under this section for the purpose of housing in jails certain felons who otherwise would have been sentenced to prison shall, as a condition of receiving the funding, report not later than September 30 an annual average jail capacity and annual average jail occupancy for the previous fiscal year.

(6) Not later than February 1, the department shall report all of the following information:

(a) The number of inmates sentenced to the custody of the sheriff and eligible for the county jail reimbursement program.

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

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

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

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

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

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

(7) As used in this section:

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

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

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

Sec. 4-319. (1) From the funds appropriated in part 1, the department shall provide all of the following information on the offender population in a monthly report:

(a) Prison population by facility and security level, including the population of prisoners under the department's jurisdiction housed in county jails.

(b) Net operating capacity according to the most recent certification report.

(c) Electronic monitoring populations.

(d) Parole populations.

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

(2) From the funds appropriated in part 1, the department shall provide all of the following information on the offender population in a quarterly report:

(a) The number of closed housing units and beds in those units, including the security level of closed beds.

(b) The number of prisoners serving life sentences.

(c) The number of prisoners classified as past their earliest release date.

(d) The number of prisoner intakes during the previous quarter.

(e) The number of prisoner exits, including paroles, maximum discharges, and other exits during the previous quarter.

(3) If the department knows it will not meet the reporting requirements under this section, the department shall immediately issue a report that states that fact and that lists the reasons for not meeting the reporting requirements.

Sec. 4-320. On a quarterly basis, the department shall report on all of the following:

(a) A detailed accounting of all correction officer positions at each correctional facility, including positions that are filled and positions that are vacant by facility.

(b) A detailed accounting of all vacant positions that are health care related.

Sec. 4-321. The department may charge fees and collect revenues in excess of appropriations in part 1 not to exceed the cost of offender services and programming, employee meals, parolee loans, academic/vocational services, custody escorts, compassionate visits, union steward activities, and public works programs and services provided to local units of government or private nonprofit organizations. The revenues and fees collected are appropriated for all expenses associated with these services and activities.

**OFFENDER SUCCESS ADMINISTRATION**

Sec. 4-401. (1) From the funds appropriated in part 1, the department shall provide a report not later than March 1 on offender success expenditures, allocations, and performance. The report must include, but not be limited to, details on prior-year

expenditures, including amounts spent on each project funded, itemized by service provided and service provider. Reported performance factors must be reported by region and must include, but not be limited to, all of the following:

(a) The number of individuals who received transitional housing services.

(b) The average length of stay in transitional housing.

(c) The number of individuals who received a referral for economic stability assistance and the number of referred individuals who secured employment or enrolled in education/training to increase economic stability.

(d) The number of referred individuals who maintained employment for 12 months or more.

(e) The total amount of leveraged services secured by the contractor.

(2) As used in this section, "leveraged services" means services that benefit clients that are not directly paid for by the department, such as educational scholarships or grants, workforce training grants, or housing choice vouchers.

(3) The department may accept cash or in-kind donations to supplement funds for prison education training, supplies, and materials necessary to complete the academic and jobs skills related programs. All funds received are appropriated and may be expended by the department. Any unexpended or unencumbered donations at the end of the fiscal year shall not lapse to the general fund but shall be carried forward to the subsequent fiscal year.

Sec. 4-402. From the funds appropriated in part 1 for offender success services, the department, when reasonably possible, shall strive to do the following:

(a) Develop workforce and training opportunities in consultation with employers and state and local workforce agencies.

(b) Assist individuals leaving prison with securing employment or training prior to and/or following release.

(c) Work with faith-based and secular organizations to provide reentry supports and voluntary programming opportunities.

(d) Provide information on accessing mental health care following release and, if appropriate, coordinate referral to community mental health services.

Sec. 4-404. Funds awarded for community residential services in part 1 must provide for all of the following:

(a) An initial client assessment reimbursement of $200.00.

(b) A per diem reimbursement of not more than $70.00.

Sec. 4-405. Allowable uses of community corrections comprehensive plans and services funds must include reimbursing counties for transportation, treatment costs, and housing drunk drivers during a period of assessment for treatment and case planning, in accordance with an approved comprehensive plan. Reimbursements for housing during the assessment process must be at the rate of $43.50 per day per offender, up to a maximum of 5 days per offender.

Sec. 4-406. (1) From the funds appropriated in part 1, the department shall submit the following information for each county and counties consolidated for community corrections comprehensive plans:

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

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

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

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

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

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

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

Sec. 4-407. From the funds appropriated in part 1, the department shall establish and maintain policies and procedures that assist prisoners with obtaining a birth certificate, duplicate Social Security card, if eligible, DD Form 214 or other military documentation, state identification card, and operator's license before parole or discharge.

Sec. 4-408. (1) Funds appropriated in part 1 for higher education in prison must be used by the department in collaboration with accredited universities or colleges to provide incarcerated individuals the opportunity to participate in comprehensive bachelor's degree programs at no cost to the incarcerated individual. The funds must be used for eligible expenses including staffing, supplies, and tuition.

(2) Universities and colleges that receive funding under this section must report not later than April 1 on all of the following, by correctional facility, for the previous fiscal year:

(a) Expenditure of funds.

(b) Number of participants served.

(c) Enrollments, by race and gender.

(d) Number of participants who completed the program.

Sec. 4-409. From the funds appropriated in part 1 for enhanced food technology program, the department shall maintain a program that provides on-the-job training in prison kitchens that provides prisoners the opportunity to earn food service training credentials recognized by the restaurant industry. The department shall use the funds appropriated in part 1 for enhanced food technology program to collaborate with the Michigan Restaurant and Lodging Association and other restaurant industry stakeholders to provide job placement assistance to individuals on probation or parole.

Sec. 4-411. From the funds appropriated in part 1, the department shall report not later than March 1 on academic and vocational programs, including, but not limited to, all of the following:

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

(b) The number of prisoners enrolled in each program, the number of prisoners completing each program, and the number of prisoners on waiting lists for each program.

(c) The racial demographics of prisoners enrolled in each program.

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

(e) The number of prisoners paroled without a high school diploma or a high school equivalency.

(f) The number of prisoners not paroled at their earliest release date because of a

lack of a high school equivalency and the reason those prisoners have not obtained a high school equivalency.

Sec. 4-413. Funds appropriated in part 1 for criminal justice reinvestment must be used only to fund data collection and evidence-based programs designed to reduce recidivism among probationers, parolees, and prisoners. The department shall report on programs described under this section not later than March 30.

Sec. 4-414. Revenues appropriated and collected for program and special equipment funds must be considered state restricted revenue. Funding must be used for prisoner programming, special equipment, and security projects. Not less than 75% of funding must be used for prisoner programming. Unexpended funds remaining at the close of the fiscal year must not lapse to the general fund but must be carried forward and made available for appropriation in subsequent fiscal years.

Sec. 4-415. From the funds appropriated in part 1, the department shall report on the department's plans to eliminate programming for prisoners. As used in this section, "programming for prisoners" means a department core program or career and technical education program funded in part 1.

**FIELD OPERATIONS ADMINISTRATION**

Sec. 4-502. From the funds appropriated in part 1, the department shall issue quarterly reports for the previous 4 quarters detailing outcomes of prisoners who have been reviewed for parole. The report must include all of the following:

(a) The number of prisoners in each quarter who were reviewed.

(b) The number of prisoners who were granted parole.

(c) The number of prisoners who were denied parole.

(d) The number of parole decisions that were deferred.

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

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

(g) The reason for denying or deferring parole.

Sec. 4-503. From the funds appropriated in part 1, the department shall submit a

report not later than March 1 on the medically frail parole process for the previous fiscal year. The report must include, but not be limited to, the following:

(a) A de-identified list of incarcerated individuals who were considered for medically frail parole the previous year, including the following:

(i) Demographic data, including race or ethnicity, gender, and age.

(ii) The controlling offense of the individual.

(iii) A categorization of the medical condition that resulted in the individual being considered for medically frail parole.

(iv) If the individual was granted medically frail parole or not, and if not, the reason why medically frail parole was denied.

(b) The number of individuals who were previously granted medically frail parole that were returned to prison for a new offense or technical violation of parole.

(c) The number of individuals who were previously granted medically frail parole that were discharged from further parole supervision.

**HEALTH CARE**

Sec. 4-601. Not later than April 1, the department shall provide a report on all of the following:

(a) Physical and mental health care, pharmaceutical services, and durable medical equipment for prisoners. A report under this section must detail previous fiscal year expenditures itemized by vendor, allocations, status of payments from contractors to vendors, and projected year-end expenditures from accounts. A report under this section must include a breakdown of all payments to the integrated care provider and to other providers itemized by physical health care, mental health care, pharmaceutical services, and durable medical equipment expenditures.

(b) Pharmaceutical prescribing practices, including a detailed accounting of expenditures on antipsychotic medications.

Sec. 4-602. From the funds appropriated in part 1, the department shall provide prisoners with a brochure that explains the purpose and importance of signing a medical release of information form. The department shall ensure that all prisoners, upon any health care treatment funded from appropriations in part 1, are given the opportunity to sign a medical release of information form designating a family member or other individual

to whom the department shall release records and information regarding the prisoner upon the request of the prisoner. The prisoner may elect to withdraw or amend the medical release of information form at any time.

Sec. 4-603. From the funds appropriated in part 1, the department shall provide a report not later than April 1 on offsite prisoner health care utilization in the previous fiscal year that includes all of the following:

(a) The number of inpatient hospital days.

(b) The number of emergency room visits.

(c) The number of prisoners receiving inpatient medical care.

Sec. 4-604. Funds appropriated in part 1 for Hepatitis C treatment must be used to provide Hepatitis C treatment to the prison population. Not later than February 15, the department shall issue a report for the previous fiscal year that includes all of the following:

(a) The total amount spent on specialty medication for the treatment of Hepatitis C.

(b) The number of prisoners who were treated for Hepatitis C.

(c) The number of prisoners who will require treatment for Hepatitis C, but have not yet received treatment.

Sec. 4-606. (1) From the funds appropriated in part 1, the department shall support medication-assisted treatment clinics at designated correctional facilities that allow the department to treat prisoners with opioid and alcohol use disorder while incarcerated. The department shall collaborate with substance use disorder treatment providers and community-based clinics to provide post release assessment and treatment. Funding must be used by the department to support costs of staff, including nurses, qualified mental health professionals, recovery coaches, and corrections officers, and costs of medication and supplies. Participating prisoners must be encouraged to receive 1 injection of nonaddictive medication, if clinically appropriate, before being released from prison into the community.

(2) The department shall submit quarterly reports on the operation of medication-assisted treatment clinics. A report under this subsection must include, but not be limited to, all of the following:

(a) Clinic site locations.

(b) A listing of medications used in medication-assisted therapies at each clinic

site.

(c) The number of prisoners prescribed each medication under subdivision (b), including if the medication is an oral or injectable treatment.

(d) Total expenditures on clinic medications, including oral and injectable medications.

(e) The number of prisoners who received treatment in the community for a duration of at least 3 months.

Sec. 4-607. From the funds appropriated in part 1, the department shall submit a report not later than March 1 that includes for the previous fiscal year the total amount of all medical co-payments collected by prisoners under section 67a of the corrections code of 1953, 1953 PA 232, MCL 791.267a.

Sec. 4-608. From the funds appropriated in part 1, the department shall submit a biannual report, by not later than March 1 and September 1 of each year, that contains a de-identified list of prisoner deaths that occurred in the previous 6 months within correctional facilities. This report must include, but not be limited to, all of the following:

(a) The date of death.

(b) The correctional facility or other location at which the death occurred.

(c) The official cause of death, as documented on the death certificate.

(d) In cases where the cause of death is determined to be a drug overdose, the type of drug used, if known.

**CORRECTIONAL FACILITIES AND ADMINISTRATION**

Sec. 4-701. From the funds appropriated in part 1 for prison food service, the department shall report not later than January 15 on the following:

(a) Average per-meal cost for prisoner food service. Per-meal cost includes all costs directly related to the provision of food for the prisoner population, including, but not limited to, actual food costs, total compensation for all food service workers, including benefits and legacy costs, and inspection and compliance costs for food service.

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

(c) Major sanitation violations.

Sec. 4-702. From the funds appropriated in part 1, the department shall provide a report on the cost per prisoner per day for each security custody level not later than January 15. This cost must include all actual direct and indirect costs for the previous fiscal year. To calculate the cost per prisoner per day, the department shall divide the prisoner-related costs by the total number of prisoner days for each custody level and correctional facility. For multilevel facilities, costs that cannot be accurately allocated to each custody level may be included in the calculation on a per-prisoner basis for each facility. Prisoner-related costs included in the cost per prisoner per day calculation must include all expenditures for the following, from all fund sources:

(a) New custody staff training.

(b) Prison industries operations.

(c) Education/skilled trades/career readiness programs.

(d) Enhanced food technology program.

(e) Higher education in prison.

(f) Offender success programming.

(g) Central records.

(h) Correctional facilities administration.

(i) Housing inmates in federal institutions.

(j) Inmate legal services.

(k) Leased beds and alternatives to leased beds.

(l) Prison food service.

(m) Prison store operations.

(n) Transportation.

(o) Health care.

(p) Correctional facilities.

(q) Northern and southern region administration and support.

Sec. 4-704. The department shall allow the Michigan Braille transcribing fund program to operate at designated locations. The department shall continue to encourage the Michigan Braille transcribing fund program to produce high-quality materials for use by the visually impaired.

Sec. 4-705. (1) From the funds appropriated in part 1, the department shall report all of the following regarding critical incidents by facility:

(a) Within 72 hours of occurrence, any critical incident occurring at a correctional facility. The report must identify the facility at which the incident occurred.

(b) Not later than March 1, the number of critical incidents occurring each month at each facility during the previous calendar year, categorized by type and severity of each incident.

(2) As used in this section, "critical incident" includes a prisoner assault on staff that results in a serious physical injury to staff, an escape or attempted escape, a prisoner disturbance that causes facility operation concerns, the implementation of a phase plan or similar significant restriction on activity within a facility, a drug overdose or suspected overdose that results in inpatient hospitalization, and an unexpected death of a prisoner.

Sec. 4-706. From the funds appropriated in part 1, the department shall report not later than March 1 on all of the following ratios for each correctional facility:

(a) Corrections officers to prisoners.

(b) Shift command staff to line custody staff.

(c) Noncustody institutional staff to prisoners.

Sec. 4-707. (1) From the funds appropriated in part 1, the department shall focus on providing core programming interventions to prisoners as early as possible during the prisoner's sentence to impact the prisoner's behavior while incarcerated, and prioritize individuals who are past their earliest release date and have not been paroled because of not having received the required programming. Programming includes, but is not limited to, violence prevention programming, sexual abuse prevention programming, substance use treatment programming, and core cognitive programming. Nothing in this section makes parole denial appealable in court.

(2) The department shall submit a quarterly report detailing enrollment in sex abuse prevention programming, violence prevention programming, substance use treatment programming, and core cognitive programming. At a minimum, the report must include all of the following:

(a) The current number of individuals who are required to complete one or more of these types of programming, but have not yet done so.

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

(c) The number of individuals who have completed one or more of these types of programming during their current term of incarceration.

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

Sec. 4-709. From the funds appropriated in part 1, the department shall evaluate all prisoners at intake for substance use disorders, serious developmental disorders, serious mental illness, and other mental health disorders. Prisoners with serious mental illness or serious developmental disorders must not be removed from the general population as a punitive response to behavior caused by their serious mental illness or serious developmental disorder. A prisoner with serious mental illness or serious developmental disorder that is unresponsive to treatment who presents a persistent high violence risk or engages in severe disruptive behavior may be placed in secure residential housing programs that facilitate access to institutional programming and ongoing mental health services funded from appropriations in part 1. A prisoner with serious mental illness or serious developmental disorder who is confined in these specialized housing programs must be evaluated or monitored by a medical professional at a frequency of not less than every 12 hours.

Sec. 4-710. (1) From the funds appropriated in part 1, the department shall report not later than March 1 on the number of prisoners during the previous fiscal year in administrative segregation and, of those, the number who at any time during the current or previous prison term were diagnosed with serious mental illness or have a developmental disorder and the number of days each of the prisoners with serious mental illness or a developmental disorder have been confined to administrative segregation.

(2) The report required in subsection (1) must include a chart listing the number of prisoners housed in administrative segregation for each of the following time periods: (a) A continuous period exceeding 3 months but less than 6 months.

(b) A continuous period exceeding 6 months but less than 12 months. (c) A continuous period exceeding 12 months or longer.

(3) For any prisoner housed in administrative segregation for 12 months or longer, an explanation of the circumstances surrounding the prisoner's placement in administrative segregation.

Sec. 4-711. (1) From the funds appropriated in part 1, the department shall report

not later than March 1 on the number of prisoners during the previous fiscal year in administrative segregation and, of those, the number who at any time during the current or previous prison term were diagnosed with serious mental illness or have a developmental disorder and the number of days each of the prisoners with serious mental illness or a developmental disorder have been confined to administrative segregation.

(2) The report required in subsection (1) must include a chart listing the number of prisoners housed in administrative segregation for each of the following time periods:

(a) A continuous period exceeding 3 months but less than 6 months.

(b) A continuous period exceeding 6 months but less than 12 months.

(c) A continuous period exceeding 12 months or longer.

(3) For any prisoner housed in administrative segregation for 12 months or longer, an explanation of the circumstances surrounding the prisoner's placement in administrative segregation.

Sec. 4-712. From the funds appropriated in part 1, the department shall submit quarterly reports on the number of youth in prison. The report must include, but not be limited to, all of the following information:

(a) The total number of inmates less than 18 years of age who are not on Holmes youthful trainee act status.

(b) The total number of inmates less than 18 years of age who are on Holmes youthful trainee act status.

(c) The total number of inmates between the ages of 18 and 23 who are on Holmes youthful trainee act status.

Sec. 4-713. From the funds appropriated in part 1, the department must submit a report on the number of prisoners who lost visiting privileges. The report required under this section must be submitted not later than November 15 and include data for the previous fiscal year. The report must include all of the following information:

(a) The number of prisoners who lost visiting privileges by race and by violation type.

(b) The number of prisoners who applied to have visiting privileges restored.

(c) The number of prisoners who had visiting privileges restored.

(d) The number of prisoners who had visiting restrictions extended.

Sec. 4-714. Funds appropriated in part 1 for intelligence unit must be used by the

department to maintain an intelligence unit to conduct investigatory and intelligence operations for the department. Intelligence operations must include, but not be limited to, intelligence operations for prisoner phone services.

Sec. 4-715. (1) From the funds appropriated in part 1, the department must submit a preliminary report on the department's plans to close, consolidate, or relocate any correctional facility in the state. The preliminary report must include the projected savings to the state from closure, consolidation, or relocation of the facility and must include a projection of the potential impact on staff positions.

(2) After a prison closure, consolidation, or relocation, the department must submit a report by March 1 on the actual savings achieved by the department and the impact on staff positions for the prior fiscal year. Savings amounts and impact on staff positions must be itemized by facility.

Sec. 4-716. From the funds appropriated in part 1, the department shall consult with the legislature and other appropriate state agencies to develop a framework to provide investment in communities that have formerly operational state correctional facilities that have been closed. This framework must include plans to ensure that vacant state correctional facilities do not become a nuisance or danger to the community.

Sec. 4-717. From the funds appropriated in part 1, the department shall make an information packet for the families of incoming prisoners available on the department's website. The information packet must be reviewed not later than February 1 and updated as necessary. The department may partner with external advocacy groups and actual families of prisoners in the packet-writing process to ensure that the information is useful and complete. The packet must provide information on topics including, but not limited to, all of the following:

(a) How to put money into prisoner accounts.

(b) How to make telephone calls or create Jpay email accounts.

(c) How to visit in person.

(d) Proper procedures for filing complaints or grievances.

(e) The rights of prisoners to physical and mental health care.

(f) The purpose and importance of prisoners signing a medical release of information form.

(g) How to utilize the offender tracking information system (OTIS).

(h) Truth in sentencing and how it applies to minimum sentences.

(i) The parole process.

(j) Guidance on the importance of the role of families in the reentry process.

Sec. 4-718. From the funds appropriated in part 1, the department must pursue all opportunities to reduce costs for prisoners and prisoners' families for financial deposit fees and commissary fees when the department negotiates or renews any contract to provide these services.

Sec. 4-719. (1) Funds appropriated in part 1 for contraband prevention must be used by the department to enhance a multifaceted approach to contraband prevention that combines technology, rigorous policies, vigilant staff, intelligence gathering, and a commitment to addressing the root causes of contraband, all of which are necessary for preventing contraband introductions and maintaining safe and secure correctional facilities.

(2) Funds appropriated in part 1 for contraband prevention must be used by the department to support the prevention of contraband in correctional facilities, including increasing the frequency and enhancing the methods of screening all individuals, including all department employees, and all items entering into correctional facilities.

(3) From the funds appropriated in part 1 for contraband prevention, the department must submit a report not later than March 1 on contraband and prevention efforts in correctional facilities. The report must include, but not be limited to, all of the following:

(a) Prevention efforts and strategies utilized by the department.

(b) Challenges faced by correctional staff and other staff in addressing contraband.

(c) Ideas and recommendations on how the legislature can better assist the department with contraband prevention efforts and strategies.

## Article 5

## DEPARTMENT OF EDUCATION

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 5-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of education are appropriated for the fiscal year ending September 30, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **DEPARTMENT OF EDUCATION** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 565.5 | 565.5 |
| **GROSS APPROPRIATION** ..... | **$ 162,193,200** | **$ 162,193,200** |
| Total interdepartmental grants and intradepartmental transfers ..... | 0 | 0 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 162,193,200 | $ 162,193,200 |
| Total federal revenues ..... | 84,339,300 | 84,339,300 |
| Total local revenues ..... | 5,937,300 | 5,937,300 |
| Total private revenues ..... | 2,552,900 | 2,552,900 |
| Total other state restricted revenues ..... | 10,293,000 | 10,293,000 |
| State general fund/general purpose ..... | $ 59,070,700 | $ 59,070,700 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose .....* | *59,070,700* | *59,070,700* |
| *One-time state general fund/general purpose .....* | *0* | *0* |
| **Sec. 5-102. STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 11.0 | 11.0 |
| Unclassified salaries-6.0 FTE positions ..... | $ 1,225,900 | $ 1,225,900 |
| Education commission of the states ..... | 120,800 | 120,800 |
| State board of education, per diem payments ..... | 24,400 | 24,400 |
| State board/superintendent operations-11.0 FTE positions ..... | 2,549,100 | 2,549,100 |
| **GROSS APPROPRIATION** ..... | **$ 3,920,200** | **$ 3,920,200** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 317,800 | 317,800 |
| Special revenue funds: | | |
| Private revenues ..... | 80,000 | 80,000 |
| Other state restricted revenues ..... | 853,000 | 853,000 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| State general fund/general purpose ..... | $ 2,669,400 | $ 2,669,400 |
| **Sec. 5-103. DEPARTMENTAL ADMINISTRATION AND SUPPORT** | | |
| Full-time equated classified positions..... | 44.6 | 44.6 |
| Central support operations-41.6 FTE positions ..... | $ 6,914,200 | $ 6,914,200 |
| Federal and private grants ..... | 3,006,200 | 3,006,200 |
| Grant and contract operations-3.0 FTE positions ..... | 1,913,000 | 1,913,000 |
| Property management ..... | 4,194,800 | 4,194,800 |
| Terminal leave payments ..... | 353,300 | 353,300 |
| Training and orientation workshops ..... | 150,000 | 150,000 |
| Worker's compensation ..... | 10,000 | 10,000 |
| **GROSS APPROPRIATION ..... | **$ 16,541,500** | **$ 16,541,500** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 7,858,400 | 7,858,400 |
| Special revenue funds: | | |
| Private revenues ..... | 1,006,200 | 1,006,200 |
| Other state restricted revenues ..... | 873,700 | 873,700 |
| State general fund/general purpose ..... | $ 6,803,200 | $ 6,803,200 |
| **Sec. 5-104. INFORMATION TECHNOLOGY** | | |
| Information technology services and projects ..... | $ 5,090,600 | $ 5,090,600 |
| **GROSS APPROPRIATION ..... | **$ 5,090,600** | **$ 5,090,600** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 2,651,000 | 2,651,000 |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 1,040,600 | 1,040,600 |
| State general fund/general purpose ..... | $ 1,399,000 | $ 1,399,000 |
| **Sec. 5-105. SPECIAL EDUCATION SERVICES** | | |
| Full-time equated classified positions..... | 47.0 | 47.0 |
| Special education operations-47.0 FTE positions ..... | $ 9,941,100 | $ 9,941,100 |
| **GROSS APPROPRIATION ..... | **$ 9,941,100** | **$ 9,941,100** |
| Appropriated from: | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Federal revenues: | | |
| Other federal revenues | 9,125,600 | 9,125,600 |
| Special revenue funds: | | |
| Private revenues | 111,800 | 111,800 |
| Other state restricted revenues | 50,000 | 50,000 |
| State general fund/general purpose | $ 653,700 | $ 653,700 |
| **Sec. 5-106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND** | | |
| Full-time equated classified positions | 82.0 | 82.0 |
| ASL literacy resource | $ 500,000 | $ 500,000 |
| Camp Tuhsmeheta-1.0 FTE position | 1,004,900 | 1,004,900 |
| Low incidence outreach program | 1,000,000 | 1,000,000 |
| Michigan schools for the deaf and blind operations-81.0 FTE positions | 13,893,400 | 13,893,400 |
| Private gifts - blind | 200,000 | 200,000 |
| Private gifts - deaf | 150,000 | 150,000 |
| **GROSS APPROPRIATION** | **$ 16,748,300** | **$ 16,748,300** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 7,750,000 | 7,750,000 |
| Special revenue funds: | | |
| Local revenues | 5,937,300 | 5,937,300 |
| Private revenues | 1,354,900 | 1,354,900 |
| Other state restricted revenues | 1,206,100 | 1,206,100 |
| State general fund/general purpose | $ 500,000 | $ 500,000 |
| **Sec. 5-107. EDUCATOR EXCELLENCE** | | |
| Full-time equated classified positions | 46.0 | 46.0 |
| Educator excellence operations-45.0 FTE positions | $ 10,611,800 | $ 10,611,800 |
| Educator recruitment and preparation programs-1.0 FTE position | 1,691,100 | 1,691,100 |
| **GROSS APPROPRIATION** | **$ 12,302,900** | **$ 12,302,900** |
| Appropriated from: | | |
| Federal revenues: | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Other federal revenues | 3,173,800 | 3,173,800 |
| Special revenue funds: | | |
| Other state restricted revenues | 4,455,400 | 4,455,400 |
| State general fund/general purpose | $ 4,673,700 | $ 4,673,700 |
| **Sec. 5-108. SYSTEMS, EVALUATION, AND TECHNOLOGY** | | |
| Full-time equated classified positions | 19.0 | 19.0 |
| Office of systems, evaluation, and technology operations | | |
| 19.0 FTE positions | $ 3,562,600 | $ 3,562,600 |
| **GROSS APPROPRIATION** | **$ 3,562,600** | **$ 3,562,600** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 2,335,800 | 2,335,800 |
| Special revenue funds: | | |
| Other state restricted revenues | 11,500 | 11,500 |
| State general fund/general purpose | $ 1,215,300 | $ 1,215,300 |
| **Sec. 5-109. STRATEGIC PLANNING AND IMPLEMENTATION** | | |
| Full-time equated classified positions | 6.0 | 6.0 |
| Strategic planning and implementation operations | | |
| 6.0 FTE positions | $ 1,226,700 | $ 1,226,700 |
| **GROSS APPROPRIATION** | **$ 1,226,700** | **$ 1,226,700** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 652,900 | 652,900 |
| Special revenue funds: | | |
| State general fund/general purpose | $ 573,800 | $ 573,800 |
| **Sec. 5-110. ADMINISTRATIVE LAW SERVICES** | | |
| Full-time equated classified positions | 2.0 | 2.0 |
| Administrative law operations-2.0 FTE positions | $ 1,430,800 | $ 1,430,800 |
| **GROSS APPROPRIATION** | **$ 1,430,800** | **$ 1,430,800** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 573,200 | 573,200 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Special revenue funds: | | |
| Other state restricted revenues ..... | 750,300 | 750,300 |
| State general fund/general purpose ..... | $ 107,300 | $ 107,300 |
| **Sec. 5-111. ACCOUNTABILITY SERVICES** | | |
| Full-time equated classified positions..... | 56.6 | 56.6 |
| Accountability services operations-56.6 FTE positions | $ 15,159,100 | $ 15,159,100 |
| **GROSS APPROPRIATION ..... | **$ 15,159,100** | **$ 15,159,100** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 13,179,900 | 13,179,900 |
| Special revenue funds: | | |
| State general fund/general purpose ..... | $ 1,979,200 | $ 1,979,200 |
| **Sec. 5-112. SCHOOL SUPPORT SERVICES** | | |
| Full-time equated classified positions..... | 92.6 | 92.6 |
| Adolescent and school health ..... | $ 338,800 | $ 338,800 |
| Office of health and safety-23.0 FTE positions ..... | 3,052,100 | 3,052,100 |
| School support services operations-69.6 FTE positions | 13,636,300 | 13,636,300 |
| **GROSS APPROPRIATION ..... | **$ 17,027,200** | **$ 17,027,200** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 13,422,700 | 13,422,700 |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 150,000 | 150,000 |
| State general fund/general purpose ..... | $ 3,454,500 | $ 3,454,500 |
| **Sec. 5-113. EDUCATIONAL SUPPORTS** | | |
| Full-time equated classified positions..... | 86.7 | 86.7 |
| Educational supports operations-86.7 FTE positions ... | $ 18,426,800 | $ 18,426,800 |
| School board member training ..... | 150,000 | 150,000 |
| **GROSS APPROPRIATION ..... | **$ 18,576,800** | **$ 18,576,800** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 13,411,700 | 13,411,700 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Special revenue funds: | | |
| Other state restricted revenues | 602,400 | 602,400 |
| State general fund/general purpose | $ 4,562,700 | $ 4,562,700 |
| **Sec. 5-114. CAREER AND TECHNICAL EDUCATION** | | |
| Full-time equated classified positions | 23.0 | 23.0 |
| Career and technical education operations-23.0 FTE positions | $ 5,904,900 | $ 5,904,900 |
| **GROSS APPROPRIATION** | **$ 5,904,900** | **$ 5,904,900** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 4,140,100 | 4,140,100 |
| Special revenue funds: | | |
| State general fund/general purpose | $ 1,764,800 | $ 1,764,800 |
| **Sec. 5-115. LIBRARY OF MICHIGAN** | | |
| Full-time equated classified positions | 34.0 | 34.0 |
| Library of Michigan operations-32.0 FTE positions | $ 5,176,400 | $ 5,176,400 |
| Library services and technology program-1.0 FTE position | 5,631,900 | 5,631,900 |
| Michigan eLibrary-1.0 FTE position | 1,853,400 | 1,853,400 |
| Renaissance zone reimbursements | 1,830,000 | 1,830,000 |
| State aid to libraries | 16,567,700 | 16,567,700 |
| **GROSS APPROPRIATION** | **$ 31,059,400** | **$ 31,059,400** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 5,631,900 | 5,631,900 |
| Special revenue funds: | | |
| Other state restricted revenues | 300,000 | 300,000 |
| State general fund/general purpose | $ 25,127,500 | $ 25,127,500 |
| **Sec. 5-116. PARTNERSHIP DISTRICT SUPPORT** | | |
| Full-time equated classified positions | 15.0 | 15.0 |
| Partnership district support operations-15.0 FTE positions | $ 3,701,100 | $ 3,701,100 |

| | | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|---|
| 1 | **GROSS APPROPRIATION** ..... | **$ 3,701,100** | **$ 3,701,100** |
| 2 | Appropriated from: | | |
| 3 | Federal revenues: | | |
| 4 | Other federal revenues ..... | 114,500 | 114,500 |
| 5 | Special revenue funds: | | |
| 6 | State general fund/general purpose ..... | $ 3,586,600 | $ 3,586,600 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

**GENERAL SECTIONS**

Sec. 5-201. 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 30,2027 is $69,363,700.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is $18,547,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF EDUCATION

| | |
|---|---|
| School board member training | $ 150,000 |
| Renaissance zone reimbursements | 1,830,000 |
| State aid to libraries | 16,567,700 |
| TOTAL | $ 18,547,700 |

Sec. 5-202. The appropriations under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 5-203. As used in this part and part 1:

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

(b) "DHHS" means the department of health and human services.

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

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

(e) "HHS" means the United States Department of Health and Human Services.

(f) "Standard report recipients" means the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 5-204. A department or agency shall use the internet to fulfill the reporting requirements of this part and shall make each report readily accessible to the public and conspicuously post each required report in a single archivable location on the department's or agency's Michigan.gov website not later than the due date required for each report. In

addition to placing all reports required in the current fiscal year on the department's or agency's website, the department or agency shall maintain on its website all reports placed on the website from previous fiscal years posted by fiscal year in the same single archivable location. The department or agency shall also transmit all required reports for the current fiscal year to the standard recipients and any other required recipients by email.

Sec. 5-205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds appropriated in part 1:

(a) The funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 5-206. (1) The department shall maximize utilization of its in-person state workforce. The department shall prioritize occupancy utilization of office space for each division within the department. Employees with job responsibilities that require the employees to serve in their capacities outside of an office shall be monitored each pay period to ensure all work hours reported on the timesheet were actually worked.

(2) The department shall comply with requirements set forth by the office of the state employer on in-person work and utilization and occupancy rates of state buildings to ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to market conditions.

(3) The department shall adhere to civil service rules and regulations that state the standard biweekly work period for a full-time employee in the classified service of this state is the equivalent of 80.0 hours of work. The department shall establish policies and processes to ensure all employees are working their jobs during agreed upon business hours.

Sec. 5-207. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall

prepare a report on out of state travel expenses not later than January 1. The report must list all travel by classified and unclassified employees outside this state in the previous fiscal year that was funded in whole or in part with funds appropriated in the department's or agency's budget. The department or agency shall submit the report to the standard report recipients and to the house and senate appropriations committees. The report must include all of the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related expenses of each travel occurrence and the proportions funded with state general fund/general purpose revenues, state restricted revenues, federal revenues, and other revenues.

Sec. 5-208. Not later than 6 months after the state budget office issues work project letters, a department, agency and the legislature shall submit an annual report that summarizes all work project accounts. The report must include all of the following:

(a) A list of all work project accounts.

(b) The status of all work project accounts, including amounts expended, amounts encumbered, and available balances for each account.

(c) The amount of funds that lapsed from any previously designated work project accounts, the name and description of the work project account, and the funds that received the lapsed amounts.

Sec. 5-209. Not later than December 15, the state budget office shall prepare and submit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the previous fiscal year. The report must summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall submit the report to the standard report recipients and the chairpersons of the senate and house appropriations committees.

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

(2) In addition to the funds appropriated in part 1, there is appropriated an amount

not to exceed $400,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

Sec. 5-211. A department or agency shall cooperate with the department of technology, management and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

Sec. 5-212. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of a local health officer.

Sec. 5-213a. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the state superintendent of public instruction shall take all reasonable steps to ensure geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. The state superintendent of public instruction shall strongly encourage firms with which the department contracts to subcontract with certified geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined in Executive Directive No. 2023-1.

Sec. 5-214. The department must provide an annual report to the standard report recipients detailing significant federal policy changes that do, or are expected to

significantly impact the operations of the department, including reductions in federal revenue and/or changes that are likely to lead to a reduction in the department's ability to safeguard the health or welfare of the public.

Sec. 5-215. (1) Within 30 days of enactment of this act, the house and senate fiscal agencies shall provide to the state budget office a jointly agreed upon list of legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33 of 2025. The list must include all information and documents pertaining to the funded items as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

(2) In accordance with section 364(4) of the Management and Budget Act, the department or agency administering the grant shall post a report in a publicly accessible location on its website beginning March 15 of the current fiscal year. The department or agency shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

Sec. 5-216. On a quarterly basis, a department or agency receiving appropriations in part 1 shall report on the number of FTEs in pay status by type of staff and civil service classification, including comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTE positions employed by the department or agency at the end of the reporting period. The report must be submitted to the senate and house appropriations committees and to the standard report recipients.

Sec. 5-217. The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal recovery funds that would otherwise lapse after September 30, 2026, are automatically reappropriated for the same purpose as originally authorized and available for expenditure through December 31, 2026, and any subsequent financial close out period.

Sec. 5-218. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons

that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

(a) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of corrections.

(b) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of state police.

(2) All applicable guidance, implementation, and reporting provisions of Public Law 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under subsection (1).

(3) The state budget director shall notify the senate and house appropriations committees not later than 10 business days after making any reallocations under subsection (1). The notification must include the authorized program under which funds were originally appropriated, the amount of the reallocation, the program, or programs, or purpose, and the department to which the funds are being reallocated under subsection (1), and the amount reallocated to each program or purpose.

**DEPARTMENT-SPECIFIC GENERAL SECTIONS**

Sec. 5-301. From the funds appropriated in part 1, the department shall provide through the internet the state board of education agenda and all supporting documents, and shall notify the state budget director and the senate and house fiscal agencies that the agenda and supporting documents are available on the internet, at the time the agenda and supporting documents are provided to state board of education members.

Sec. 5-302. From the funds appropriated in part 1, the department may assist DHHS, other departments, intermediate school districts, and local school districts to secure reimbursement for eligible services provided in Michigan schools from the federal Medicaid program. The department may submit reports of direct expenses related to this effort to DHHS for reimbursement.

Sec. 5-303. From the funds appropriated in part 1, the department shall do both of the following:

(a) Post on its website a link to the federal Institute of Education Sciences' What Works Clearinghouse.

(b) Disseminate knowledge about the What Works Clearinghouse to districts and intermediate school districts so that it may be used to improve reading proficiency for pupils in grades K to 3.

Sec. 5-304. From the funds appropriated in part 1, the department shall coordinate with the other departments to streamline state services and resources, reduce duplication, and increase efficiency, including, but not limited to, all of the following:

(a) Working with the department of treasury to coordinate with the financial independence team and overseeing deficit districts.

(b) Working with DHHS and the department of lifelong education, advancement, and potential to coordinate with early childhood programs and overseeing child care providers.

Sec. 5-305. (1) As a condition of receiving appropriations in part 1, the department shall, in collaboration with DHHS, promote and support initiatives in schools and other educational organizations that include, but are not limited to, training for educators, teachers, and other personnel in school settings for all of the following:

(a) Using trauma-informed practices.

(b) Age-appropriate education and information on human trafficking.

(c) Age-appropriate education and information on sexual abuse prevention.

(2) If requested by the department, the department of state police and the department of attorney general shall consult with the department in the promotion and support of initiatives in schools and other educational organizations under subsection (1).

Sec. 5-306. From the funds appropriated in part 1, the department shall ensure that the most recently issued report of regional in-demand occupations issued by the department of technology, management, and budget is distributed in electronic or paper form to all high schools in each school district, intermediate school district, and public school academy.

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

Sec. 5-351. (1) The department may use the appropriations from the state board of education, per diem payments in part 1 for per diem payments to the state board members for meetings at which a quorum is present or for performing official business authorized by the

state board. The per diem payments are set at the following rates:

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

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

(2) The department shall not pay a state board of education member a per diem for more than 30 days per year.

**SPECIAL EDUCATION SERVICES**

Sec. 5-401. From the funds appropriated in part 1 for special education operations, the department shall use $100,000.00 to design and distribute to all parents and legal guardians of a student with a disability the following information:

(a) Federal and state mandates regarding the rights and protections of students with disabilities, including, but not limited to, individualized education programs to ensure that parents and legal guardians are fully informed about laws, rules, procedural safeguards, and problem-solving options.

(b) Any other information the department determines is necessary to allow parents and legal guardians to provide meaningful input in collaboration with districts to develop and implement an individualized education program.

**MICHIGAN SCHOOLS FOR THE DEAF AND BLIND**

Sec. 5-451. From the funds appropriated in part 1, the employees at the Michigan Schools for the Deaf and Blind who work on a school-year basis are considered annual employees for purposes of service credits, retirement, and insurance benefits.

Sec. 5-452. For each student enrolled at the Michigan Schools for the Deaf and Blind, the department shall assess the intermediate school district of residence 100% of the cost of operating the student's instructional program, excluding room and board related costs and the cost of weekend transportation between the school and the student's home.

Sec. 5-456. (1) From the funds appropriated in part 1, the Michigan Schools for the Deaf and Blind may promote its residential program as a possible appropriate option for children who are deaf or hard of hearing or who are blind or visually impaired. From the funds appropriated in part 1, the Michigan Schools for the Deaf and Blind shall distribute information detailing its services to all intermediate school districts in this state.

(2) If an intermediate school district knows that a child in the district is deaf or

hard of hearing or blind or visually impaired, the intermediate school district shall provide to the parents of the child the literature distributed by the Michigan Schools for the Deaf and Blind to intermediate school districts under subsection (1).

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

Sec. 5-457. Revenue received by the Michigan Schools for the Deaf and Blind from gifts, bequests, and donations that is unexpended at the end of the state fiscal year may be carried over to the succeeding fiscal year and does not revert to the general fund.

Sec. 5-458. (1) The funds appropriated in part 1 for the low incidence outreach fund are appropriated from money collected by the Michigan Schools for the Deaf and Blind and the low incidence outreach program for providing qualified services and may be used for any expenses necessary to provide the qualified services. Any money that is unexpended at the end of the current fiscal year does not revert to the general fund and may be carried forward into the succeeding fiscal year.

(2) As used in this section, "qualified services" means any of the following:

(a) Document reproduction and services.

(b) Conducting conferences, workshops, and training classes.

(c) Providing specialized equipment, facilities, and software.

Sec. 5-459. When conducting a due process hearing resulting from a parent's appeal of that parent's child's individualized education program team's decision on the child's educational placement, a state administrative law judge shall consider designating the Michigan School for the Deaf as 1 of the options for the least restrictive environment under federal law for the parent's child who is deaf, deafblind, or hard of hearing.

Sec. 5-460. From the funds appropriated in part 1 for ASL literacy resources, the department shall expend the funds to comply with all requirements in section 1705 of the revised school code, 1976 PA 451, MCL 380.1705.

**EDUCATOR EXCELLENCE**

Sec. 5-501. From the funds appropriated in part 1 for educator excellence, the department shall maintain certificate revocation and felony conviction files of educational personnel.

Sec. 5-503. From the funds appropriated in part 1, the department shall, if requested

by the Michigan Virtual Learning Research Institute, consult with the Michigan Virtual Learning Research Institute and external stakeholders in connection with the department's implementation and administration of professional development training described in section 35a of the state school aid act of 1979, 1979 PA 94, MCL 388.1635a, including, but not limited to, the online training of educators of pupils in grades K to 3 described in that section.

Sec. 5-504. From the funds appropriated in part 1 for educator recruitment and preparation programs, the department shall award $1,000,000.00 to districts for both of the following:

(a) Educator preparation program tuition, program fees, testing fees, and substitute permit costs for any individual employed in grades pre-K to 12 working toward certification or an additional endorsement.

(b) Program costs associated with hands-on learning experiences for students in grades 6 to 12 interested in the field of education, with supervision and mentoring from educators who are champions of, and committed to, the success of the profession.

Sec. 5-505. From the funds appropriated in part 1 for educator recruitment and preparation programs, not less than $190,000.00 and not fewer than 1.0 FTE position is allocated for educator recruitment and preparation programs.

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

Sec. 5-507. From the funds appropriated in part 1, the department shall adopt a teacher certification test that ensures that all newly certified elementary teachers have the skills to deliver evidence-based literacy instruction grounded in the science of reading. The department may use teacher certification or teacher testing fee revenue to the extent allowable under law to implement this section, or may pass along increased testing fees to teachers as allowable and appropriate.

**SCHOOL SUPPORT SERVICES**

Sec. 5-601. From the funds appropriated in part 1 for adolescent and school health, the department shall use the funds to replace federal funding reductions from the HHS - Centers for Disease Control and Prevention to the department and section 39a(2)(a) of the

state school aid act of 1979, 1979 PA 94, MCL 388.1639a.

Sec. 5-602. (1) From the funds appropriated in part 1 for school board member training, there is appropriated $150,000.00 for school board member training. The department shall approve 1 or more training programs for school board members that include courses of instruction for school board members in 1 or more of the following topic areas:

(a) Conflicts of interest, including, but not limited to, the application of section 1203 of the revised school code, 1976 PA 451, MCL 380.1203.

(b) Labor relations, including, but not limited to, a school board's role in collective bargaining agreements in 1947 PA 336, MCL 423.201 to 423.217, and in other laws related to employment.

(c) Education law, including, but not limited to, the revised school code, 1976 PA 451, MCL 380.1 to 380.1852, the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1896, the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and 1937 (Ex Sess) PA 4, MCL 38.71 to 38.191, dealing with teacher tenure.

(d) School finance, including, but not limited to, the creation and management of school district budgets.

(e) Board governance, including, but not limited to, roles and responsibilities, parliamentary procedure, and best practices.

(f) Implicit bias training.

(g) Rater reliability training.

(2) On completion of an eligible training program, a school board member may apply for reimbursement for the cost of the eligible training program through the board member's local district, up to $100.00 per course. The department may determine the form and manner of the application to reimburse the district for the cost.

(3) The department shall create a process for the provider of a course in a topic listed in subsection (1) to apply to the department to have the course approved and be eligible for a school board member to be reimbursed for completing that course as provided under subsection (2).

(4) As used in this section:

(a) "Eligible training program" means a training program that is approved under subsection (1).

(b) "School board member" means a member of the board of a school district or

intermediate school district or a member of the board of directors of a public school academy in this state.

Sec. 5-604. (1) From the funds appropriated in part 1, not less than $159,500.00 and not fewer than 1.0 FTE position shall provide technical assistance to all eligible districts to make them effective at using Medicaid dollars for mental health.

(2) As used in this section, "eligible district" means a school district or intermediate school district that receives funding under section 31n of the state school aid act of 1979, 1979 PA 94, MCL 388.1631n.

**EDUCATIONAL SUPPORTS**

Sec. 5-702. From the funds appropriated in part 1, there is appropriated an amount not less than $1,000,000.00 for implementation costs associated with programs for early childhood literacy funded under section 35a of the state school aid act of 1979, 1979 PA 94, MCL 388.1635a.

**CAREER AND TECHNICAL EDUCATION**

Sec. 5-750. From the funds appropriated in part 1 for career and technical education operations, the department shall develop and implement a reporting mechanism for school districts to report on career and technical education participation and workforce development participation. The department shall prepare and submit a report to the standard report recipients detailing all of the following:

(a) The number of students participating in career and technical education programs.

(b) The number of students in the graduating class of the current school year that took at least 1 career and technical education course while in high school.

(c) The number of students in the graduating class of the previous school year that enrolled in a postsecondary workforce development program in the current school year.

**LIBRARY OF MICHIGAN**

Sec. 5-801. (1) The funds appropriated in part 1 for library fees are appropriated from money collected by the library of Michigan for providing qualified services and may be used for any expenses necessary to provide the qualified services. Any money that is unexpended at the end of the current fiscal year does not lapse to the general fund and may

be carried forward into the succeeding fiscal year.

(2) As used in this section, "qualified services" means any of the following:

(a) Document reproduction and services.

(b) Conducting conferences, workshops, and training classes.

(c) Providing specialized equipment, facilities, and software.

Sec. 5-804. (1) The department shall use the funds appropriated in part 1 for renaissance zone reimbursements to reimburse public libraries under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in 2026. The department shall allocate the funds not later than 60 days after the department of treasury certifies to the department and to the state budget director that the department of treasury has received all necessary information to properly determine the amounts due to each eligible recipient.

(2) If the amount appropriated under this section is not sufficient to fully pay obligations under this section, the department shall prorate payments on an equal basis among all eligible recipients.

## Article 6

## DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 6-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of environment, great lakes, and energy are appropriated for the fiscal year ending September 30, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 1,631.0 | 1,631.0 |
| **GROSS APPROPRIATION .....** | **$ 965,795,000** | **$ 963,795,000** |
| Total interdepartmental grants and intradepartmental transfers ..... | 4,237,600 | 4,237,600 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 961,557,400 | $ 959,557,400 |
| Total federal revenues ..... | 464,743,400 | 464,743,400 |
| Total local revenues ..... | 0 | 0 |
| Total private revenues ..... | 1,892,500 | 1,892,500 |
| Total other state restricted revenues ..... | 386,083,300 | 386,083,300 |
| State general fund/general purpose ..... | $ 108,838,200 | $ 106,838,200 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose .....* | *106,838,200* | *106,838,200* |
| *One-time state general fund/general purpose .....* | *2,000,000* | *0* |
| **Sec. 6-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 106.0 | 106.0 |
| Unclassified salaries-6.0 FTE positions ..... | $ 1,022,500 | $ 1,022,500 |
| Accounting service center ..... | 1,596,800 | 1,596,800 |
| Administrative hearings officers ..... | 906,600 | 906,600 |
| Environmental investigations-12.0 FTE positions ..... | 2,507,700 | 2,507,700 |
| Environmental support-56.0 FTE positions ..... | 10,072,500 | 10,072,500 |
| Executive direction-20.0 FTE positions ..... | 4,506,400 | 4,506,400 |
| Facilities management ..... | 1,200,000 | 1,200,000 |
| Financial support-18.0 FTE positions ..... | 12,928,600 | 12,928,600 |
| Michigan geological survey ..... | 400,000 | 400,000 |
| Property management ..... | 11,658,700 | 11,658,700 |
| **GROSS APPROPRIATION .....** | **$ 46,799,800** | **$ 46,799,800** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| IDG from department of state police ..... | 91,300 | 91,300 |
| IDG from department of transportation ..... | 139,300 | 139,300 |
| Federal revenues: | | |
| Other federal revenues ..... | 766,600 | 766,600 |
| Special revenue funds: | | |
| Private revenues ..... | 1,200,000 | 1,200,000 |
| Other state restricted revenues ..... | 33,451,400 | 33,451,400 |
| State general fund/general purpose ..... | $ 11,151,200 | $ 11,151,200 |
| **Sec. 6-103. WATER RESOURCES DIVISION** | | |
| Full-time equated classified positions..... | 403.0 | 403.0 |
| Aquatic nuisance control program-6.0 FTE positions ... | $ 1,009,600 | $ 1,009,600 |
| Federal - Great Lakes remedial action plan grants .... | 583,800 | 583,800 |
| Fish contaminant monitoring ..... | 316,100 | 316,100 |
| Great Lakes restoration initiative-9.0 FTE positions . | 11,319,500 | 11,319,500 |
| Nonpoint source pollution prevention and control project program ..... | 4,083,300 | 4,083,300 |
| Technology advancements for water monitoring ..... | 500,000 | 500,000 |
| Water quality programs-223.0 FTE positions ..... | 39,131,300 | 39,131,300 |
| Water quality protection grants ..... | 100,000 | 100,000 |
| Water resource programs-165.0 FTE positions ..... | 33,870,100 | 33,870,100 |
| Watershed council grants ..... | 600,000 | 600,000 |
| **GROSS APPROPRIATION ..... | **$ 91,513,700** | **$ 91,513,700** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of transportation ..... | 2,086,300 | 2,086,300 |
| Federal revenues: | | |
| Other federal revenues ..... | 35,360,900 | 35,360,900 |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 24,722,900 | 24,722,900 |
| State general fund/general purpose ..... | $ 29,343,600 | $ 29,343,600 |
| **Sec. 6-104. AIR QUALITY DIVISION** | | |
| Full-time equated classified positions..... | 225.0 | 225.0 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Air quality programs-225.0 FTE positions ..... | $ 39,223,600 | $ 39,223,600 |
| **GROSS APPROPRIATION ..... | **$ 39,223,600** | **$ 39,223,600** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 7,855,500 | 7,855,500 |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 16,096,900 | 16,096,900 |
| State general fund/general purpose ..... | $ 15,271,200 | $ 15,271,200 |
| **Sec. 6-105. REMEDIATION AND REDEVELOPMENT DIVISION** | | |
| Full-time equated classified positions..... | 329.0 | 329.0 |
| Contaminated site remediation and redevelopment programs | | |
| 329.0 FTE positions ..... | $ 86,837,700 | $ 86,837,700 |
| Emergency cleanup actions ..... | 2,000,000 | 2,000,000 |
| Environmental cleanup and redevelopment program ..... | 44,800,000 | 44,800,000 |
| Superfund cleanup ..... | 9,000,000 | 9,000,000 |
| **GROSS APPROPRIATION ..... | **$ 142,637,700** | **$ 142,637,700** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 16,769,200 | 16,769,200 |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 125,573,900 | 125,573,900 |
| State general fund/general purpose ..... | $ 294,600 | $ 294,600 |
| **Sec. 6-106. UNDERGROUND STORAGE TANK AUTHORITY** | | |
| Full-time equated classified positions..... | 12.0 | 12.0 |
| Underground storage tank cleanup program-12.0 | | |
| FTE positions ..... | $ 32,156,600 | $ 32,156,600 |
| **GROSS APPROPRIATION ..... | **$ 32,156,600** | **$ 32,156,600** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 32,156,600 | 32,156,600 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 6-107. RENEWING MICHIGAN'S ENVIRONMENT** | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Full-time equated classified positions..... | 163.0 | 163.0 |
| Information management-22.0 FTE positions ..... | $ 6,884,200 | $ 6,884,200 |
| Renew Michigan program-141.0 FTE positions ..... | 81,982,300 | 81,982,300 |
| **GROSS APPROPRIATION .....** | **$ 88,866,500** | **$ 88,866,500** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of state police ..... | 8,800 | 8,800 |
| IDG from department of transportation ..... | 13,600 | 13,600 |
| Federal revenues: | | |
| Other federal revenues ..... | 5,800 | 5,800 |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 83,509,100 | 83,509,100 |
| State general fund/general purpose ..... | $ 5,329,200 | $ 5,329,200 |
| **Sec. 6-108. INFORMATION TECHNOLOGY** | | |
| Information technology services and projects ..... | $ 10,527,400 | $ 10,527,400 |
| **GROSS APPROPRIATION .....** | **$ 10,527,400** | **$ 10,527,400** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of state police ..... | 24,800 | 24,800 |
| IDG from department of transportation ..... | 38,000 | 38,000 |
| Federal revenues: | | |
| Other federal revenues ..... | 2,079,300 | 2,079,300 |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 6,017,900 | 6,017,900 |
| State general fund/general purpose ..... | $ 2,367,400 | $ 2,367,400 |
| **Sec. 6-109. DRINKING WATER AND ENVIRONMENTAL HEALTH** | | |
| Full-time equated classified positions..... | 160.0 | 160.0 |
| Drinking water and environmental health-160.0 FTE positions ..... | $ 42,393,900 | $ 42,393,900 |
| **GROSS APPROPRIATION .....** | **$ 42,393,900** | **$ 42,393,900** |
| Appropriated from: | | |
| Federal revenues: | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Other federal revenues ..... | 13,804,000 | 13,804,000 |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 9,645,600 | 9,645,600 |
| State general fund/general purpose ..... | $ 18,944,300 | $ 18,944,300 |
| **Sec. 6-110. MATERIALS MANAGEMENT DIVISION** | | |
| Full-time equated classified positions..... | 133.0 | 133.0 |
| Energy programs-13.0 FTE positions ..... | $ 6,316,300 | $ 6,316,300 |
| Material management programs-120.0 FTE positions ..... | 34,782,300 | 34,782,300 |
| **GROSS APPROPRIATION ..... | **$ 41,098,600** | **$ 41,098,600** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of state police ..... | 1,611,700 | 1,611,700 |
| Federal revenues: | | |
| Other federal revenues ..... | 7,390,400 | 7,390,400 |
| Special revenue funds: | | |
| Private revenues ..... | 652,500 | 652,500 |
| Other state restricted revenues ..... | 30,593,700 | 30,593,700 |
| State general fund/general purpose ..... | $ 850,300 | $ 850,300 |
| **Sec. 6-111. GEOLOGICAL RESOURCES MANAGEMENT DIVISION** | | |
| Full-time equated classified positions..... | 73.0 | 73.0 |
| Geologic resources management-73.0 FTE positions ..... | $ 22,171,700 | $ 22,171,700 |
| **GROSS APPROPRIATION ..... | **$ 22,171,700** | **$ 22,171,700** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of licensing and regulatory affairs..... | 223,800 | 223,800 |
| Federal revenues: | | |
| Other federal revenues ..... | 5,310,600 | 5,310,600 |
| Special revenue funds: | | |
| Private revenues ..... | 40,000 | 40,000 |
| Other state restricted revenues ..... | 8,541,000 | 8,541,000 |
| State general fund/general purpose ..... | $ 8,056,300 | $ 8,056,300 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **Sec. 6-112. WATER INFRASTRUCTURE** | | |
| Full-time equated classified positions..... | 27.0 | 27.0 |
| Municipal assistance-27.0 FTE positions ..... | $ 6,804,200 | $ 6,804,200 |
| Lead service line replacement ..... | 9,601,300 | 9,601,300 |
| Water state revolving funds ..... | 390,000,000 | 390,000,000 |
| **GROSS APPROPRIATION ..... | **$ 406,405,500** | **$ 406,405,500** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 375,401,100 | 375,401,100 |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 15,774,300 | 15,774,300 |
| State general fund/general purpose ..... | $ 15,230,100 | $ 15,230,100 |
| **Sec. 6-113. ONE-TIME APPROPRIATIONS** | | |
| Local infrastructure preparedness and protection program..... | $ 2,000,000 | $ 0 |
| **GROSS APPROPRIATION ..... | **$ 2,000,000** | **$ 0** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State general fund/general purpose ..... | $ 2,000,000 | $ 0 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

**GENERAL SECTIONS**

Sec. 6-201. 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 30,2027 is $494,921,500.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is $20,433,300.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

| | |
|---|---|
| Technology advancements for water monitoring | $ 500,000 |
| Emergency cleanup actions | 116,000 |
| Drinking water and environmental health | 8,486,000 |
| Energy programs | 460,000 |
| Material management programs | 1,270,000 |
| Lead service line replacement | 9,601,300 |
| TOTAL | $ 20,433,300 |

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

Sec. 6-203. As used in this part and part 1:

(a) "Department" means the department of environment, Great Lakes, and energy.

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

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

(d) "IDG" means interdepartmental grant.

(e) "NPDES" means the national pollutant discharge elimination system.

(f) "Standard report recipients" means the senate appropriations subcommittee on environment, Great Lakes, and energy; the house appropriations subcommittee on environment, Great Lakes, and energy; the senate and house fiscal agencies; the senate and house policy offices; and the state budget office.

Sec. 6-204. A department or agency shall use the internet to fulfill the reporting requirements of this part and shall make each report readily accessible to the public and

conspicuously post each required report in a single archivable location on the department's or agency's Michigan.gov website not later than the due date required for each report. In addition to placing all reports required in the current fiscal year on the department's or agency's website, the department or agency shall maintain on its website all reports placed on the website from previous fiscal years posted by fiscal year in the same single archivable location. The department or agency shall also transmit all required reports for the current fiscal year to the standard recipients and any other required recipients by email.

Sec. 6-205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds appropriated in part 1:

(a) The funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 6-206. (1) The department shall maximize utilization of its in-person state workforce. The department shall prioritize occupancy utilization of office space for each division within the department. Employees with job responsibilities that require the employees to serve in their capacities outside of an office shall be monitored each pay period to ensure all work hours reported on the timesheet were actually worked.

(2) The department shall comply with requirements set forth by the office of the state employer on in-person work and utilization and occupancy rates of state buildings to ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to market conditions.

(3) The department shall adhere to civil service rules and regulations that state the standard biweekly work period for a full-time employee in the classified service of this state is the equivalent of 80.0 hours of work. The department shall establish policies and processes to ensure all employees are working their jobs during agreed upon business hours.

Sec. 6-207. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall prepare a report on out of state travel expenses not later than January 1. The report must list all travel by classified and unclassified employees outside this state in the previous fiscal year that was funded in whole or in part with funds appropriated in the department's or agency's budget. The department or agency shall submit the report to the standard report recipients and to the house and senate appropriations committees. The report must include all of the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related expenses of each travel occurrence and the proportions funded with state general fund/general purpose revenues, state restricted revenues, federal revenues, and other revenues.

Sec. 6-208. Not later than 6 months after the state budget office issues work project letters, a department, agency and the legislature shall submit an annual report that summarizes all work project accounts. The report must include all of the following:

(a) A list of all work project accounts.

(b) The status of all work project accounts, including amounts expended, amounts encumbered, and available balances for each account.

(c) The amount of funds that lapsed from any previously designated work project accounts, the name and description of the work project account, and the funds that received the lapsed amounts.

Sec. 6-209. Not later than December 15, the state budget office shall prepare and submit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the previous fiscal year. The report must summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall submit the report to the standard report recipients and the chairpersons of the senate and house appropriations committees.

Sec. 6-210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $100,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431,

MCL 18.1393.

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

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

Sec. 6-211. A department or agency shall cooperate with the department of technology, management and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

Sec. 6-212. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of a local health officer.

Sec. 6-213. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving appropriations in part 1 shall take all reasonable steps to ensure geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department or agency contracts to subcontract with certified geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined in Executive Directive No. 2023-1.

Sec. 6-214. The department must provide an annual report to the standard report recipients detailing significant federal policy changes that do, or are expected to significantly impact the operations of the department, including reductions in federal

revenue and/or changes that are likely to lead to a reduction in the department's ability to safeguard the health or welfare of the public.

Sec. 6-215. (1) Within 30 days of enactment of this act, the house and senate fiscal agencies shall provide to the state budget office a jointly agreed upon list of legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33 of 2025. The list must include all information and documents pertaining to the funded items as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

(2) In accordance with section 364(4) of the Management and Budget Act, the department or agency administering the grant shall post a report in a publicly accessible location on its website beginning March 15 of the current fiscal year. The department or agency shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

Sec. 6-216. On a quarterly basis, a department or agency receiving appropriations in part 1 shall report on the number of FTEs in pay status by type of staff and civil service classification, including comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTE positions employed by the department or agency at the end of the reporting period. The report must be submitted to the senate and house appropriations committees and to the standard report recipients.

Sec. 6-217. The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal recovery funds that would otherwise lapse after September 30, 2026, are automatically reappropriated for the same purpose as originally authorized and available for expenditure through December 31, 2026, and any subsequent financial close out period.

Sec. 6-218. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or

funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

(a) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of corrections.

(b) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of state police.

(2) All applicable guidance, implementation, and reporting provisions of Public Law 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under subsection (1).

(3) The state budget director shall notify the senate and house appropriations committees not later than 10 business days after making any reallocations under subsection (1). The notification must include the authorized program under which funds were originally appropriated, the amount of the reallocation, the program, or programs, or purpose, and the department to which the funds are being reallocated under subsection (1), and the amount reallocated to each program or purpose.

Sec. 6-228. (1) The department may expend amounts remaining from the current and prior fiscal year appropriations to meet funding needs of the environmental cleanup and redevelopment program, environmental cleanup support, contaminated site remediation and redevelopment programs, contaminated site cleanup, contaminated site cleanup contingency reserve, premcor remediation activities, PFAS remediation grant program, the renew Michigan program, the refined petroleum product cleanup program, brownfield grants and loans, waterfront grants, and the environmental bond site reclamation program.

(2) Unexpended and unencumbered amounts remaining from appropriations from the clean Michigan initiative fund - response activities contained in 2011 PA 63, 2013 PA 59, 2014 PA 252, 2015 PA 84, 2016 PA 268, and 2017 PA 107, and 2025 PA 22 are appropriated for expenditure.

(3) Unexpended and unencumbered amounts remaining from appropriations from the refined petroleum fund activities contained in 2013 PA 59, 2014 PA 252, 2015 PA 84, 2016 PA 268, 2017 PA 107, 2018 PA 207, 2019 PA 57, 2020 PA 166, 2021 PA 87, 2022 PA 166, 2023 PA 119, 2024 PA 121, and 2025 PA 22 are appropriated for expenditure.

(4) Unexpended and unencumbered amounts remaining from the appropriations from the strategic water quality initiatives fund contained in 2011 PA 50, 2011 PA 63, 2012 PA 200, 2013 PA 59, 2014 PA 252, 2015 PA 84, 2016 PA 268, 2017 PA 107, and 2018 PA 207, are appropriated for expenditure.

(5) For the strategic water quality initiatives fund, funds not yet disbursed are appropriated for expenditure for the same program under sections 5201, 5202, and 5204e of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5201, 324.5202, and 324.5204e.

(6) Unexpended and unencumbered amounts remaining from the appropriations from the renew Michigan fund contained in 2018 PA 207, 2019 PA 57, 2020 PA 166, 2021 PA 87, 2022 PA 166, 2023 PA 119,  2024 PA 121, and 2025 PA 22 are appropriated for expenditure.

(7) Unexpended and unencumbered amounts remaining from the appropriations from the contaminated site cleanup contingency fund contained in 2021 PA 87 and 2022 PA 166, are appropriated for expenditure.

(8) Unexpended and unencumbered amounts remaining from the appropriations from the cleanup and redevelopment fund contained in 2022 PA 166 2023 PA 119, 2024 PA 121, and 2025 PA 22  are appropriated for expenditure.

Sec. 6-229. Revenues that remain in the settlements fund at the end of the fiscal year carry forward into the succeeding fiscal year.

Sec. 6-235. (1) Semiannually, the department shall prepare a report that contains information regarding all remediation and redevelopment efforts funded from part 1.

(2) The report must contain the following information:

(a) List of sites where work is planned to occur, including the county for each site.

(b) The type of site, whether refined petroleum cleanup, nonrefined petroleum cleanup, brownfield, or a combination of types.

(c) A brief description of how the issue will be addressed, including whether contractors will be utilized.

(d) The estimated date for project completion.

(e) The amount and funding source or sources allocated to the site.

(3) The report must be submitted to the senate and house subcommittees on the environment, Great Lakes, and energy and the state budget director.

Sec. 6-238. The department shall submit a report to the senate and house standing

committees and appropriations subcommittees with primary responsibility for issues under the jurisdiction of the department that details departmental activities of the most recent fiscal year in administering permitting programs. The report must include, at a minimum, all of the following:

(a) The number of FTEs assigned to each permitting program and the number of unfilled positions at the beginning and end of the most recent fiscal year.

(b) The number of permit applications received by the department in the preceding year, including applications for new and increased uses and reissuances.

(c) The number of permits for each program approved.

(d) The number of permits for each program denied.

(e) The percentage and number of permit applications that were reviewed for administrative completeness within statutory time frames.

(f) The percentage and number of permit applications for which a final action was taken by the department within statutory time frames for new and increased uses and reissuances.

(g) Activities to reduce any backlog of permits that exceed the statutory time frames and the average time frame for permit approvals for each program.

(h) Activities to reduce the percentage of permit applications submitted as incomplete, in need of modification, or additional information before final determination.

(i) Under conditions in which the department states a permit is incomplete or denied, the department shall provide an explanation as to the reason or reasons the permit is insufficient and how the permit can be strengthened or made complete.

Sec. 6-239. Not later than April 1, the department shall provide to the standard report recipients a copy of its annual strategic plan prepared in compliance with section 363 of the management and budget act, 1984 PA 431, MCL 18.1363. The plan must include the mission, vision, goals, strategies, and performance measures of the department.

Sec. 6-242. If the department responds to a significant incident to protect life or property, as soon as possible and within 24 hours after the department responds to the significant incident, the department shall notify, in writing, the senate and house members whose district includes the site.

Sec. 6-251. (1) Federal revenues authorized by and available from the federal government in excess of the appropriations in part 1 are appropriated and may be received

and expended by the department for purposes authorized under state law and subject to federal requirements. The total amount of federal revenues that may be received and expended under this section must not exceed $200,000,000.00.

(2) The department shall notify the standard report recipients before expending federal revenues received and appropriated under subsection (1).

(3) If additional authorization is approved in SIGMA by the state budget office under this section, the department shall notify the senate and house appropriations subcommittees on Environment, Great Lakes, and Energy and the senate and house fiscal agencies within 10 days after the approval. The notification must include the amount and funding source of the additional authorization, the date of its approval, and the projected use of the funds to be expended.

Sec. 6-252. Revenues remaining in the asbestos inspection fund created in MCL 324.5519a at the end of the fiscal year carry forward into the succeeding fiscal year.

**REMEDIATION AND REDEVELOPMENT DIVISION**

Sec. 6-301. Revenues remaining in the laboratory services fees fund at the end of the fiscal year carry forward into the succeeding fiscal year.

Sec. 6-302. The unexpended funds appropriated in part 1 for contaminated site remediation and redevelopment programs, emergency cleanup actions, and environmental cleanup and redevelopment program are designated as work project appropriations, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the projects is to provide contaminated site cleanup.

(b) The projects will be accomplished by utilizing contracts with service providers.

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

(d) The tentative completion date is September 30, 2031.

Sec. 6-304. (1) In addition to the money appropriated in part 1, the department may receive and expend money from the subaccounts of the cleanup and redevelopment fund as described under section 20108 of the natural resources and environmental protection act,

1994 PA 451, MCL 324.20108, including the environmental response fund or the natural resource damages fund, to provide funding for actions by the department that are authorized by a court of competent jurisdiction and set forth in a final court order or judgment in an action to which the department is a party.

(2) By January 30, the department shall submit a report to the appropriations subcommittees, the fiscal agencies, and the state budget office that provides a summary of the expenditures incurred under this section during the preceding fiscal year.

**WATER RESOURCES DIVISION**

Sec. 6-405. If a certified health department does not exist in a city, county, or district or does not fulfill its responsibilities under part 117 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11701 to 324.11721, then the department may spend funds appropriated in part 1 for drinking water and environmental health in accordance with section 11716 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11716.

Sec. 6-410. From the funds appropriated in part 1, the department shall compile a report by November 1 of every fiscal year ending in an odd number on the status of the implementation plan for the western Lake Erie basin collaborative agreement. In an effort to learn more about the presence and timing of harmful algal blooms, the report shall contain all of the following:

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

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

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

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

**UNDERGROUND STORAGE TANK AUTHORITY**

Sec. 6-701. The unexpended funds appropriated in part 1 for the underground storage tank cleanup program are designated as a work project appropriation, and any unencumbered

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

(a) The purpose of the project is to provide underground storage tank cleanup.

(b) The project will be accomplished by utilizing contracts with service providers.

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

(d) The tentative completion date is September 30, 2031.

**RENEWING MICHIGAN'S ENVIRONMENT**

Sec. 6-801. The unexpended funds appropriated in part 1 for the renewing Michigan's environment program are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is for environmental cleanup and redevelopment, waste management, and recycling.

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

(c) The total estimated cost of the project is $70,495,800.00.

(d) The tentative completion date is September 30, 2031.

**MATERIALS MANAGEMENT DIVISION**

Sec. 6-901. In addition to the money appropriated in part 1, the department may receive and expend money from the Volkswagen Environmental Mitigation Trust Agreement to provide funding for activities as outlined within the State's Mitigation Plan. The department shall prepare a report to the appropriations subcommittees, the fiscal agencies, and the state budget office by February 1, 2027 of the expenditures incurred under this section during the fiscal year ending September 30, 2026.

**WATER INFRASTRUCTURE**

Sec. 6-951. The funds appropriated in part 1 for lead service line replacement must be used to support water infrastructure projects, including, but not limited to, lead service line replacement and associated activities, drinking water projects, wastewater management, or stormwater management to promote coordinated water infrastructure work.

## Article 7

## EXECUTIVE OFFICE

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 7-101. Subject to the conditions set forth in this article, the amounts listed in this part for the executive office are appropriated for the fiscal year ending September 30, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **EXECUTIVE OFFICE** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 10.0 | 10.0 |
| Full-time equated classified positions..... | 86.2 | 86.2 |
| **GROSS APPROPRIATION** ..... | **$ 9,890,200** | **$ 9,890,200** |
| Total interdepartmental grants and intradepartmental transfers ..... | 0 | 0 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 9,890,200 | $ 9,890,200 |
| Total federal revenues ..... | 0 | 0 |
| Total local revenues ..... | 0 | 0 |
| Total private revenues ..... | 0 | 0 |
| Total other state restricted revenues ..... | 0 | 0 |
| State general fund/general purpose ..... | $ 9,890,200 | $ 9,890,200 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose .....* | *9,890,200* | *9,890,200* |
| *One-time state general fund/general purpose .....* | *0* | *0* |
| **Sec. 7-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT** | | |
| Full-time equated unclassified positions..... | 10.0 | 10.0 |
| Full-time equated classified positions..... | 86.2 | 86.2 |
| Governor-1.0 FTE position ..... | $ 159,300 | $ 159,300 |
| Lieutenant governor-1.0 FTE position ..... | 111,600 | 111,600 |
| Unclassified salaries-8.0 FTE positions ..... | 1,720,800 | 1,720,800 |
| Executive office-86.2 FTE positions ..... | 7,898,500 | 7,898,500 |
| **GROSS APPROPRIATION** ..... | **$ 9,890,200** | **$ 9,890,200** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State general fund/general purpose ..... | $ 9,890,200 | $ 9,890,200 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

**GENERAL SECTIONS**

Sec. 7-201. 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 30,2027 is $9,890,200.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is $0.00.

## Article 8

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 8-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of health and human services are appropriated for the fiscal year ending September 30, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **DEPARTMENT OF HEALTH AND HUMAN SERVICES** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 16,036.5 | 16,036.5 |
| **GROSS APPROPRIATION .....** | **$ 40,993,612,400** | **$ 40,853,424,700** |
| Total interdepartmental grants and intradepartmental transfers ..... | 15,504,500 | 15,504,500 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 40,978,107,900 | $ 40,837,920,200 |
| Total federal revenues ..... | 28,586,210,100 | 28,584,710,100 |
| Total local revenues ..... | 187,655,900 | 187,655,900 |
| Total private revenues ..... | 189,283,800 | 179,283,800 |
| Total other state restricted revenues ..... | 5,027,812,800 | 4,965,062,800 |
| State general fund/general purpose ..... | $ 6,987,145,300 | $ 6,921,207,600 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose .....* | *6,921,207,600* | *6,921,207,600* |
| *One-time state general fund/general purpose .....* | *65,937,700* | *0* |
| **Sec. 8-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 998.4 | 998.4 |
| Unclassified salaries-6.0 FTE positions ..... | $ 1,518,700 | $ 1,518,700 |
| Administrative hearings officers ..... | 9,248,700 | 9,248,700 |
| Child welfare institute-59.0 FTE positions ..... | 10,278,600 | 10,278,600 |
| Coordinated children's healthcare policy and supports 74.0 FTE positions ..... | 31,320,800 | 31,320,800 |
| Demonstration projects-7.0 FTE positions ..... | 6,779,000 | 6,779,000 |
| Departmental administration and management-613.4 FTE positions ..... | 116,303,600 | 116,303,600 |
| Legal services ..... | 100,000 | 100,000 |
| Office of inspector general-221.0 FTE positions ..... | 32,587,300 | 32,587,300 |
| Property management ..... | 61,050,800 | 61,050,800 |
| Terminal leave payments ..... | 6,639,100 | 6,639,100 |
| Training and program support-24.0 FTE positions ..... | 3,729,000 | 3,729,000 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Worker's compensation | 8,494,200 | 8,494,200 |
| **GROSS APPROPRIATION** | **$ 288,049,800** | **$ 288,049,800** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of technology, management and budget | 600 | 600 |
| IDG from department of lifelong education, advancement, and potential | 1,913,700 | 1,913,700 |
| Federal revenues: | | |
| Other federal revenues | 121,858,600 | 121,858,600 |
| Special revenue funds: | | |
| Local revenues | 86,000 | 86,000 |
| Private revenues | 4,067,900 | 4,067,900 |
| Other state restricted revenues | 8,862,100 | 8,862,100 |
| State general fund/general purpose | $ 151,260,900 | $ 151,260,900 |
| **Sec. 8-103. CHILD SUPPORT ENFORCEMENT** | | |
| Full-time equated classified positions | 189.7 | 189.7 |
| Child support enforcement operations-183.7 FTE positions | $ 31,156,700 | $ 31,156,700 |
| Child support incentive payments | 24,409,600 | 24,409,600 |
| Legal support contracts | 132,600,300 | 132,600,300 |
| State disbursement unit-6.0 FTE positions | 7,402,200 | 7,402,200 |
| **GROSS APPROPRIATION** | **$ 195,568,800** | **$ 195,568,800** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 169,736,800 | 169,736,800 |
| Special revenue funds: | | |
| State general fund/general purpose | $ 25,832,000 | $ 25,832,000 |
| **Sec. 8-104. COMMUNITY SERVICES AND OUTREACH** | | |
| Full-time equated classified positions | 56.0 | 56.0 |
| Bureau of community services and outreach-24.0 FTE positions | $ 3,691,000 | $ 3,691,000 |

| | | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|---|
| 1 | Community services and outreach administration-17.0 | | |
| 2 | FTE positions ..... | 6,907,000 | 6,907,000 |
| 3 | Community services block grant ..... | 37,170,600 | 37,170,600 |
| 4 | Diaper assistance grant ..... | 6,404,400 | 6,404,400 |
| 5 | Homeless programs-4.0 FTE positions ..... | 35,127,700 | 35,127,700 |
| 6 | Housing and support services ..... | 13,031,000 | 13,031,000 |
| 7 | Kids' food basket ..... | 525,000 | 525,000 |
| 8 | Runaway and homeless youth grants ..... | 12,533,800 | 12,533,800 |
| 9 | Senior university ..... | 400,000 | 400,000 |
| 10 | Weatherization assistance ..... | 22,633,700 | 22,633,700 |
| 11 | Weatherization assistance - IIJA-11.0 FTE positions .. | 40,024,000 | 40,024,000 |
| 12 | **GROSS APPROPRIATION ..... | **$ 178,448,200** | **$ 178,448,200** |
| 13 | Appropriated from: | | |
| 14 | Federal revenues: | | |
| 15 | Other federal revenues ..... | 153,780,300 | 153,780,300 |
| 16 | Special revenue funds: | | |
| 17 | State general fund/general purpose ..... | $ 24,667,900 | $ 24,667,900 |
| 18 | **Sec. 8-105. CHILDREN'S SERVICES AGENCY - CHILD WELFARE** | | |
| 19 | Full-time equated classified positions..... | 3,814.2 | 3,814.2 |
| 20 | Adoption subsidies ..... | $ 228,000,000 | $ 228,000,000 |
| 21 | Adoption support services-10.0 FTE positions ..... | 41,935,800 | 41,935,800 |
| 22 | Attorney general contract ..... | 5,191,100 | 5,191,100 |
| 23 | Child abuse and neglect - children's justice act-1.0 | | |
| 24 | FTE position ..... | 631,500 | 631,500 |
| 25 | Child care fund ..... | 339,928,700 | 339,928,700 |
| 26 | Child care fund - indirect cost allotment ..... | 3,500,000 | 3,500,000 |
| 27 | Child protection ..... | 2,050,300 | 2,050,300 |
| 28 | Child welfare administration travel ..... | 390,000 | 390,000 |
| 29 | Child welfare licensing-53.0 FTE positions ..... | 7,826,600 | 7,826,600 |
| 30 | Child welfare local office staff - noncaseload | | |
| 31 | compliance-353.0 FTE positions ..... | 43,983,900 | 43,983,900 |
| 32 | Child welfare medical/psychiatric evaluations ..... | 7,928,500 | 7,928,500 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Children's protective services - caseload staff | | |
| 1,461.0 FTE positions ..... | 179,594,900 | 179,594,900 |
| Children's protective services supervisors-387.0 FTE | | |
| positions ..... | 51,197,700 | 51,197,700 |
| Children's services administration-206.2 FTE positions | 29,873,800 | 29,873,800 |
| Children trust Michigan-12.0 FTE positions ..... | 5,200,900 | 5,200,900 |
| Contractual services, supplies, and materials ..... | 9,852,000 | 9,852,000 |
| Court-appointed special advocates ..... | 2,250,000 | 2,250,000 |
| Education planners-15.0 FTE positions ..... | 2,030,300 | 2,030,300 |
| Family preservation and prevention services administration | | |
| 9.0 FTE positions ..... | 1,466,800 | 1,466,800 |
| Family preservation programs-34.0 FTE positions ..... | 59,859,300 | 59,859,300 |
| Foster care payments ..... | 371,900,000 | 371,900,000 |
| Foster care services - caseload staff-838.0 FTE | | |
| positions ..... | 103,282,100 | 103,282,100 |
| Foster care services supervisors-227.0 FTE positions . | 32,955,600 | 32,955,600 |
| Guardianship assistance program ..... | 12,800,000 | 12,800,000 |
| Interstate compact ..... | 179,600 | 179,600 |
| Peer coaches-45.5 FTE positions ..... | 6,738,700 | 6,738,700 |
| Permanency resource managers-28.0 FTE positions ..... | 3,743,200 | 3,743,200 |
| Prosecuting attorney contracts ..... | 8,142,800 | 8,142,800 |
| Second line supervisors and technical staff-126.0 FTE | | |
| positions ..... | 20,990,800 | 20,990,800 |
| Settlement monitor ..... | 2,261,700 | 2,261,700 |
| Strong families/safe children ..... | 11,600,000 | 11,600,000 |
| Title IV-E compliance and accountability office | | |
| 4.0 FTE positions ..... | 484,800 | 484,800 |
| Youth in transition-4.5 FTE positions ..... | 8,212,100 | 8,212,100 |
| **GROSS APPROPRIATION ..... | **$ 1,605,983,500** | **$ 1,605,983,500** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of lifelong education, advancement, | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| and potential | 244,400 | 244,400 |
| Federal revenues: | | |
| Other federal revenues | 645,797,300 | 645,797,300 |
| Special revenue funds: | | |
| Local revenues | 48,503,000 | 48,503,000 |
| Private revenues | 1,500,000 | 1,500,000 |
| Other state restricted revenues | 6,495,300 | 6,495,300 |
| State general fund/general purpose | $ 903,443,500 | $ 903,443,500 |
| **Sec. 8-106. CHILDREN'S SERVICES AGENCY – JUVENILE JUSTICE** | | |
| Full-time equated classified positions | 190.5 | 190.5 |
| Bay pines center-53.0 FTE positions | $ 7,845,000 | $ 7,845,000 |
| Committee on juvenile justice administration-2.5 FTE positions | 376,600 | 376,600 |
| Committee on juvenile justice grants | 3,000,000 | 3,000,000 |
| Community support services-3.0 FTE positions | 2,524,300 | 2,524,300 |
| County juvenile officers | 3,977,600 | 3,977,600 |
| Juvenile justice, administration and maintenance 21.0 FTE positions | 5,605,500 | 5,605,500 |
| Michigan youth treatment center-111.0 FTE positions | 16,567,300 | 16,567,300 |
| **GROSS APPROPRIATION** | **$ 39,896,300** | **$ 39,896,300** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 8,023,000 | 8,023,000 |
| Special revenue funds: | | |
| Local revenues | 12,020,800 | 12,020,800 |
| State general fund/general purpose | $ 19,852,500 | $ 19,852,500 |
| **Sec. 8-107. PUBLIC ASSISTANCE** | | |
| Full-time equated classified positions | 1.0 | 1.0 |
| Emergency services local office allocations | $ 7,553,900 | $ 7,553,900 |
| Family independence program | 82,485,000 | 82,485,000 |
| Family independence program - clothing allowance | 10,000,000 | 10,000,000 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Family independence program - small child supplemental payment | 23,240,100 | 23,240,100 |
| Food assistance program benefits | 3,446,187,200 | 3,446,187,200 |
| Indigent burial | 2,384,700 | 2,384,700 |
| Low-income home energy assistance program | 174,951,600 | 174,951,600 |
| Michigan agricultural surplus system | 12,045,000 | 12,045,000 |
| Michigan energy assistance program-1.0 FTE position | 100,000,000 | 100,000,000 |
| Prenatal and infant support program | 20,000,000 | 20,000,000 |
| Refugee assistance program | 7,954,200 | 7,954,200 |
| State disability assistance payments | 4,543,800 | 4,543,800 |
| State supplementation | 58,085,000 | 58,085,000 |
| **GROSS APPROPRIATION** | **$ 3,949,430,500** | **$ 3,949,430,500** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 3,736,051,200 | 3,736,051,200 |
| Special revenue funds: | | |
| Other state restricted revenues | 116,516,900 | 116,516,900 |
| State general fund/general purpose | $ 96,862,400 | $ 96,862,400 |
| **Sec. 8-108. LOCAL OFFICE OPERATIONS AND SUPPORT SERVICES** | | |
| Full-time equated classified positions | 6,073.5 | 6,073.5 |
| Administrative support workers-127.0 FTE positions | $ 15,415,500 | $ 15,415,500 |
| Adult services local office staff-550.0 FTE positions | 71,524,000 | 71,524,000 |
| Contractual services, supplies, and materials | 35,839,000 | 35,839,000 |
| Donated funds positions-159.0 FTE positions | 28,001,600 | 28,001,600 |
| Elder law of Michigan MiCAFE contract | 450,000 | 450,000 |
| Electronic benefit transfer (EBT) | 7,198,000 | 7,198,000 |
| Employment and training support services | 3,869,100 | 3,869,100 |
| Food assistance reinvestment-16.0 FTE positions | 3,841,100 | 3,841,100 |
| Local office policy and administration-122.0 FTE positions | 22,688,600 | 22,688,600 |
| Local office staff travel | 8,611,400 | 8,611,400 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Medical/psychiatric evaluations ..... | 1,120,100 | 1,120,100 |
| Public assistance local office staff-5,099.5 FTE positions ..... | 620,734,500 | 620,734,500 |
| SSI advocacy legal services grant ..... | 975,000 | 975,000 |
| **GROSS APPROPRIATION ..... | **$ 820,267,900** | **$ 820,267,900** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of corrections ..... | 120,200 | 120,200 |
| IDG from department of lifelong education, advancement, and potential ..... | 8,303,900 | 8,303,900 |
| Federal revenues: | | |
| Other federal revenues ..... | 349,238,400 | 349,238,400 |
| Special revenue funds: | | |
| Local revenues ..... | 4,473,100 | 4,473,100 |
| Private revenues ..... | 10,512,500 | 10,512,500 |
| State general fund/general purpose ..... | $ 447,619,800 | $ 447,619,800 |
| **Sec. 8-109. DISABILITY DETERMINATION SERVICES** | | |
| Full-time equated classified positions..... | 628.4 | 628.4 |
| Disability determination operations-624.3 FTE positions ..... | $ 126,213,900 | $ 126,213,900 |
| Retirement disability determination-4.1 FTE positions | 662,000 | 662,000 |
| **GROSS APPROPRIATION ..... | **$ 126,875,900** | **$ 126,875,900** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of technology, management and budget ..... | 838,600 | 838,600 |
| Federal revenues: | | |
| Other federal revenues ..... | 123,235,300 | 123,235,300 |
| Special revenue funds: | | |
| State general fund/general purpose ..... | $ 2,802,000 | $ 2,802,000 |
| **Sec. 8-110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS** | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Full-time equated classified positions..... | 101.0 | 101.0 |
| Behavioral health program administration-59.0 FTE positions ..... | $ 50,771,200 | $ 50,771,200 |
| Community substance use disorder prevention, education, and treatment-9.0 FTE positions ..... | 79,221,100 | 79,221,100 |
| Family support subsidy ..... | 17,173,100 | 17,173,100 |
| Federal and other special projects ..... | 2,535,600 | 2,535,600 |
| Gambling addiction-4.0 FTE positions ..... | 9,534,000 | 9,534,000 |
| Mental health diversion council ..... | 3,850,000 | 3,850,000 |
| Michigan clinical consultation and care ..... | 5,789,000 | 5,789,000 |
| Office of recipient rights-25.0 FTE positions ..... | 3,629,500 | 3,629,500 |
| Opioid response activities-4.0 FTE positions ..... | 122,165,100 | 122,165,100 |
| Protection and advocacy services support ..... | 194,400 | 194,400 |
| **GROSS APPROPRIATION ..... | **$ 294,863,000** | **$ 294,863,000** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 180,034,600 | 180,034,600 |
| Special revenue funds: | | |
| Private revenues ..... | 2,704,700 | 2,704,700 |
| Other state restricted revenues ..... | 67,389,500 | 67,389,500 |
| State general fund/general purpose ..... | $ 44,734,200 | $ 44,734,200 |
| **Sec. 8-111. BEHAVIORAL HEALTH SERVICES** | | |
| Full-time equated classified positions..... | 16.0 | 16.0 |
| Autism services ..... | $ 560,716,600 | $ 560,716,600 |
| Behavioral health community supports and services-12.0 FTE positions ..... | 50,628,700 | 50,628,700 |
| Certified community behavioral health clinic demonstration ..... | 916,062,700 | 916,062,700 |
| Civil service charges ..... | 297,500 | 297,500 |
| Community mental health non-Medicaid services ..... | 125,578,200 | 125,578,200 |
| Federal mental health block grant-4.0 FTE positions .. | 27,491,100 | 27,491,100 |
| Health homes ..... | 50,239,800 | 50,239,800 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Healthy Michigan plan - behavioral health | 525,256,200 | 525,256,200 |
| Medicaid mental health services | 3,667,513,800 | 3,667,513,800 |
| Medicaid substance use disorder services | 84,902,600 | 84,902,600 |
| Multicultural integration funding | 17,284,900 | 17,284,900 |
| Nursing home PAS/ARR-OBRA | 18,813,600 | 18,813,600 |
| State disability assistance program substance use disorder services | 2,018,800 | 2,018,800 |
| **GROSS APPROPRIATION** | **$ 6,046,804,500** | **$ 6,046,804,500** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 4,128,327,500 | 4,128,327,500 |
| Special revenue funds: | | |
| Local revenues | 9,943,600 | 9,943,600 |
| Other state restricted revenues | 672,346,400 | 672,346,400 |
| State general fund/general purpose | $ 1,236,187,000 | $ 1,236,187,000 |
| **Sec. 8-112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES** | | |
| Full-time equated classified positions | 2,481.6 | 2,481.6 |
| Caro Regional Mental Health Center - psychiatric hospital adult-432.7 FTE positions | $ 71,981,700 | $ 71,981,700 |
| Center for forensic psychiatry-624.5 FTE positions | 129,037,800 | 129,037,800 |
| Developmental disabilities council and projects-10.0 FTE positions | 3,244,200 | 3,244,200 |
| Gifts and bequests for patient living and treatment environment | 1,000,000 | 1,000,000 |
| IDEA, federal special education | 120,000 | 120,000 |
| Kalamazoo Psychiatric Hospital - adult-473.2 FTE positions | 74,708,100 | 74,708,100 |
| Purchase of medical services for residents of hospitals and centers | 445,600 | 445,600 |
| Revenue recapture | 750,100 | 750,100 |
| Southeast Michigan state psychiatric hospital – psychiatric | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| hospital - adult, children, and adolescents-907.2 FTE positions | 171,576,300 | 171,576,300 |
| Special maintenance | 924,600 | 924,600 |
| State hospital administration-34.0 FTE positions | 5,879,400 | 5,879,400 |
| **GROSS APPROPRIATION** | **$ 459,667,800** | **$ 459,667,800** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 41,200,000 | 41,200,000 |
| Special revenue funds: | | |
| Local revenues | 24,938,400 | 24,938,400 |
| Private revenues | 1,000,000 | 1,000,000 |
| Other state restricted revenues | 19,189,200 | 19,189,200 |
| State general fund/general purpose | $ 373,340,200 | $ 373,340,200 |
| **Sec. 8-113. HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES** | | |
| Full-time equated classified positions | 77.3 | 77.3 |
| Certificate of need program administration-11.3 FTE positions | $ 2,783,000 | $ 2,783,000 |
| Child advocacy centers | 1,407,000 | 1,407,000 |
| Child advocacy centers - supplemental grants | 2,000,000 | 2,000,000 |
| Crime victim grants administration services-15.0 FTE positions | 3,161,700 | 3,161,700 |
| Crime victim justice assistance grants | 78,579,300 | 78,579,300 |
| Crime victim rights services grants | 19,869,900 | 19,869,900 |
| Crime victim's rights sustaining grants-2.0 FTE positions | 30,000,000 | 30,000,000 |
| Domestic violence prevention and treatment-15.6 FTE positions | 20,512,300 | 20,512,300 |
| Human trafficking intervention services-1.0 FTE position | 200,000 | 200,000 |
| Michigan essential health provider | 3,519,600 | 3,519,600 |
| Minority health grants and contracts-3.0 FTE positions | 1,169,300 | 1,169,300 |

| | | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|---|
| Nurse education and research program-3.0 FTE positions | | 828,300 | 828,300 |
| Policy and planning administration-19.9 FTE positions | | 2,836,900 | 2,836,900 |
| Primary care services-3.0 FTE positions ..... | | 3,813,300 | 3,813,300 |
| Rape prevention and services-0.5 FTE position ..... | | 7,216,600 | 7,216,600 |
| Rural health services ..... | | 175,000 | 175,000 |
| Rural health transformation program-3.0 FTE positions | | 250,000,000 | 250,000,000 |
| Uniform statewide sexual assault evidence kit tracking system ..... | | 369,500 | 369,500 |
| **GROSS APPROPRIATION ..... | **$** | **428,441,700** | **$** **428,441,700** |
| Appropriated from: | | | |
| Interdepartmental grant revenues: | | | |
| IDG from department of licensing and regulatory affairs ..... | | 828,300 | 828,300 |
| IDG from department of treasury ..... | | 117,700 | 117,700 |
| IDG from department of lifelong education, advancement, and potential ..... | | 2,400 | 2,400 |
| Federal revenues: | | | |
| Other federal revenues ..... | | 354,729,300 | 354,729,300 |
| Special revenue funds: | | | |
| Private revenues ..... | | 855,000 | 855,000 |
| Other state restricted revenues ..... | | 27,608,700 | 27,608,700 |
| State general fund/general purpose ..... | $ | 44,300,300 | $ 44,300,300 |
| **Sec. 8-114. EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND LABORATORY** | | | |
| Full-time equated classified positions..... | | 448.9 | 448.9 |
| Bioterrorism preparedness-53.0 FTE positions ..... | $ | 31,265,300 | $ 31,265,300 |
| Childhood lead program-4.5 FTE positions ..... | | 2,358,300 | 2,358,300 |
| Emergency medical services program-27.0 FTE positions | | 7,276,700 | 7,276,700 |
| Epidemiology administration-73.5 FTE positions ..... | | 27,118,600 | 27,118,600 |
| Healthy homes program-62.0 FTE positions ..... | | 53,680,000 | 53,680,000 |
| Laboratory services-102.0 FTE positions ..... | | 32,065,500 | 32,065,500 |
| Newborn screening follow-up and treatment services-10.5 | | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| FTE positions | 10,370,600 | 10,370,600 |
| PFAS and environmental contamination response-46.0 | | |
| FTE positions | 18,724,900 | 18,724,900 |
| Vital records and health statistics-70.4 FTE positions | 11,886,400 | 11,886,400 |
| **GROSS APPROPRIATION** | **$ 194,746,300** | **$ 194,746,300** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of environment, great lakes, and energy | 2,525,000 | 2,525,000 |
| Federal revenues: | | |
| Other federal revenues | 79,336,700 | 79,336,700 |
| Special revenue funds: | | |
| Private revenues | 1,342,600 | 1,342,600 |
| Other state restricted revenues | 34,295,700 | 34,295,700 |
| State general fund/general purpose | $ 77,246,300 | $ 77,246,300 |
| **Sec. 8-115. LOCAL HEALTH AND ADMINISTRATIVE SERVICES** | | |
| Full-time equated classified positions | 204.6 | 204.6 |
| AIDS prevention, testing, and care programs-79.0 FTE positions | $ 111,041,200 | $ 111,041,200 |
| Cancer prevention and control program-18.0 FTE positions | 20,981,900 | 20,981,900 |
| Chronic disease control and health promotion administration-28.4 FTE positions | 10,570,700 | 10,570,700 |
| Community health programs-5.0 FTE positions | 17,500,000 | 17,500,000 |
| Diabetes and kidney program-8.0 FTE positions | 4,233,100 | 4,233,100 |
| Essential local public health services | 81,419,300 | 81,419,300 |
| Implementation of 1993 PA 133, MCL 333.17015 | 20,000 | 20,000 |
| Local health services-4.3 FTE positions | 9,610,400 | 9,610,400 |
| Medicaid outreach cost reimbursement to local health departments | 12,500,000 | 12,500,000 |
| Public health administration-8.0 FTE positions | 2,206,900 | 2,206,900 |
| Sexually transmitted disease control program-20.0 | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| FTE positions | 8,655,500 | 8,655,500 |
| Smoking prevention program-22.0 FTE positions | 16,098,300 | 16,098,300 |
| Violence prevention-11.9 FTE positions | 17,366,000 | 17,366,000 |
| **GROSS APPROPRIATION** | **$ 312,203,300** | **$ 312,203,300** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 91,670,100 | 91,670,100 |
| Special revenue funds: | | |
| Local revenues | 10,150,000 | 10,150,000 |
| Private revenues | 74,556,600 | 74,556,600 |
| Other state restricted revenues | 29,167,600 | 29,167,600 |
| State general fund/general purpose | $ 106,659,000 | $ 106,659,000 |
| **Sec. 8-116. FAMILY HEALTH SERVICES** | | |
| Full-time equated classified positions | 137.6 | 137.6 |
| Child and adolescent health care and centers | $ 41,242,700 | $ 41,242,700 |
| Dental programs-5.3 FTE positions | 7,937,100 | 7,937,100 |
| Drinking water declaration of emergency | 3,971,000 | 3,971,000 |
| Family planning local agreements | 15,810,700 | 15,810,700 |
| Family, maternal, and child health administration-50.0 FTE positions | 10,683,200 | 10,683,200 |
| Immunization program-20.8 FTE positions | 19,969,300 | 19,969,300 |
| Local MCH services | 7,018,100 | 7,018,100 |
| Pregnancy prevention program | 1,297,900 | 1,297,900 |
| Prenatal care outreach and service delivery support-19.5 FTE positions | 48,497,000 | 48,497,000 |
| Special projects | 6,789,100 | 6,789,100 |
| Sudden and unexpected infant death and suffocation prevention program | 321,300 | 321,300 |
| Women, infants, and children program administration and special projects-42.0 FTE positions | 19,880,200 | 19,880,200 |
| Women, infants, and children program local agreements and food costs | 251,285,000 | 251,285,000 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **GROSS APPROPRIATION** | **$ 434,702,600** | **$ 434,702,600** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 272,769,600 | 272,769,600 |
| Special revenue funds: | | |
| Local revenues | 42,817,700 | 42,817,700 |
| Private revenues | 64,785,700 | 64,785,700 |
| Other state restricted revenues | 3,270,500 | 3,270,500 |
| State general fund/general purpose | $ 51,059,100 | $ 51,059,100 |
| **Sec. 8-117. CHILDREN'S SPECIAL HEALTH CARE SERVICES** | | |
| Full-time equated classified positions | 51.8 | 51.8 |
| Bequests for care and services-9.8 FTE positions | $ 2,415,300 | $ 2,415,300 |
| Children's special health care services administration | | |
| 42.0 FTE positions | 9,388,900 | 9,388,900 |
| Medical care and treatment | 443,164,400 | 443,164,400 |
| Outreach and advocacy | 6,722,200 | 6,722,200 |
| **GROSS APPROPRIATION** | **$ 461,690,800** | **$ 461,690,800** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 252,754,900 | 252,754,900 |
| Special revenue funds: | | |
| Private revenues | 1,037,200 | 1,037,200 |
| Other state restricted revenues | 4,582,400 | 4,582,400 |
| State general fund/general purpose | $ 203,316,300 | $ 203,316,300 |
| **Sec. 8-118. AGING SERVICES** | | |
| Community services | $ 61,047,200 | $ 61,047,200 |
| Employment assistance | 3,500,000 | 3,500,000 |
| Nutrition services | 50,004,200 | 50,004,200 |
| Respite care program | 7,268,700 | 7,268,700 |
| Senior volunteer service programs | 4,765,300 | 4,765,300 |
| **GROSS APPROPRIATION** | **$ 126,585,400** | **$ 126,585,400** |
| Appropriated from: | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Federal revenues: | | |
| Other federal revenues | 67,787,400 | 67,787,400 |
| Special revenue funds: | | |
| Private revenues | 300,000 | 300,000 |
| Michigan merit award trust fund | 4,068,700 | 4,068,700 |
| Other state restricted revenues | 2,800,000 | 2,800,000 |
| State general fund/general purpose | $ 51,629,300 | $ 51,629,300 |
| **Sec. 8-119. HEALTH AND AGING SERVICES ADMINISTRATION** | | |
| Full-time equated classified positions | 563.0 | 563.0 |
| Aging services administration-43.0 FTE positions | $ 9,826,500 | $ 9,826,500 |
| Health services administration-520.0 FTE positions | 151,399,300 | 151,399,300 |
| **GROSS APPROPRIATION** | **$ 161,225,800** | **$ 161,225,800** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 102,121,800 | 102,121,800 |
| Special revenue funds: | | |
| Local revenues | 187,700 | 187,700 |
| Private revenues | 1,721,300 | 1,721,300 |
| Other state restricted revenues | 336,300 | 336,300 |
| State general fund/general purpose | $ 56,858,700 | $ 56,858,700 |
| **Sec. 8-120. HEALTH SERVICES** | | |
| Adult home help services | $ 800,184,800 | $ 800,184,800 |
| Ambulance services | 25,335,200 | 25,335,200 |
| Auxiliary medical services | 5,126,300 | 5,126,300 |
| Dental clinic program | 1,000,000 | 1,000,000 |
| Dental services | 336,287,500 | 336,287,500 |
| Federal Medicare pharmaceutical program | 450,194,500 | 450,194,500 |
| Federally qualified health centers | 157,182,600 | 157,182,600 |
| Health plan services | 8,561,107,000 | 8,561,107,000 |
| Healthy Michigan plan | 6,358,932,300 | 6,358,932,300 |
| Home health services | 18,690,200 | 18,690,200 |
| Hospice services | 258,260,400 | 258,260,400 |

| | | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|---|
| 1 | Hospital services and therapy ..... | 694,018,200 | 694,018,200 |
| 2 | Integrated care organizations ..... | 736,486,400 | 736,486,400 |
| 3 | Long-term care services ..... | 2,586,950,000 | 2,586,950,000 |
| 4 | Maternal and child health ..... | 37,267,500 | 37,267,500 |
| 5 | Medicaid home- and community-based services waiver ... | 603,442,900 | 603,442,900 |
| 6 | Medicare premium payments ..... | 1,049,501,000 | 1,049,501,000 |
| 7 | Personal care services ..... | 5,035,500 | 5,035,500 |
| 8 | Pharmaceutical services ..... | 448,310,400 | 448,310,400 |
| 9 | Physician services ..... | 137,712,000 | 137,712,000 |
| 10 | Program of all-inclusive care for the elderly ..... | 326,992,100 | 326,992,100 |
| 11 | School-based services ..... | 196,691,300 | 196,691,300 |
| 12 | Special Medicaid reimbursement ..... | 370,654,700 | 370,654,700 |
| 13 | Transportation ..... | 26,057,200 | 26,057,200 |
| 14 | **GROSS APPROPRIATION ..... | **$ 24,191,420,000** | **$ 24,191,420,000** |
| 15 | Appropriated from: | | |
| 16 | Federal revenues: | | |
| 17 | Other federal revenues ..... | 17,337,776,400 | 17,337,776,400 |
| 18 | Special revenue funds: | | |
| 19 | Local revenues ..... | 34,530,400 | 34,530,400 |
| 20 | Private revenues ..... | 9,650,300 | 9,650,300 |
| 21 | Michigan merit award trust fund ..... | 95,700,000 | 95,700,000 |
| 22 | Other state restricted revenues ..... | 3,870,423,100 | 3,870,423,100 |
| 23 | State general fund/general purpose ..... | $ 2,843,339,800 | $ 2,843,339,800 |
| 24 | **Sec. 8-121. INFORMATION TECHNOLOGY** | | |
| 25 | Bridges information system ..... | $ 121,949,400 | $ 121,949,400 |
| 26 | Child support automation ..... | 45,186,700 | 45,186,700 |
| 27 | Comprehensive child welfare information system ..... | 8,761,900 | 8,761,900 |
| 28 | Information technology services and projects ..... | 233,903,000 | 233,903,000 |
| 29 | Michigan Medicaid information system ..... | 104,265,300 | 104,265,300 |
| 30 | Michigan statewide automated child welfare information | | |
| 31 | system ..... | 22,486,300 | 22,486,300 |
| 32 | **GROSS APPROPRIATION ..... | **$ 536,552,600** | **$ 536,552,600** |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of lifelong education, advancement, and potential | 609,700 | 609,700 |
| Federal revenues: | | |
| Other federal revenues | 368,480,900 | 368,480,900 |
| Special revenue funds: | | |
| Local revenues | 5,200 | 5,200 |
| Private revenues | 5,250,000 | 5,250,000 |
| Other state restricted revenues | 2,010,400 | 2,010,400 |
| State general fund/general purpose | $ 160,196,400 | $ 160,196,400 |
| **Sec. 8-122. ONE-TIME APPROPRIATIONS** | | |
| Full-time equated classified positions | 3.0 | 3.0 |
| Community violence prevention - gun safety and training | $ 2,500,000 | $ 0 |
| Health services administration-3.0 FTE positions | 3,000,000 | 0 |
| Nursing facility staffing initiative | 10,000,000 | 0 |
| Opioid response activities | 62,750,000 | 0 |
| State hospital administration | 7,214,800 | 0 |
| State psychiatric DSH disallowance | 54,722,900 | 0 |
| **GROSS APPROPRIATION** | **$ 140,187,700** | **$ 0** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 1,500,000 | 0 |
| Special revenue funds: | | |
| Private revenues | 10,000,000 | 0 |
| Other state restricted revenues | 62,750,000 | 0 |
| State general fund/general purpose | $ 65,937,700 | $ 0 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

**GENERAL SECTIONS**

Sec. 8-201. 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 30,2027 is $12,013,958,100.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is $2,408,987,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

| | |
|---|---|
| Child support incentive payments | $ 9,754,900 |
| Legal support contracts | 1,400 |
| Community services and outreach administration | 1,000 |
| Homeless programs | 11,800 |
| Housing and support services | 138,500 |
| Child care fund | 208,675,600 |
| Child care fund - indirect cost allotment | 3,500,000 |
| Child welfare licensing | 26,500 |
| Child welfare medical/psychiatric evaluations | 18,100 |
| Children trust Michigan | 35,100 |
| Contractual services, supplies, and materials | 50,700 |
| Family preservation programs | 100 |
| Foster care payments | 2,122,400 |
| Prosecuting attorney contracts | 1,235,600 |
| Strong families/safe children | 36,300 |
| Youth in transition | 800 |
| Bay pines center | 40,700 |
| Community support services | 124,100 |
| County juvenile officers | 67,900 |
| Emergency services local office allocations | 2,045,000 |
| Indigent burial | 2,800 |

| | |
|---|---|
| Michigan energy assistance program | 439,300 |
| State disability assistance payments | 256,300 |
| Contractual services, supplies, and materials | 84,000 |
| Employment and training support services | 5,400 |
| Disability determination operations | 3,300 |
| Behavioral health program administration | 42,800 |
| Community substance use disorder prevention, education, and treatment | 8,913,500 |
| Gambling addiction | 1,065,000 |
| Mental health diversion council | 113,900 |
| Opioid response activities | 927,800 |
| Autism services | 189,487,300 |
| Behavioral health community supports and services | 482,300 |
| Certified community behavioral health clinic demonstration | 183,500,000 |
| Community mental health non-Medicaid services | 125,578,200 |
| Health homes | 3,163,900 |
| Healthy Michigan plan - behavioral health | 52,303,300 |
| Medicaid mental health services | 1,267,786,600 |
| Medicaid substance use disorder services | 29,231,400 |
| Multicultural integration funding | 969,000 |
| Nursing home PAS/ARR-OBRA | 3,834,900 |
| State disability assistance program substance use disorder services | 1,539,000 |
| Caro Regional Mental Health Center - psychiatric hospital - adult | 68,500 |
| Center for forensic psychiatry | 696,600 |
| Kalamazoo Psychiatric Hospital - adult | 84,200 |
| Southeast Michigan state psychiatric hospital - psychiatric hospital adult, children, and adolescents | 43,200 |
| Community health programs | 687,700 |
| Crime victim rights services grants | 4,454,800 |
| Crime victim's rights sustaining grants | 7,343,700 |
| Domestic violence prevention and treatment | 72,200 |
| Primary care services | 10,300 |
| Emergency medical services program | 6,700 |

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| Epidemiology administration | 521,000 |
| Healthy homes program | 1,931,900 |
| Laboratory services | 94,600 |
| PFAS and environmental contamination response | 700 |
| AIDS prevention, testing, and care programs | 2,663,100 |
| Cancer prevention and control program | 30,000 |
| Essential local public health services | 69,050,700 |
| Local health services | 1,356,800 |
| Public health administration | 200 |
| Sexually transmitted disease control program | 720,400 |
| Smoking prevention program | 450,000 |
| Dental programs | 2,346,000 |
| Drinking water declaration of emergency | 70,700 |
| Family planning local agreements | 4,165,000 |
| Immunization program | 1,389,700 |
| Pregnancy prevention program | 65,000 |
| Prenatal care outreach and service delivery support | 7,464,100 |
| Medical care and treatment | 943,000 |
| Outreach and advocacy | 3,176,000 |
| Community services | 33,510,000 |
| Nutrition services | 14,513,000 |
| Respite care program | 5,664,000 |
| Senior volunteer service programs | 1,217,000 |
| Aging services administration | 125,000 |
| Health services administration | 361,000 |
| Adult home help services | 86,000 |
| Ambulance services | 1,216,000 |
| Dental services | 717,400 |
| Federally qualified health centers | 800,100 |
| Healthy Michigan plan | 907,500 |
| Hospital services and therapy | 613,000 |
| Long-term care services | 124,067,800 |

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| Medicaid home- and community-based services waiver..... | 15,862,900 |
| Personal care services..... | 24,000 |
| Physician services..... | 1,378,000 |
| Transportation..... | 401,000 |
| TOTAL ..... $ | 2,408,987,000 |

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

Sec. 8-203. As used in this part and part 1:

(a) "AIDS" means acquired immunodeficiency syndrome.

(b) "CCBHC" means certified community behavioral health clinic.

(c) "CMHSP" means a community mental health services program as that term is defined in section 100a of the mental health code, 1974 PA 258, MCL 330.1100a.

(d) "CMS" means the Centers for Medicare and Medicaid Services.

(e) "CPT" means current procedural terminology.

(f) "Current fiscal year" means the fiscal year ending September 30,2026.

(g) "Department" means the department of health and human services.

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

(i) "EPSDT" means early and periodic screening, diagnosis, and treatment.

(j) "Federal poverty level" means the poverty guidelines revised periodically and published in the Federal Register by the Secretary of the United States Department of Health and Human Services under the Secretary's authority to revise the poverty line under 42 USC 9902.

(k) "FQHC" means federally qualified health center.

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

(m) "GME" means graduate medical education.

(n) "Health plan" means, at a minimum, an organization that meets the criteria for delivering the comprehensive package of services under the department's comprehensive health plan.

(o) "HEDIS" means health care effectiveness data and information set.

(p) "HMO" means health maintenance organization.

(q) "IDEA" means the individuals with disabilities education act, 20 USC 1400 to 1482.

(r) "IDG" means interdepartmental grant.

(s) "MCH" means maternal and child health.

(t) "Medicaid" means subchapter XIX of the social security act, 42 USC 1396 to1396w-8.

(u) "Medicare" means subchapter XVIII of the social security act, 42 USC 1395 to 1395lll.

(v) "MiCAFE" means Michigan's coordinated access to food for the elderly.

(w) "MIChild" means the program described in section 1670 of this part.

(x) "MiSACWIS" means Michigan statewide automated child welfare information system.

(y) "PACE" means program of all-inclusive care for the elderly.

(z) "PAS/ARR-OBRA" means the preadmission screening and annual resident review required under the omnibus budget reconciliation act of 1987, section 1919(e)(7) of the social security act, 42 USC 1396r.

(aa) "PATH" means Partnership. Accountability. Training. Hope.

(bb) "PFAS" means perfluoroalkyl and polyfluoroalkyl substances.

(cc) "PIHP" means an entity designated by the department as a regional entity or a specialty prepaid inpatient health plan for Medicaid mental health services, services to individuals with developmental disabilities, and substance use disorder services. Regional entities are described in section 204b of the mental health code, 1974PA258, MCL 330.1204b. Specialty prepaid inpatient health plans are described in section 232b of the mental health code, 1974 PA 258, MCL 330.1232b.

(dd) "Previous fiscal year" means the fiscal year ending September 30,2025.

(ee) "Quarterly basis" means February 1, April 1, July 1, and September 30 of the current fiscal year.

(ff) "Semiannual basis" means March 1 and September 30 of the current fiscal year.

(gg) "Settlement" means the settlement agreement entered in the case of Dwayne B. v Snyder, Docket No.2:06cv-13548 in the United States District Court for the Eastern District of Michigan.

(hh) "SSI" means supplemental security income.

(ii) "Standard report recipients" means the senate and house of representatives appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house of representatives policy offices, and the state budget

office.

(jj) "Temporary assistance for needy families" or "TANF" or "title IV-A" means part A of subchapter IV of the social security act, 42 USC 601 to 619.

(kk) "Title IV-B" means part B of title IV of the social security act, 42 USC621to 629m.

(ll) "Title IV-D" means part D of title IV of the social security act, 42 USC 651 to 669b.

(mm) "Title IV-E" means part E of title IV of the social security act, 42 USC 670 to 679c.

(nn) "Title X" means subchapter VIII of the public health service act, 42 USC 300 to 300a-8, which establishes grants to states for family planning services.

Sec. 8-204. A department or agency shall use the internet to fulfill the reporting requirements of this part and shall make each report readily accessible to the public and conspicuously post each required report in a single archivable location on the department's or agency's Michigan.gov website not later than the due date required for each report. In addition to placing all reports required in the current fiscal year on the department's or agency's website, the department or agency shall maintain on its website all reports placed on the website from previous fiscal years posted by fiscal year in the same single archivable location. The department or agency shall also transmit all required reports for the current fiscal year to the standard recipients and any other required recipients by email.

Sec. 8-205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds appropriated in part 1:

(a) The funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 8-206. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving appropriations in part 1 shall take all reasonable steps to ensure geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department or agency contracts to subcontract with certified geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined in Executive Directive No. 2023-1.

Sec. 8-207. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall prepare a report on out of state travel expenses not later than January 1. The report must list all travel by classified and unclassified employees outside this state in the previous fiscal year that was funded in whole or in part with funds appropriated in the department's or agency's budget. The department or agency shall submit the report to the standard report recipients and to the house and senate appropriations committees. The report must include all of the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related expenses of each travel occurrence and the proportions funded with state general fund/general purpose revenues, state restricted revenues, federal revenues, and other revenues.

Sec. 8-208. Not later than 6 months after the state budget office issues work project letters, a department, agency and the legislature shall submit an annual report that summarizes all work project accounts. The report must include all of the following:

(a) A list of all work project accounts.

(b) The status of all work project accounts, including amounts expended, amounts encumbered, and available balances for each account.

(c) The amount of funds that lapsed from any previously designated work project accounts, the name and description of the work project account, and the funds that received the lapsed amounts.

Sec. 8-209. Not later than December 15, the state budget office shall prepare and submit a report that provides for estimates of the total general fund/general purpose

appropriation lapses at the close of the previous fiscal year. The report must summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall submit the report to the standard report recipients and the chairpersons of the senate and house appropriations committees.

Sec. 8-210. Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $100,000,000.00 for federal contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393. Federal contingency authorization must not be made available to increase TANF authorization.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $50,000,000.00 for state restricted contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $45,000,000.00 for private contingency authorization. Amounts appropriated under this subsection are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 8-211. A department or agency shall cooperate with the department of technology, management and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

(c) Fiscal year-to-date payments to a selected vendor, including the vendor name,

payment date, payment amount, and payment description.

Sec. 8-212. Not later than 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the previous 2 fiscal years. The report must be submitted to the standard report recipients and to the chairpersons of the senate and house of representatives appropriations committees.

Sec. 8-214. The department must provide an annual report to the standard report recipients detailing federal policy changes that do, or are expected to do, any of the following:

(a) Affect the operations of the department, including reductions in federal revenue.

(b) Affect an industry, community, population, or other group regulated or served by, or that otherwise engages with, the department.

(c) Create a regulatory gap that could negatively impact the public.

Sec. 8-215. If either of the following events occurs, not later than 30 days after the event occurs, the department shall notify the standard report recipients of that fact:

(a) A legislative objective of this part or of a bill or amendment to a bill to amend the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be implemented because implementation would conflict with or violate federal law.

(b) A federal grant for which a notice of an award has been received cannot be used or will not be used.

Sec. 8-216. (1) In addition to funds appropriated in part 1 for all programs and services, there is appropriated, for write-offs of accounts receivable, deferrals, and for prior year obligations in excess of applicable prior year appropriations, an amount equal to total write-offs and prior year obligations, but not to exceed amounts available in prior year revenues.

(2) The department's ability to satisfy appropriation fund sources in part 1 is not limited to collections and accruals pertaining to services provided in the current fiscal year and includes reimbursements, refunds, adjustments, and settlements from prior years.

Sec. 8-217. Not later than February 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on the detailed names and amounts of estimated federal, restricted, private, and local sources of revenue that support the

appropriations in each of the line items in part 1 for the previous fiscal year. The report must itemize, rather than aggregate, specific revenue sources deposited into the generic statewide integrated governmental management application (SIGMA) fund numbers 1200, 1274, 4000, and 5000.

Sec. 8-218. As required under part 23 of the public health code, 1978 PA 368, MCL 333.2301 to 333.2321, the appropriations in part 1 must include the following:

(a) Immunizations.

(b) Communicable disease control.

(c) Sexually transmitted infection control.

(d) Tuberculosis control.

(e) Prevention of gonorrhea eye infection in newborns.

(f) Screening newborn infants for the conditions listed in section 5431 of the public health code, 1978 PA 368, MCL 333.5431, or recommended by the newborn screening quality assurance advisory committee created under section 5430 of the public health code, 1978 PA 368, MCL 333.5430.

(g) Health and human services annex of the Michigan Emergency Management Plan.

(h) Prenatal care.

(i) Mental health.

Sec. 8-219. (1) The department may contract with the Michigan Public Health Institute for the design and implementation of projects and for other public health-related activities prescribed in section 2611 of the public health code, 1978 PA 368, MCL 333.2611. The department may develop a master agreement with the Michigan Public Health Institute to carry out the activities described in this subsection for up to a 1-year period.

(2) On a semiannual basis, the department shall submit, to the standard report recipients, a report that includes all of the following:

(a) A detailed description of each funded project.

(b) The amount allocated for each project, the appropriation line item from which the allocation is funded, and the source of financing for each project.

(c) The expected project duration.

(d) A detailed spending plan for each project, including a list of all subgrantees and the amount allocated to each subgrantee.

(3) On a semiannual basis, the department shall provide, to the standard report

recipients, a copy of all reports, studies, and publications produced by the Michigan Public Health Institute, its subcontractors, or the department with the funds appropriated in the department's budget in the previous fiscal year and allocated to the Michigan Public Health Institute.

Sec. 8-220. The department shall ensure that faith-based organizations are able to apply and compete for services, programs, or contracts that the organizations are qualified and suitable to fulfill.

Sec. 8-221. In accordance with section 1b of the social welfare act, 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this part as a time-limited addendum to the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.

Sec. 8-222. The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal recovery funds that would otherwise lapse after September 30, 2026, are automatically reappropriated for the same purpose as originally authorized and available for expenditure through December 31, 2026, and any subsequent financial close out period.

Sec. 8-223. The department may establish and collect fees for publications, videos and related materials, conferences, and workshops. Collected fees are appropriated when received and must be used to offset expenditures for publication printing and mailing, costs of the publications, videos and related materials, conferences, and workshops. The department shall not collect fees under this section that exceed the cost of the expenditures. If collected fees are appropriated under this section in an amount that exceeds the current fiscal year appropriation, not later than 30 days after the collected fee appropriation, the department shall notify the standard report recipients of that fact.

Sec. 8-224. The department may retain all of this state's share of food assistance overissuance collections as an offset to general fund/general purpose costs. Retained collections must be applied against federal funds deductions in all appropriation units where department costs related to the investigation and recoupment of food assistance overissuances are incurred. Retained collections in excess of the investigation and recoupment costs must be applied against the federal funds deducted in the departmental administration and support appropriation unit.

Sec. 8-225. A department or agency required to submit a report under this part shall

make each report readily accessible to the public and conspicuously post each required report in a single archivable location on the department's or agency's Michigan.gov website not later than the due date required for each report. In addition to placing all reports required in the current fiscal year on the department's or agency's website, the department or agency shall maintain on its website all reports placed on the website from previous fiscal years posted by fiscal year in the same single archivable location.

Sec. 8-226. If the revenue collected by the department from fees and collections exceeds the amount appropriated in part 1, the revenue may be carried forward with the approval of the state budget director into the subsequent fiscal year. The revenue carried forward under this section must be used as the first source of funds in the subsequent fiscal year.

Sec. 8-227. If the department receives tobacco tax funds and Healthy Michigan fund revenue from part 1, not later than April 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on both of the following activities during the previous fiscal year:

(a) Tobacco tax revenue appropriations in the Medicaid program.

(b) Information for each project implemented with revenue under this section, including all of the following:

(i) The project's name.

(ii) The appropriation line item and amount.

(iii) The project's target population.

(iv) A description of the project.

(v) The outcomes or accomplishments of the project.

Sec. 8-228. If the department is authorized under federal law or the law of this state to collect an overpayment owed to the department, beginning 60 days after the initial notification date of the overpayment amount, the department may assess a penalty of 1% per month. If an overpayment is caused by department error, a penalty may be assessed 6 months after the initial notification date of the overpayment amount. The department shall not collect penalty interest in an amount that exceeds the amount of the original overpayment. This state's share of any funds collected under this section must be deposited in the general fund of this state.

Sec. 8-230. (1) Not later than March 1 and June 1 of the current fiscal year, the

department shall submit, to the standard report recipients, a report on the status of the implementation of any noninflationary, noncaseload, programmatic funding increases in the current fiscal year from the previous fiscal year. The report must confirm the implementation of already-implemented funding increases and provide an explanation for any planned implementation of funding increases that have not yet occurred. For any planned implementation of funding increases that have not yet occurred, the report must include an expected implementation date and the reason for delayed implementation.

(2) For any programmatic funding increases not reported as implemented or in process under subsection (1), the department shall submit, to the standard report recipients, a status update not later than June 1 of the current fiscal year.

Sec. 8-231. (1) The department shall not expend the funds appropriated in part 1 to enter into any contract with a Medicaid managed care organization of MI Choice Waiver, MI Coordinated Health, or behavioral health unless the Medicaid managed care organization agrees to do all of the following:

(a) Continue the direct care wage increase funded at $3.40 per hour for the services noted in the department's Medicaid provider letter L 21-76 under the Medicaid managed care organization's relevant program.

(b) Ensure, to the greatest extent possible, that the full amount of funds appropriated for direct care worker wages, except for costs incurred by the employer, including payroll taxes, is provided to direct care workers through maintained increased wages.

(c) Permit a direct care worker to elect, in writing or electronically, to not receive the wage increase provided in this section.

(2) Not later than March 1 of the current fiscal year, the department shall submit a report to the standard report recipients that includes the following information by program and provider type for the previous fiscal year:

(a) Hours of service that qualified for the direct care worker wage increase.

(b) The aggregate increase in wages attributable to the funding appropriated in part 1.

(c) A comparison of the projected increase included in the capitation rates and the reported amount expended on the wage increase.

Sec. 8-232. The department shall provide the approved spending plan for each line

item receiving an appropriation in the current fiscal year to the senate and house of representatives appropriations subcommittees on the department budget and the senate and house fiscal agencies not later than 60 days after approval by the department or not later than January 15 of the current fiscal year, whichever is earlier. In all places that a line item appropriation number is listed, a line-item appropriation name must be included. The spending plan must include the following information regarding planned expenditures for each category: allocation in the previous period, change in the allocation, and new allocation. The spending plan must include the following information regarding each revenue source for the line item: category of the fund source indicated by general fund/general purpose, state restricted, local, private, or federal. Figures included in the approved spending plan must not be assumed to constitute the actual final expenditures, as line items may be updated on an as-needed basis to reflect changes in projected expenditures and projected revenue. The department shall supplement the spending plan information by providing a list of all active contracts and grants in the department's contract system. For amounts listed in the other contracts category of each spending plan, the department shall include the name of the line item and the name of the fund source for each contract, grant, and amount for the current fiscal year. For amounts listed in the all other costs category of each spending plan, the department shall provide a list detailing planned expenditures and amounts for the current fiscal year and include the name of the line item and the name of the fund source related to each expenditure and amount.

Sec. 8-233. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

(a) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of corrections.

(b) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of state police.

(2) All applicable guidance, implementation, and reporting provisions of Public Law 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under subsection (1).

(3) The state budget director shall notify the senate and house appropriations committees not later than 10 business days after making any reallocations under subsection (1). The notification must include the authorized program under which funds were originally appropriated, the amount of the reallocation, the program, or programs, or purpose, and the department to which the funds are being reallocated under subsection (1), and the amount reallocated to each program or purpose.

Sec. 8-235. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of the local health officer.

Sec. 8-236. (1) The department shall maximize the utilization of its in-person state workforce. The department shall prioritize occupancy utilization of office space for each division within the department. Employees with job responsibilities that require the employees to serve in their capacities outside of an office shall be monitored each pay period to ensure all work hours reported on the timesheet were actually worked.

(2) The department shall comply with requirements set by the office of state employer on in-person work and utilization and occupancy rates of state buildings to ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to market conditions.

(3) The department shall adhere to the rules and regulations of civil service, which state that the standard biweekly work period for a full-time employee in the classified services is the equivalent of 80 hours of work. The department shall establish policies and processes to ensure all employees are working their jobs during agreed-upon business hours.

Sec. 8-238. Not later than 6 months after the state budget office issues work project letters, the department shall submit an annual report that summarizes all work project accounts. The report must include all of the following:

(a) A list of all work project accounts.

(b) The status of all work project accounts, including amounts expended, amounts encumbered, and available balances for each account.

(c) The amount of funds that lapsed from any previously designated work project accounts, the name and description of the work project account, and the funds that received the lapsed amounts.

Sec. 8-241. Not later than March 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on total actual expenditures in the previous fiscal year for advertising and media outreach, including the purpose, amount, and fund source by program or appropriation line item.

Sec. 8-242. Not later than March 1 of the current fiscal year, the department shall submit a description of programs report to the standard report recipients. For each program, the report must include the appropriation unit; the line item name and number; the appropriation history; the program name; the program overview; a financing summary; and, where applicable, the program's legal basis, effectiveness, and outcomes.

Sec. 8-243. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2026 are estimated at $201,838,700.00. From this amount, total department appropriations for pension-related legacy costs are estimated at $182,045,900.00. Total department appropriations for retiree health care legacy costs are estimated at $19,792,800.00.

Sec. 8-244. On a quarterly basis, the department shall submit, to the standard report recipients, a report on any line-item appropriation for which the department estimates total annual expenditures would exceed the funds appropriated for the line-item appropriation by 5% or more. The department shall provide a detailed explanation for any relevant line-item appropriation exceedance and identify the corrective actions undertaken to mitigate line-item appropriation expenditures from exceeding the funds appropriated for the line-item appropriation by a greater amount. This section does not apply for line-item appropriations that are part of the May revenue estimating conference caseload and expenditure estimates.

Sec. 8-245. Not later than April 1, the department shall provide to the standard report recipients a copy of its annual strategic plan prepared in compliance with section 363 of the management and budget act, 1984 PA 431, MCL 18.1363. The plan must include the

mission, vision, goals, strategies, and performance measures of the department.

Sec. 8-246. The department shall report on any court settlement that may require further legislative review of state statutory programs or regulations in this state.

Sec. 8-247. Not later than November 15, the department shall disclose on a publicly accessible website private and other third-party funds received by the department in the previous fiscal year. The report must include the amount of funding received, the specific source of funding received, the purpose for which funding was expended, and the amount of any remaining funds. The report must be submitted to the standard report recipients and to the chairpersons of the senate and house appropriations committees.

Sec. 8-248. Not later than April 1, the department shall report on each specific policy change made to implement a public act affecting the department that took effect during the previous calendar year. The report must include a reference to the public act that necessitates the policy change. The department shall submit the report to the standard report recipients, the senate and house appropriations committees, and the joint committee on administrative rules.

Sec. 8-250. (1) Within 30 days of enactment of this act, the House and Senate Fiscal Agencies shall provide to the State Budget Office a jointly agreed upon list of legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33 of 2025. The list must include all information and documents pertaining to the funded items as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

(2) In accordance with Section 364(4) of the Management and Budget Act, the department or agency administering the grant shall post a report in a publicly accessible location on its website beginning March 15 of the current fiscal year. The department or agency shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

Sec. 8-253. (1) The department shall ensure that each federally recognized tribe is able to apply and compete for services, programs, grants, and contracts.

(2) For competitive grant programs described in this part, each federally recognized tribe is eligible to apply for grant funds made available to organizations exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC

501, and to local units of government.

Sec. 8-254. (1) In addition to the funds appropriated in part 1, upon receiving approval from the state budget director, the department may receive and expend any federal funds for the purpose for which they are received and are authorized under state law.

(2) If additional authorization is approved in sigma by the state budget office under this section, the department shall notify the subcommittees and the senate and house fiscal agencies within 10 days after the approval. The notification must include the amount and funding source of the additional authorization, the date of its approval, and the projected use of the funds to be expended.

(3) The total amount of funds that is authorized to be received and expended under this section cannot exceed 1% of part 1 appropriations.

Sec. 8-263. (1) Except as provided in this subsection, before submission of a waiver, state plan amendment, or similar proposal to CMS or another federal agency, the department shall notify the standard report recipients of the planned submission. This subsection does not apply to the submission of a waiver, state plan amendment, or similar proposal that does not propose a material change or is outside of the ordinary course of a waiver, state plan amendment, or similar proposal.

(2) On a semiannual basis, the department shall submit, to the standard report recipients, a report that summarizes the status of any new or ongoing discussions with CMS, the United States Department of Health and Human Services, or another federal agency regarding any potential or future waiver applications and the status of any submitted waivers that have not yet received federal approval. If there is not a reportable item at the time that a semiannual report is due, a report is not required.

Sec. 8-270. The department shall advise the legislature of the receipt of a notification from the attorney general's office of a legal action in which expenses had been recovered under section 10b of the social welfare act, 1939 PA 280, MCL 400.610b. If applicable, not later than February 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report that includes, but is not limited to, all of the following:

(a) The total amount recovered from the legal action.

(b) The program or service for which the money was originally expended.

(c) Details on the disposition of the funds recovered, such as the appropriation or

revenue account in which the money was deposited.

(d) A description of the facts involved in the legal action.

Sec. 8-274. On the day that is 1 week after the day that the governor submits the executive budget proposal for the ensuing fiscal year to the legislature, the department, in collaboration with the state budget office, shall submit, to the standard report recipients, a report on spending and revenue projections for each of the capped federal funds listed in this subsection. The report must contain actual spending and revenue in the previous fiscal year, spending and revenue projections for the current fiscal year as enacted, and spending and revenue projections in the executive budget proposal for the immediately ensuing fiscal year for each individual line item for the department budget. The report must also include federal funds transferred to other departments. The capped federal funds include, but are not limited to, all of the following:

(a) TANF.

(b) Title XX social services block grant.

(c) Title IV-B subpart I child welfare services block grant.

(d) Title IV-B subpart II promoting safe and stable families funds.

(e) Low-income home energy assistance program

Sec. 8-275. (1) On a quarterly basis, the department, with the approval of the state budget director, is authorized to realign sources between other federal, TANF, and capped federal financing authorizations to maximize federal revenues. The realignment of financing must not produce any of the following:

(a) A gross increase or decrease in the department's total individual line item authorizations.

(b) A net increase or decrease in total federal revenues.

(c) A net increase in TANF authorization.

(2) On a quarterly basis, the department shall submit, to the standard report recipients, a report on the realignment of federal fund sources transacted to date in the current fiscal year under subsection (1), including the dates, line items, and amounts of the transactions. If, at the time a quarterly report is due, a transaction was not made under subsection (1), a report is not required.

(3) Not later than 30 days after the date on which year-end book closing is completed, the department shall submit, to the standard report recipients, a report on the

realignment of federal fund sources that took place as part of the year-end closing process for the previous fiscal year.

Sec. 8-287. (1) The department may accept monetary and nonmonetary gifts, bequests, donations, contributions, or grants from any private or public source to support, in whole or in part, a departmental function or program. The department shall expend or use such gifts, bequests, donations, contributions, or grants for the purposes designated by the private or public source, if the purpose is specified.

(2) In the demonstration projects line item, private revenue collected by the department and amounts remaining in the fund under this section that are unexpended and unencumbered must not lapse to the general fund but must be carried forward to the subsequent fiscal year.

Sec. 8-290. Any public advertisement for public assistance must inform the public of the welfare fraud hotline operated by the department.

Sec. 8-295. Not later than April 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on funds appropriated for the healthy moms, healthy babies initiative. The report must include the budgeted amount, year-to-date expenditures, remaining balance of appropriations, and the percent of budget spent for each appropriation related to the initiative. The report must also include information on how the funds have assisted with meeting the goals and outcomes of the initiative.

Sec. 8-297. On a quarterly basis, the department or agency receiving appropriations in part 1 shall report on the number of full-time equated positions in pay status by civil service classification, including a comparison by line item of the number of full-time equated positions authorized from funds appropriated in part 1 to the actual number of full-time equated positions employed by the department at the end of the reporting period. The report must be submitted to the senate and house appropriations committees and to the standard report recipients.

**CHILD SUPPORT ENFORCEMENT**

Sec. 8-401. (1) The appropriations in part 1 assume a total federal child support incentive payment of $26,500,000.00.

(2) From the federal money received for child support incentive payments, $12,000,000.00 must be retained by this state and expended for child support program

expenses.

(3) From the federal money received for child support incentive payments, $14,500,000.00 must be paid to counties based on each county's performance level for each of the performance measures under 45 CFR 305.2.

(4) If the child support incentive payment to this state from the federal government is greater than $26,500,000.00, then 100% of the amount in excess must be retained by this state and is appropriated until the total retained by this state reaches $15,397,400.00.

(5) If the child support incentive payment to this state from the federal government is greater than the amount needed to satisfy subsections (1), (2), (3), and (4), the additional funds are subject to appropriation by the legislature.

(6) If the child support incentive payment to this state from the federal government is less than $26,500,000.00, then the state share and the county share must each be reduced by 50% of the shortfall.

Sec. 8-409. (1) If statewide retained child support collections exceed $38,300,000.00, 75% of the amount in excess of $38,300,000.00 is appropriated to legal support contracts. The excess appropriation may be distributed to eligible counties to supplement, but not supplant, county title IV-D funding.

(2) Each county whose retained child support collections in the current fiscal year exceed its fiscal year 2004-2005 retained child support collections, excluding tax offset and financial institution data match collections in both the current fiscal year and fiscal year 2004-2005, shall receive its proportional share of the 75% excess appropriation.

Sec. 8-410. (1) If title IV-D-related child support collections are escheated, the state budget director is authorized to adjust the sources of financing for the funds appropriated in part 1 for legal support contracts to reduce federal authorization by 66% of the escheated amount and increase general fund/general purpose authorization by the same amount. The adjustment is required to offset the loss of federal revenue due to the escheated amount being counted as title IV-D program income in accordance with 45 CFR 304.50.

(2) Not later than 30 days after an adjustment under subsection (1), the department shall notify the standard report recipients of the adjustment.

**COMMUNITY SERVICES AND OUTREACH**

Sec. 8-453. (1) From the funds appropriated in part 1 for homeless programs, the department shall allocate funds to the emergency shelter program to support efforts of shelter providers to move homeless individuals and households into permanent housing as quickly as possible. The funds must be equal to or exceed the amount that a provider would receive if the provider is paid a $19.00 per diem rate. Expected outcomes are increased shelter discharges to stable housing destinations, decreased recidivism rates for shelter clients, and a reduction in the average length of stay in emergency shelters.

(2) Not later than March 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on the total amount expended for the emergency shelter program in the prior 2 fiscal years, the total number of shelter nights provided, and the average length of stay in an emergency shelter.

Sec. 8-454. The department shall allocate the full amount of funds appropriated in part 1 for homeless programs to provide services for homeless individuals and families, including, but not limited to, third-party contracts for emergency shelter services.

Sec. 8-455. As a condition of receipt of federal TANF revenue, after admitting a family to a homeless shelter, the homeless shelter and human services agencies shall collaborate with the department to obtain necessary TANF eligibility information on the family as soon as possible. From the funds appropriated in part 1 for homeless programs, the department is authorized to make allocations of TANF revenue only to the homeless shelters and human services agencies that report necessary data to the department to meet TANF eligibility reporting requirements. Homeless shelters or human services agencies that do not report necessary data to the department to meet TANF eligibility reporting requirements shall not receive reimbursements that exceed the per diem amount the homeless shelters or human service agencies received in fiscal year 2000. The use of TANF revenue under this section is not an ongoing commitment of funding.

Sec. 8-456. From the funds appropriated in part 1 for homeless programs, the department shall allocate $10,000.00 to reimburse public service agencies that provide documentation of paying birth certificate fees on behalf of category 1 homeless clients at county clerk's offices. Each public service agency must be reimbursed for the cost of the birth certificate fees quarterly until the allocation is fully spent.

Sec. 8-457. From the funds appropriated in part 1 for homeless programs, the department shall allocate $8,500,000.00 of TANF revenue to support family shelters or

families who are homeless and at risk of being homeless. Funds appropriated under this section must be used as follows:

(a) $3,000,000.00 for emergency hotels for families experiencing homelessness.

(b) $3,500,000.00 for assistance and supports to families engaged with child welfare. This may include, but is not limited to, eviction diversion, first month's rent and deposit, and utility arrears.

(c) $2,000,000.00 for creating additional spaces at family homeless shelters that have been in operation for at least 24 months.

Sec. 8-458. From the funds appropriated in part 1 for homeless programs, the department shall require any entities receiving direct or indirect state funds to report data to a Homeless Management Information System that satisfies the baseline data collection requirements.

Sec. 8-459. From the funds appropriated in part 1 for homeless programs, the department shall allocate $2,000,000.00 of TANF revenue to acquire and develop for individuals and families noncongregate shelter that utilizes options under a Housing First model and prioritizes providing stable and permanent housing without preconditions or requirements, such as sobriety or participation in treatment programs. Eligible uses for this funding may include, but are not limited to, hotels, motels, dormitories, recuperative care facilities, and other facilities that offer noncongregate shelter.

Sec. 8-460. From the funds appropriated in part 1 for kids' food basket, the department shall allocate $525,000.00 to fund a project with a nonprofit, community-based organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is located in a city with a population between 185,000 and 200,000 and in a county with a population between 600,000 and 700,000, according to the most recent federal decennial census. The nonprofit organization recipient must have an existing network of food delivery to low-income children in not less than 3 counties in this state. The nonprofit organization shall use the funds to expand its services to additional schools and communities. The funding may be used to cover employee costs, food and supplies, equipment, and other operational costs identified by the organization to support its mission and goals.

Sec. 8-462. From the funds appropriated in part 1 for senior university, the department shall allocate $400,000.00 to a community action alliance located in a city with

a population over 500,000 according to the most recent federal decennial census to improve connectivity and computer skills to seniors.

Sec. 8-463. From the funds appropriated in part 1 for runaway and homeless youth grants and domestic violence prevention and treatment, the department is authorized to make allocations of TANF revenue only to agencies that report necessary data to the department to meet TANF eligibility reporting requirements.

Sec. 8-464. (1) From the funds appropriated in part 1 for diaper assistance grant, the department shall allocate grants to diaper assistance programs, maternity homes, local county offices, and other nonprofit agencies that distribute diapers free of charge and were established as of January 1, 2020. The funds must be used only to purchase diapering supplies and to cover related administrative costs. Not more than 15% of the funds appropriated in part 1 are expendable for administrative purposes.

(2) Not later than March 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on the distribution of diapering supplies that includes, but is not limited to, the names and locations of the entities described in subsection (1) that distribute diaper supplies and the total amount of diapering supplies distributed to each entity.

Sec. 8-465. (1) From the funds appropriated in part 1 for community services and outreach administration, $2,950,000.00 must be distributed as provided in subsection (2). Michigan 2-1-1 must continue to seek funding from local United Way organizations and other nonprofit organizations and foundations.

(2) Funds distributed under subsection (1) must be distributed to Michigan 2-1-1, a nonprofit corporation organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and whose mission is to coordinate and support a statewide 2-1-1 system. Michigan 2-1-1 shall use the funds only to fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1 in January 2005.

(3) Michigan 2-1-1 shall refer any received calls that report fraud, waste, or abuse of state-administered public assistance to the department.

(4) Michigan 2-1-1 shall submit, to the department, the senate and house of representatives standing committees with primary jurisdiction over matters relating to human services and telecommunications on 2-1-1 system performance, and the standard report

recipients, a report that includes, but is not limited to, call volume by health and human service needs and unmet needs identified through caller data and number and the percentage of callers referred to public or private provider types.

Sec. 8-466. Not later than March 1 of the current fiscal year, the department shall submit to the standard report recipients a report on the runaway homeless youth program that includes, but is not limited to, all of the following:

(a) A list of counties served and the amount of funding allocated to each county.

(b) The amount of funding being allocated to previously underserved communities and how capacity has been expanded or is planned to be expanded in those communities.

(c) Identified barriers that have hindered providers from expanding capacity.

**CHILDREN'S SERVICE AGENCY - CHILD WELFARE**

Sec. 8-501. (1) A goal is established that not more than 25% of all children in foster care at any given time during the current fiscal year, unless contrary to the best interest of the child, will have been in foster care for 24 months or more.

(2) Not later than March 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report describing the steps that will be taken to achieve the goal under subsection (1). The report must also include the following:

(a) An explanation of the most significant barriers that prevent long-term foster children from permanent placements.

(b) The number of children currently in foster care for longer than 24 months and the percentage of those children that had paid Medicaid behavioral health claims or encounters within the last year.

Sec. 8-502. From the funds appropriated in part 1 for foster care, the department shall reimburse Indian tribal governments for 50% of the foster care expenditures for children who are under the jurisdiction of Indian tribal courts and are not otherwise eligible for federal foster care cost sharing. However, the department may reimburse up to 100% of the foster care expenditures for an Indian tribal government that enters into a state-tribal Title IV-E agreement allowed under this state's Title IV-E state plan.

Sec. 8-505. Not later than March 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on youth referred or committed to the department for care or supervision in the previous fiscal year that outlines the number of

youth served by the department in the juvenile justice system by the type of setting for each youth.

Sec. 8-507. The department's ability to satisfy appropriation deductions in part 1 for foster care private collections is not limited to collections and accruals pertaining to services provided only in the current fiscal year and may include revenues collected during the current fiscal year for services provided in prior fiscal years.

Sec. 8-508. (1) In addition to the amount appropriated in part 1 for children trust Michigan, money granted or money received as gifts or donations to the children's trust fund created in 1982 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

(2) For the funds described in subsection (1), the department shall ensure that administrative delays are avoided and local grant recipients and direct service providers receive money in an expeditious manner. The department and the state board as that term is defined in section 2 of the child abuse and neglect prevention act, 1982 PA 250, MCL 722.601, shall make the children's trust fund contract funds available to grantees not later than 31 days after the start date of the funded project.

Sec. 8-509. From the funds appropriated in part 1 for adoption support services, the department shall maintain a rate structure that pays for cases based on the average length of time it takes to reach adoption finalization by case characteristics for licensed child placing agencies contracted with the department that provide adoption services for youth in foster care.

Sec. 8-510. The department shall submit reports on a quarterly basis to the standard report recipients on all of the following:

(a) The number of children pending placement in a residential setting by child caring institution.

(b) The reasons for the denial of placements referred within the month, including, but not limited to, facility bed shortages, placement process delays, facility hold, or other reasons.

(c) The number of incentive payments that were awarded by the department by child caring institution.

(d) The number of incentive payments that were denied by the department by child caring institution.

(e) Of the denials identified in subdivision (d), the department shall provide the

rationale for denial of incentive payments including, but not limited to, refusal of placement, lack of staffing, or other reasons.

Sec. 8-511. The department shall submit, to the standard report recipients and the senate and house of representatives standing committees that cover subject matters dealing with families and human services, reports on a semiannual basis that include the number and percentage of children who received timely physical and mental health examinations after entry into foster care. The goal of the program is for not less than 85% of children to have an initial medical and mental health examination that is not later than 30 days after entry into foster care.

Sec. 8-512. (1) From the funds appropriated in part 1 for foster care payments, the department shall allocate $500,000.00 of TANF revenue to provide luggage to a child who is being removed from the child's home or changing placement and is a TANF eligible individual. The luggage provided under this section is considered to belong to the child and may not be confiscated by the department or the child's foster parent. The department is not required to provide new luggage under this section to a child who is changing placement and has had luggage previously provided by the department.

(2) The department may partner with local charities to establish and maintain the supply of luggage to be used to transport a child's personal belongings. Additionally, the department may accept donations of luggage to fulfill the requirements of this section.

(3) As used in this section, "luggage" means any of the following:

(a) A suitcase of any size.

(b) A duffel bag that holds at least 30 liters.

Sec. 8-513. (1) The department shall not expend funds appropriated in part 1 to pay for the department's direct placement of a child in an out-of-state facility unless all of the following conditions are met:

(a) An appropriate placement is not available in this state, as determined by the department's interstate compact office.

(b) An out-of-state placement exists that is nearer to the child's home than the closest appropriate in-state placement, as determined by the department's interstate compact office.

(c) The out-of-state facility meets all of the licensing standards for a comparable facility in this state.

(d) The out-of-state facility meets all of the applicable licensing standards of the state in which it is located.

(e) The department has visited the site of the out-of-state facility; has reviewed the facility records, licensing records, and reports; and believes that the facility is an appropriate placement for the child.

(2) The department shall not expend money for a child placed in an out-of-state facility without approval of the executive director of the children's services agency.

(3) Not later than March 1 of the current fiscal year, the department shall submit, to the state court administrative office and the standard report recipients, a report on the number of Michigan children residing in out-of-state facilities in the previous fiscal year, the total cost and average per diem cost of the out-of-state placements to this state, a list of each out-of-state placement arranged by the Michigan county of residence for each child, and a list of out-of-state facilities that were visited by the department before the child's placement.

Sec. 8-514. (1) From the funds appropriated in part 1 for foster care payments, the department shall maintain a statewide respite care services network available to licensed foster parents and unlicensed relative caregivers that care for children in foster care.

(2) Not later than March 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on the total number of licensed foster parents and unlicensed relative caregivers that were provided respite services, the average amount of respite time per month, and the total amount of funding spent on respite services during the previous fiscal year.

Sec. 8-515. If a children's protective services caseworker requests approval for another children's protective services caseworker or other department employee to accompany the caseworker on a home visit because the caseworker believes that it would be unsafe to conduct the home visit alone, the department shall not deny the request.

Sec. 8-516. (1) From funds appropriated in part 1 for child care fund, the administrative or indirect cost payment equal to 10% of a county's total monthly gross expenditures must be distributed to the county on a monthly basis, and a county is not required to submit documentation to the department for any of the expenditures that are covered under the 10% payment as described in section 117a(4)(b)(ii) and (iv) of the social welfare act, 1939 PA 280, MCL 400.117a.

(2) From the funds appropriated in part 1 for child care fund - indirect cost allotment, the department shall allocate $3,500,000.00 to counties and tribal governments that receive reimbursements in part 1 from child care fund.

(3) The amount described in subsection (2) must be distributed to each county or tribal government in the same proportion as indirect cost allotments are provided to counties in the same manner described in section 117a of the social welfare act, 1939 PA 280, MCL 400.117a.

Sec. 8-517. For a child placed in a family foster care home located out of this state, the department may ask a state or private child placing agency contracted by the receiving state to carry out required visits and any additional visits that the department finds necessary.

Sec. 8-518. Not later than March 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on the cumulative child care fund expenditures of in-home juvenile justice care that are eligible for the 75% state and 25% local split required under section 117a(4)(i) of the social welfare act, 1939 PA 280, MCL 400.117a. Eligible expenditures include community-based juvenile supervision, services, and related practices, and per diem rates for the use of respite and shelter for less than 30 days. The report must also include the expenditures by county, the type of service provided, and the number of youth receiving care.

Sec. 8-520. Not later than February 15 of the current fiscal year, the department shall submit, to the standard report recipients, a report on the number of days of care and expenditures by funding source for the previous fiscal year for out-of-home placements by specific placement programs for child abuse or child neglect and juvenile justice, including, but not limited to, paid relative placement, department direct family foster care, private-agency-supervised foster care, private child caring institutions, county-supervised facilities, and independent living. The report must also include the number of days of care for department-operated residential juvenile justice facilities.

Sec. 8-522. (1) From the funds appropriated in part 1 for youth in transition, the department shall allocate $750,000.00 for scholarships through the fostering futures scholarship program in the Michigan education trust to youth who were in foster care because of child abuse or child neglect and are attending a college or a career technical educational institution located in this state. One hundred percent of the funds

appropriated must be used to fund scholarships for the youth described in this section.

(2) Not later than June 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report that includes the number of youth who applied for scholarships under this section, the number of youth who received scholarships under this section and the amount of each scholarship, and the total amount of funds spent or encumbered in the current fiscal year.

Sec. 8-523. Not later than February 15 of the current fiscal year, the department shall submit, to the standard report recipients, a report on the MI Family Together program. The report must include both of the following:

(a) Utilization and outcome data based on families served.

(b) For each program, information on any innovations or expansions that may increase child safety and reduce risk.

Sec. 8-524. As a condition of receiving funds appropriated in part 1 for strong families/safe children, not later than October 1 of the current fiscal year, counties shall submit the service spending plan to the department for approval. Not later than 30 calendar days after receipt of a properly completed service spending plan, the department shall approve the service spending plan.

Sec. 8-525. The department shall maintain the same on-site evaluation processes for privately operated child welfare and juvenile justice residential facilities as is used to evaluate state-operated facilities. Penalties for noncompliance must be the same for privately operated child welfare and juvenile justice residential facilities and state-operated facilities.

Sec. 8-526. From the funds appropriated in part 1 for court-appointed special advocates, the department shall allocate $2,250,000.00 to fund a project with a nonprofit, community-based organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, located in a charter township with a population between 18,000 and 19,000 that is located in a county with a population between 600,000 and 700,000, according to the most recent federal decennial census. The nonprofit organization recipient must have an existing network of affiliate programs operating in not less than 25 counties in this state. The recipient nonprofit organization shall use the funds to recruit, screen, train, and supervise volunteers who provide advocacy services on behalf of abused and neglected

children.

Sec. 8-528. From the funds appropriated in part 1 for child care fund, the department shall allocate $3,730,300.00 to support the annual basic grant to counties with a population of less than 75,000, according to the most recent federal decennial census, and as described in section 117e of the social welfare act, 1939 PA 280, MCL 400.117e, and to eligible tribal entities. The basic grant must be $56,520.00 to eligible counties and tribal entities.

Sec. 8-529. From the funds appropriated in part 1 for family preservation programs, the department shall maintain the total combined funding levels of the MI Family Together program at an amount not less than the amount provided as of September 30, 2021.

Sec. 8-530. (1) All master contracts relating to foster care and adoption services as funded by the appropriations in section 105 of part 1 must be performance-based contracts that employ a client-centered and results-oriented process that is based on measurable performance indicators and desired outcomes and includes an annual assessment of the quality of services provided.

(2) Not later than February 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report detailing measurable performance indicators, desired outcomes, and an assessment of the quality of services provided by the department during the previous fiscal year.

Sec. 8-534. Not later than March 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on the adoption subsidies expenditures from the previous fiscal year. The report must include, but is not limited to, the range of non-$0.00 annual adoption support subsidy amounts, for both Title IV-E eligible cases and state-funded cases, paid to adoptive families; the number of Title IV-E and state-funded cases; the number of cases in which an adoption support subsidy request by an adoptive parent was denied by the department; and the number of adoptive parents who requested a renegotiation of their adoption support subsidy contract.

Sec. 8-537. Not later than March 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on the following information for cases of child abuse or child neglect from the previous fiscal year:

(a) The total number of relative care placements.

(b) The total number of relative care placements into unlicensed relative homes.

(c) The total number of relative care placements into licensed relative homes.

(d) The total number of unlicensed relative providers with a relative placement that were denied a foster home license due to not meeting the standards established for foster care licensing in this state.

(e) From a sample of cases, a list of the reasons documented by the department for denial of relative foster home licensure.

(f) For licensed or approved relative caregivers with placements, the status of Title IV-E claims for foster care maintenance payments and foster care administrative payments.

Sec. 8-540. If a physician or psychiatrist who is providing services to a state or court ward placed in a residential facility submits a formal request to the department to change the psychotropic medication for a ward, the department shall, if the ward is a state ward, make a determination on the proposed change not later than 7 business days after the request or, if the ward is a temporary court ward, seek parental consent not later than 7 business days after the request. If the determination or parental consent is not provided by the seventh business day, the department shall petition the court for the determination or consent on the eighth business day.

Sec. 8-546. (1) From the funds appropriated in part 1 for foster care payments and from child care fund, the department shall pay an administrative rate before incentive payments of not less than $60.20 to providers of general foster care, independent living, and trial reunification services unless the contractor fails to:

(a) Ensure children placed in foster care are provided visitation sessions with siblings placed elsewhere at least 85 percent of the time in accordance with state policy, or

(b) Ensure children receive face-to-face visits from their caseworker not less than 95 percent of the time in accordance with state policy. In the event the criteria in subsection (a) or (b) are not met, the administrative rate shall be paid at a rate of $54.18 until the standards in subsection (a) or (b) are met at which time the rate shall return to $60.20.

(2) From the funds appropriated in part 1, the department shall pay providers of independent living plus services per diem statewide rates for staff-supported housing at a rate of $252.30 and host-home housing at a rate of $119.95. The independent living plus program provides staff-supported housing and services for foster youth 16 years of age to

19 years of age who, because of their individual needs and assessments, are not initially appropriate for general independent living foster care.

(3) If required by the federal government to meet Title IV-E requirements, on a quarterly basis, providers of foster care services shall submit a report on expenditures to the department to identify actual costs of providing foster care services.

Sec. 8-547. (1) From the funds appropriated in part 1 for the guardianship assistance program, the department shall pay a minimum rate that is not less than the approved age-appropriate payment rates for youth placed in family foster care.

(2) The department shall submit, to the standard report recipients, a report that includes quarterly data on the number of children enrolled in the guardianship assistance and foster care - children with serious emotional disturbance waiver programs.

Sec. 8-550. (1) The department shall not offset against reimbursements to counties or seek reimbursement from counties for charges that were received by the department more than 12 months before the department seeks to offset against reimbursement. A county shall not request reimbursement, and reimbursements must not be paid, for a charge that is more than 12 months after the date of service or original status determination when initially submitted by the county.

(2) Not later than 12 months after a date of service, a service provider shall submit a request for payment. A request for payment submitted later than 12 months after the date of service requires the provider to submit an exception request to the county or the department for approval or denial.

(3) A county is not subject to any offset, chargeback, or reimbursement liability for a prior expenditure resulting from an error in a foster care fund source determination.

Sec. 8-552. Sixty days after a county's child care fund review is completed, including the receipt of all requested documentation from the county, the department shall provide the results of the review to the county. In the review, the department shall not evaluate the relevancy, quality, effectiveness, efficiency, or impact of the services provided to youth by the county's child care fund programs. The department shall not release the results of a county's child care fund review to a third party without the permission of the county.

Sec. 8-554. From the funds appropriated in part 1 for foster care payments, the department shall allocate $50,000.00 to a nonprofit organization organized under the laws

of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501 operates on a 100% volunteer basis with a board of directors consisting of not more than 15 members; is a dedicated community of individuals that give their time, talent, and resources to provide the best quality shopping environment that they can to local children in need; and provides clothing, shoes, toys, linens, nursery furniture, strollers, car seats, school supplies, hygiene products, and safety equipment to local foster children and their families free of charge.

Sec. 8-557. If a vehicle that is owned by the state is available and not scheduled for use by other state workers, the department may consider a children's protective services caseworker or a foster care caseworker driving the vehicle to a foster home visit or driving the vehicle to the caseworker's own home as an allowable use of the vehicle if the driving would be helpful to the caseworker in conducting the caseworker's work.

Sec. 8-559. (1) From the funds appropriated in part 1 for adoption support services, not later than December 1 of the current fiscal year, the department shall allocate $500,000.00 to a grant recipient to operate and expand its adoptive parent mentor program to provide a listening ear, knowledgeable guidance, and community connections to adoptive parents and children who were adopted in this state or another state.

(2) Not later than March 1 of the current fiscal year, the grant recipient shall submit, to the standard report recipients, a report on the program described in subsection (1), including, but not limited to, the number of cases served and the number of cases in which the program prevented an out-of-home placement.

Sec. 8-562. If a foster parent transports a foster child to parent-child visitation, the department shall reimburse the foster parent for the foster parent's time and travel. As part of the foster care parent contract, the department shall provide written confirmation to foster parents that states that the foster parents have the right to request reimbursement for all parent-child visitations. Not later than 60 days after receiving a request from a foster parent for eligible reimbursement, the department shall provide the reimbursement.

Sec. 8-564. (1) The department shall maintain a clear policy for parent-child visitations. All of the following individuals shall meet an 85% success rate, after accounting for factors outside of caseworker control:

(a) Caseworkers and supervisors of local county offices.

(b) Caseworkers and supervisors of child placing agencies.

(2) In accordance with the court-ordered number of required meetings between caseworkers and a parent, the caseworkers shall achieve a success rate of 85%, after accounting for factors outside of caseworker control.

(3) Not later than March 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on the following:

(a) The percentage of success rates for parent-child visitations and court-ordered required meetings under subsections (1) and (2) for the previous fiscal year.

(b) The barriers to achieve the success rates described in subsections (1) and (2) and how this information is tracked.

Sec. 8-568. (1) The department shall ensure each youth transitioning out of foster care is given assistance with obtaining a driver license or state identification card and is issued a copy of the youth's Social Security number, as required by department policy. Assistance must be provided to each youth who is eligible to obtain a driver license or state identification card and, based on the youth's citizenship and legal residency status, a Social Security card.

(2) Not later than April 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on the number of youth who obtained a driver license or state identification card, the number of youth who obtained a Social Security card, and the number of youth who were eligible but did not receive a driver license, state identification card, or Social Security card and an explanation as to why the youth did not receive the documents.

Sec. 8-574. (1) From the funds appropriated in part 1 for foster care payments, $1,375,000.00 is allocated to support family incentive grants to private and community-based foster care service providers and relative caregivers for assistance with home improvements to alleviate safety concerns or obtain items needed to ensure compliance with licensing rule requirements and to accommodate children in foster care.

(2) Not later than March 1 of the current fiscal year, the department shall submit, to the standard report recipients, a report on the total amount expended in the previous year for grants to private and community-based foster care service providers for home improvements or physical exams described in subsection (1) and the number of grants issued.

Sec. 8-575. From the funds appropriated in part 1 for children's services

administration, the department shall allocate at least $200,000.00 to provide support and coordinated services to the kinship caregiver advisory council. The responsibilities of the council may include all of the following:

(a) Establishing a public awareness campaign to educate the public about kinship caregivers and this state's efforts to better serve kinship caregivers.

(b) Consulting and coordinating with the kinship caregiver navigator program to collect aggregate data on individuals being served by the kinship caregiver navigator program, including information on what services the individuals need.

(c) Consulting and collaborating with the provider of the kinship caregiver navigator program on the design and administration of the program.

(d) Establishing, maintaining, and updating a list of local support groups and programs that provide services to kinship families and, in order to obtain a better understanding of the issues facing kinship families, devising a plan of action for engaging with the groups and programs on the list.

(e) Developing methods to promote and improve collaboration between state, county, and local governments and agencies and private stakeholders for all of the following reasons:

(i) To obtain a broad understanding of the characteristics and prevalence of kinship caregiving.

(ii) To improve service delivery.

(iii) To include the methods in the council's recommendations.

Sec. 8-578. From the funds appropriated in part 1 for foster care payments, the department shall allocate Title IV-E passthrough funds for educational programs to strengthen this state's child welfare workforce. The department shall enter into contractual arrangements with one or more state universities to provide bachelor of social work and master of social work educational training, including field placements and stipends for tuition and educational expenses. In exchange, students completing eligible educational programs are contractually obligated to work for Michigan child welfare agencies for a minimum of 4 months for every semester they receive the stipend. The matching funds for the Title IV-E funds must be provided by the participating state universities from the expenses incurred for training child welfare students who participate in the program.

Sec. 8-581. From the funds appropriated in part 1 for foster care payments, the department shall allocate at least $50,000.00 for caseworkers to provide immediate assistance with urgent needs, including, but not limited to, food, clothing, and other basic necessities, for children, including children who are victims of human trafficking, on the children's removal from the children's homes or other dangerous environments.

Sec. 8-583. Not later than March 1 of the current fiscal year, the department shall submit to the standard report recipients and the senate and house of representatives standing committees that cover subject matters dealing with families and human services, a report that includes all of the following:

(a) The number and percentage of foster parents that closed their license in the previous fiscal year, the reasons the foster parents left, and how the figures compare to the figures for prior fiscal years.

(b) The number and percentage of foster parents successfully retained in the previous fiscal year and how the figures compare to the figures for prior fiscal years.

(c) The number and percentage of licensed foster homes that closed their license because they adopted their foster child based on survey data from foster parents closing their licenses.

Sec. 8-585. Each month, the department shall make available at least 1 pre-service training class in which new caseworkers for private foster care and adoption agencies can enroll.

Sec. 8-588. (1) Concurrently with public release, the department shall transmit, without revision, all reports from the court-appointed settlement monitor, including, but not limited to, the needs assessment and period outcome reporting, to the standard report recipients.

(2) Not later than October 1 of the current fiscal year, the department shall submit, to the standard report recipients, a detailed plan that addresses the status and progress toward exiting the settlement by September 30 of the current fiscal year. The report must include an update on the department's child welfare initiative.

Sec. 8-589. (1) From the funds appropriated in part 1 for child care fund, the department shall pay 100% of the administrative rate for all new cases referred to providers of foster care services.

(2) On a quarterly basis, the department shall submit a report, to the standard

report recipients, on the monthly number of all foster care cases administered by the department and all foster care cases administered by private providers.

Sec. 8-592. On a quarterly basis, the department shall submit, to the chairs of the senate and house of representatives standing oversight committees and the standard report recipients, a report that includes data from children's protective services staff for each of the following for the most recent quarter before the applicable report is submitted:

(a) The percent of investigations commenced in 24 hours immediately after receiving a report.

(b) The percent of central registry reviews performed for required individuals.

(c) The percent of face-to-face contacts made within the established timeframe required by the department.

(d) In appropriate cases, the percent of sibling placement evaluations completed when 1 or more children remain in the home after a child has been removed.

(e) The percent of supervisory reviews performed in a timely manner.

(f) The results of a department survey of children's protective services investigators on the number of investigators who are concerned for their own personal safety.

(g) The percent of investigators using the mobile application or another tool to document compliance.

Sec. 8-593. The department shall conduct an annual review in each county to determine if the county has adopted and implemented standard child abuse and child neglect investigation and interview protocols under section 8(6) of the child protection law, 1975 PA 238, MCL 722.628.

Sec. 8-594. From the funds appropriated in part 1 for foster care payments, the department shall support regional resource teams to provide for the recruitment, retention, and training of foster and adoptive parents and shall expand the Michigan youth opportunities initiative to all counties of this state. The purpose of the funding is to increase the number of annual inquiries from prospective foster parents, increase the number of nonrelative foster homes that achieve licensure each year, increase the annual retention rate of nonrelative foster homes, reduce the number of older foster youth placed outside of family settings, and provide older youth with enhanced support in transitioning to adulthood.

**PUBLIC ASSISTANCE**

Sec. 8-601. After a client agrees to the release of the client's name and address to the local housing authority, the department shall request from the local housing authority information regarding whether the housing unit for which vendoring has been requested meets applicable local housing codes. Vendoring must be terminated if the local housing authority indicates in writing that the unit does not meet local housing codes and until the local housing authority indicates in writing that the local housing codes have been met.

Sec. 8-602. The department shall conduct a full evaluation of an individual's assistance needs if the individual has applied for disability more than 1 time in a 1-year period.

Sec. 8-604. (1) From the funds appropriated in part 1 for state disability assistance payments, the department shall operate a state disability assistance program. Except as provided in subsection (3), to be eligible for the program, an individual must be a needy citizen of the United States or alien exempted from the SSI citizenship requirement who is not less than 18 years of age, or an emancipated minor, and meets 1 or more of the following requirements:

(a) Is a recipient of SSI, Social Security, or medical assistance due to disability or being 65 years of age or older.

(b) Is an individual with a physical or mental impairment that meets federal SSI disability standards, except that the minimum duration of the disability must be 90 days. Substance use disorder alone is not a basis for eligibility.

(c) Is a resident of an adult foster care facility, a home for the aged, a county infirmary, or a substance use disorder treatment center.

(d) Is an individual receiving 30-day postresidential substance use disorder treatment.

(e) Is an individual diagnosed as having AIDS.

(f) Is an individual receiving special education services through a local intermediate school district.

(g) Is a caretaker of a disabled individual who meets the requirements specified in subdivision (a), (b), (e), or (f).

(2) An applicant for or recipient of state disability assistance is considered needy

if the applicant or recipient does both of the following:

(a) Meets the same asset test as is applied for the family independence program.

(b) Has a monthly budgetable income that is less than the payment standards.

(3) Except for an individual described in subsection (1)(c) or (d), an individual is not disabled under this section if the individual's drug addiction or alcoholism is a contributing factor material to the determination of disability.

(4) As used in this section:

(a) "Material to the determination of disability" means that, if the individual stopped using drugs or alcohol, the individual's remaining physical or mental limitations would not be disabling. If the individual's remaining physical or mental limitations would be disabling, then the drug addiction or alcoholism is not material to the determination of disability and the individual may receive state disability assistance, but the individual must actively participate in a substance abuse treatment program, and the assistance must be paid to a third party or through vendor payments.

(b) "Substance abuse treatment" includes receipt of inpatient or outpatient services or participation in Alcoholics Anonymous or a similar program.

Sec. 8-605. The level of reimbursement provided to state disability assistance recipients in licensed adult foster care facilities must be the same as the prevailing SSI rate under the personal care category.

Sec. 8-606. County department offices shall require each recipient of family independence program and state disability assistance who has applied with the Social Security Administration for SSI to sign a contract to repay any assistance rendered through the family independence program or state disability assistance program on receipt of retroactive SSI benefits.

Sec. 8-607. (1) The department's ability to satisfy appropriation deductions in part 1 for state disability assistance/supplemental security income recoveries and public assistance recoupment revenues is not limited to recoveries and accruals pertaining to state disability assistance, or family independence program grant payments provided only in the current fiscal year and may include revenues collected during the current year that are prior-year-related and not a part of the department's accrued entries.

(2) The department may use SSI recoveries to satisfy the deduct in any line in which the revenues are appropriated, regardless of the source from which the revenue is

recovered.

Sec. 8-608. An adult foster care facility that provides domiciliary care or personal care to a resident receiving SSI or a home for the aged serving a resident receiving SSI shall not require a resident described in this section to reimburse the home for the aged or adult foster care facility for care at a rate in excess of a rate that is authorized by the legislature. To the extent permitted by federal law, an adult foster care facility and home for the aged that serves a resident receiving SSI is not prohibited from accepting a third-party payment in addition to SSI if the payment is not for food, clothing, or shelter, or would result in a reduction in the resident's SSI payment.

Sec. 8-609. The department shall not reduce the state supplementation level under the SSI program for the personal care/adult foster care and home for the aged categories during the current fiscal year. Not later than 30 days before a proposed reduction in the state supplementation level, the department shall notify the legislature of the proposed reduction.

Sec. 8-610. (1) The department shall grant an exemption from the good-cause criteria for the state emergency relief program if an emergency results from an unexpected expense related to maintaining or securing employment.

(2) In determining housing affordability eligibility for state emergency relief, a group is considered to have sufficient income to meet ongoing housing expenses if the group's total housing obligation does not exceed 75% of the group's total net income.

(3) The department shall not make a state emergency relief payment to an individual who has been found guilty of fraud in obtaining public assistance.

(4) The department shall not make a state emergency relief payment to an individual who is an out-of-state or nonlegal resident.

(5) The department shall distribute a state emergency relief payment for rent assistance directly to a landlord and shall not add the payment to a Michigan bridge card.

Sec. 8-611. The state supplementation level under the SSI program for the living independently category or living in the household of another category must not exceed the minimum state supplementation level as required under federal law.

Sec. 8-613. (1) From the funds appropriated in part 1 for indigent burial, the department shall provide a reimbursement for the final disposition of an indigent individual. A reimbursement under this section must comply with all of the following:

(a) The maximum allowable reimbursement for the final disposition is $960.00.

(b) The adult burial with services allowance is $875.00.

(c) The adult burial without services allowance is $610.00.

(d) The infant burial allowance is $240.00.

(e) The adult cremation with services allowance is $640.00.

(f) The adult cremation without services allowance is $390.00.

(g) The maximum allowable reimbursement if an irrevocable funeral agreement exists is $260.00.

(2) The department shall reimburse up to $80.00 for a cremation permit fee and for mileage at the standard rate for an eligible cremation. A reimbursement under this subsection must take into consideration whether an indigent individual's religious preference prohibits cremation.

(3) An application for burial services must be made no later than 20 business days after the burial, cremation, or donation takes place. A friend or relative of the indigent individual may supplement the burial payment in any amount up to $6,000.00 for additional services. A funeral director, with written authorization provided by a relative of the indigent individual, is deemed an authorized representative for burial benefits.

(4) By January 31 of the current fiscal year, the department shall submit a report to the standard report recipients on burial service payments issued from the state emergency relief program during the previous fiscal year. The report must include the number of applicants denied and the number of payments by the following burial service categories:

(a) Fetus or infant less than 1 month of age.

(b) Burial with memorial service.

(c) Burial without memorial service.

(d) Cremation with memorial service.

(e) Cremation without memorial service.

(f) Transportation of a donated or unclaimed body being cremated.

(g) Cremation permit fee for an unclaimed body.

(h) Disposition of an unclaimed body.

(i) Payment if an irrevocable funeral agreement exists.

(j) An unclaimed body received by a university.

Sec. 8-614. By January 15 of the current fiscal year, the department shall submit a

report to the standard report recipients on the number and percentage of state disability assistance recipients who were determined to be eligible for federal SSI benefits in the previous fiscal year.

Sec. 8-615. Except as required by federal law, the department shall not use funds appropriated in part 1 to provide public assistance to an individual who is not a United States citizen, permanent resident alien, or refugee. This section does not prohibit the department from entering into a contract with a food bank, emergency shelter provider, or another human service agency that may, as a normal part of doing business, provide food or emergency shelter.

Sec. 8-616. The department shall require a retailer that participates in the electronic benefits transfer program to charge no more than a $2.50 fee for cash back as a condition of participation.

Sec. 8-619. The department shall not deny a title IV-A assistance and food assistance benefit under 21 USC 862a to an individual who has been convicted of a felony for the possession, use, or distribution of a controlled substance, if both of the following are met:

(a) The act that resulted in the conviction occurred after August 22, 1996.

(b) The individual is not in violation of the individual's probation or parole requirements.

Sec. 8-620. (1) The department shall determine a Medicaid applicant's Medicaid eligibility not later than 90 days after the Medicaid applicant completes a Medicaid application if the Medicaid applicant's disability is an eligibility factor. For other Medicaid applicants, including an applicant who is a patient of a nursing home, the department shall determine the applicant's Medicaid eligibility within 45 days after receiving the Medicaid applicant's application.

(2) On a semiannual basis the department shall submit a report to the standard report recipients on the number of recipients who were ineligible for Medicaid after Medicaid eligibility redeterminations resumed after federal continuous enrollment requirements ended. The report must include, in a monthly data format, the number of recipients who had their eligibility examined directly, through an ex parte eligibility process or through a passive eligibility process. The report must also include a copy of each baseline and monthly report that the department provides to CMS for unwinding data reporting and the

number of recipients who did not respond to the department through eligibility outreach or data requests.

Sec. 8-625. From the funds appropriated in part 1 for SSI advocacy legal services grant, the department shall allocate $975,000.00 as a grant to the State Bar of Michigan. The purpose of the grant is to assist current or potential recipients of state disability assistance who have applied for or wish to apply for SSI or other federal disability benefits. The State Bar of Michigan shall provide a list of newly eligible SSI recipients to the department to verify that services are provided to department referrals.

Sec. 8-645. The department shall consider an individual or family to be homeless for purposes of eligibility for state emergency relief, if the individual or family is living temporarily with another in order to escape domestic violence. The department shall define and verify domestic violence in the same manner as the department defines and verifies that term in the department's policies on good cause for not cooperating with child support and paternity requirements.

Sec. 8-653. From the funds appropriated in part 1 for food assistance program benefits, an individual who is the victim of domestic violence or human trafficking and who does not qualify for any other exemption may be exempt from the 3-month in 36-month limit on receiving food assistance under 7 USC 2015. The department may extend the exemption for an additional 3 months if an individual described in this section demonstrates to the department a continuing need.

Sec. 8-654. The department shall notify a recipient of food assistance program benefits that the recipient's benefits can be spent with the recipient's Michigan bridge card at many farmers markets in this state. The department shall also provide a recipient with information about the double up food bucks program that is administered by the Fair Food Network. The information about the double up food bucks program must include, but is not limited to, information that if the recipient spends $20.00 at a participating farmers market through the program, the recipient may receive an additional $20.00 to buy Michigan produce.

Sec. 8-655. Not later than 14 days after the spending plan for low-income home energy assistance program is approved by the state budget office, the department shall provide the spending plan, including itemized projected expenditures and itemized expenditures for the previous fiscal year, to the standard report recipients.

Sec. 8-660. From the funds appropriated in part 1 for Michigan agricultural surplus system, the department shall allocate $12,045,000.00 for procuring and distributing the Michigan agricultural surplus system to distribute surplus produce to low-income residents of this state.

Sec. 8-669. From the funds appropriated in part 1 for family independence program - clothing allowance, the department shall allocate $10,000,000.00 for the annual clothing allowance. The department shall grant the allowance to eligible children in a family independence program group.

Sec. 8-672. (1) By February 15 of the current fiscal year, the department's office of inspector general shall submit a report to the standard report recipients on the department's efforts to reduce the inappropriate use of Michigan bridge cards and food assistance program trafficking. The department shall provide information on the number of recipients of services who used their Michigan bridge card inappropriately and the current status of each case, the number of recipients whose benefits were permanently and temporarily revoked as a result of inappropriately using their Michigan bridge cards, and the number of retailers that were fined or removed from the electronic benefit transfer program for permitting the inappropriate use of Michigan bridge cards. The report must also include the number of Michigan bridge card trafficking instances and overall welfare fraud referrals, that includes, but is not limited to, information on the number of investigations completed, fraud and intentional program violation dollar amounts identified, the number of referrals to prosecutors, the number of administrative hearing referrals and waivers, and the number of program disqualifications imposed. The report must distinguish between savings and cost avoidance. As used in this subsection:

(a) "Cost avoidance" includes expenditures avoided due to front-end eligibility investigations and other preemptive actions undertaken in the prevention of fraud.

(b) "Savings" includes receivables established from instances of fraud committed.

(2) If a fourth Michigan bridge card has been issued to a household in a 12-month period, the department shall notify the household that the household has reached the number of issued cards threshold. At a household's fifth and each subsequent card replacement request, a card will not be issued until a recipient from the household has spoken directly to the local office district manager or county director. The district manager or county director may issue a new Michigan bridge card based on the district manager's or county

director's assessment of the recipient's situation and the recipient's explanation.

(3) As used in this section:

(a) "Food assistance trafficking" means the buying and selling of food assistance benefits for cash or items not authorized under 7 USC 2036b.

(b) "Inappropriate use" means not used to meet a family's ongoing basic needs, including, but not limited to, food, clothing, shelter, utilities, household goods, personal care items, and general incidentals.

Sec. 8-677. (1) The department shall establish a state goal for the percentage of family independence program cases involved in employment activities. The percentage established must not be less than 50%. The goal for long-term employment must be 15% of cases for 6 months or more.

(2) The department shall submit an annual report, providing quarterly data, to the standard report recipients on the number of cases referred to PATH, the current percentage of family independence program cases involved in PATH employment activities, an estimate of the current percentage of family independence program cases that meet federal work participation requirements on the whole, and an estimate of the current percentage of the family independence program cases that meet federal work participation requirements for those cases referred to PATH.

(3) The department shall submit a report to the standard report recipients. The report must include quarterly data on all of the following:

(a) The number and percentage of nonexempt family independence program recipients who are employed.

(b) The average and range of wages of employed family independence program recipients.

(c) The number and percentage of employed family independence program recipients who remain employed for 6 months or more.

Sec. 8-678. (1) From the funds appropriated in part 1 for family independence program - child supplemental payment, the department shall allocate up to $16,240,100.00 of TANF revenue to provide a supplemental payment for the current fiscal year for each child under 6 years of age within a family receiving cash assistance. Not later than January 31 of the current fiscal year, the department shall distribute an equal payment based on the funds available in part 1 and the total number of children under 6 years of age who are within a

family receiving cash assistance.

(2) From the funds appropriated in part 1 for family independence program - child supplemental payment, the department shall allocate up to $7,000,000.00 of TANF revenue to provide a supplemental payment for the current fiscal year for each child 6 years of age or older but under 14 years of age within a family receiving cash assistance. Not later than January 31 of the current fiscal year, the department shall distribute an equal payment based on the funds available in part 1 and the total number of children who are 6 years of age or older but under 14 years of age within a family receiving cash assistance.

(3) By April 1 of the current fiscal year, the department shall submit a report to the standard report recipients on the amount of funding distributed under this section and shall include the number of family independence program cases, the number of family independence program eligible children by age group, and the amount of funding distributed by age category.

Sec. 8-686. (1) The department shall confirm that an individual who presents a personal identification issued by another state and is seeking assistance through the family independence program, food assistance program, state disability assistance program or medical assistance program is not receiving benefits from another state.

(2) The department shall confirm the address provided by an individual who is seeking family independence program benefits or state disability assistance benefits.

(3) The department shall prohibit an individual who has property assets assessed at a value higher than $200,000.00 from receiving assistance through a department-administered program, unless prohibiting assistance would violate a federal law or guideline.

(4) The department shall make a reasonable attempt to obtain an up-to-date telephone number for an individual seeking medical assistance benefits during the eligibility determination or redetermination process for the individual.

Sec. 8-687. (1) On a quarterly basis, the department shall compile and make available a report on its website that contains all of the following information about the family independence program, state disability assistance, the food assistance program, indigent burial, Medicaid, and state emergency relief:

(a) The number of applications received.

(b) The number of applications approved.

(c) The number of applications denied.

(d) The number of applications pending and neither approved nor denied.

(e) The number of cases opened.

(f) The number of cases closed.

(g) The number of cases at the beginning of the quarter and the number of cases at the end of the quarter.

(2) The department shall compile and make the information provided under subsection (1) available for this state as a whole and for each county and shall report the information separately for each program listed in subsection (1).

(3) On a quarterly basis, the department shall compile and make available a report on its website of the following family independence program information:

(a) The number of new applicants who successfully met the requirements of the 10-day assessment period for PATH.

(b) The number of new applicants who did not meet the requirements of the 10-day assessment period for PATH.

(c) The number of cases sanctioned because of a school truancy policy.

(d) The number of cases closed because of the lifetime limits.

(e) The number of first-, second-, and third-time sanctions.

(f) The number of children 0 to 5 years of age who are living in a family independence program-sanctioned Household.

Sec. 8-689. (1) From the funds appropriated in part 1 for prenatal and infant support program, the department shall allocate $20,000,000.00 of TANF revenue for programs that are intended to improve the economic stability of households with very young children.

(2) In allocating the funds referenced in subsection (1), the department shall give preference to programs that demonstrate the following:

(a) Effectiveness in improving the economic stability of households with pregnant women at a minimum of 20 weeks gestation, and with young children.

(b) Partnerships with local health care providers and nonprofit human service agencies that provide for improved maternal and infant health outcomes.

(c) Compliance with TANF requirements established by the Administration for Children and Families within the United States Department of Health and Human Services.

(3) By September 30 of the current fiscal year, the department, through agreements with contracted implementing agencies, shall report to the standard report recipients

information for the previous fiscal year on the aggregated demographic data of all program recipients regardless of underlying funding source. The report must include, but not be limited to, aggregated recipient data from contracted implementing agencies with each contracted implementing agency providing the age, race, ethnicity, Hispanic or Latino origin, federal poverty level, funding source, and zip codes of all program recipients.

**CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE**

Sec. 8-702. Not later than December 1 of the current fiscal year, the department shall submit a report to the standard report recipients on all of the following for the prior fiscal year:

(a) The average daily population by month of youth residing at state-run juvenile justice facilities.

(b) The total number of beds at each facility, separated by staffed and unstaffed, for each month.

(c) The average daily number of available beds by month.

(d) The average number of staff vacancies by month.

(e) The data in (a) through (d) must be separated by each facility.

Sec. 8-706. A county is subject to a 50% chargeback for the use of an alternative regional detention service, if the detention service does not fall under the basic grant provision of section 117e of the social welfare act, 1939 PA 280, MCL 400.117e, or if a county operates the detention service program primarily with professional rather than volunteer staff.

Sec. 8-707. To be reimbursed for child care fund expenditures, a county shall submit to the department the report required under section 117a(11) of the social welfare act, 1939 PA 280, MCL 400.117a, to enable the department to document a potential federally claimable expenditure.

Sec. 8-708. (1) As a condition of receiving funds appropriated in part 1 for the child care fund line item, by October 15 of the current fiscal year, a county shall have an approved service spending plan for the current fiscal year. Not later than August 15 of the current fiscal year, a county shall submit the county's service spending plan for the following fiscal year to the department for approval. The department shall approve a county's service spending plan not later than 30 calendar days after the department

receives a properly completed service spending plan from the county that complies with the requirements of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b. The department shall notify and submit revisions to a service spending plan to a county whose service spending plan is not approved after initial submission. The department shall not request any additional revisions to a county's service spending plan outside of the requested revision notification submitted to the county by the department. The department shall notify a county that its service spending plan is approved not later than 30 days after the department considers the county's revisions to the county's service spending plan.

(2) A county shall submit an amendment to its county service spending plan for the current fiscal year to the department not later than August 30 of the current fiscal year. A county shall submit payable estimates for the current fiscal year to the department not later than September 15 of the current fiscal year.

Sec. 8-709. The department's master contract for juvenile justice residential foster care services must prohibit a contractor from denying a referral for placing a youth, or terminating a youth's placement, if the youth's assessed treatment needs are in alignment with the facility's residential program type, as identified by a court or the department. The master contract must also require that a youth placed in a juvenile justice residential foster care facility receives regularly scheduled treatment sessions with a licensed clinician or therapist and has access to the licensed psychologist or a psychiatrist, or both, as clinically indicated.

**LOCAL OFFICE OPERATIONS AND SUPPORT SERVICES**

Sec. 8-801. The department shall submit a quarterly report that contains monthly data to the standard report recipients on the most recent food assistance program error rate derived from the active cases, reported to the United States Department of Agriculture Food and Nutrition Service for the supplemental nutrition assistance program.

Sec. 8-802. From the funds appropriated in part 1 for local office staff travel, the department shall allocate up to $100,000.00 annually toward reimbursing the out-of-pocket costs of county board members and county department directors to attend statewide meetings of the Michigan County Social Services Association.

Sec. 8-807. From the funds appropriated in part 1 for Elder Law of Michigan MiCAFE contract, the department shall allocate not less than $450,000.00 to the Elder Law of

Michigan MiCAFE to assist this state's elderly population in participating in the food assistance program. Of the $450,000.00 allocated under this section, the department shall use $225,000.00 of general fund/general purpose revenue as state matching funds to receive not less than $225,000.00 in funding from the United States Department of Agriculture to provide outreach program activities as part of a statewide food assistance hotline. The outreach program activities may include eligibility screening and information services.

Sec. 8-825. (1) From the funds appropriated in part 1, the department shall provide an individual with not more than $2,000.00 for vehicle repairs, including a repair done in the previous 12 months. The $2,000.00 limit described in this section includes the combined total of payments made by the department and the work participation program.

(2) By February 1 of the current fiscal year, the department shall submit a report to the standard report recipients that details the total amount of funding distributed and the total number of payments made for vehicle repairs.

Sec. 8-826. (1) From the funds appropriated in part 1 for local office policy and administration, not less than $300,000.00 is allocated for the department to contract with the Prosecuting Attorneys Association of Michigan to provide the support and services necessary to increase the capability of this state's prosecutors, adult protective service system, and criminal justice system to effectively identify, investigate, and prosecute elder abuse and financial exploitation.

(2) Not later than March 1 of the current fiscal year, the Prosecuting Attorneys Association of Michigan shall submit a report to the department on the efficacy of the contract. The department shall submit the report to the standard report recipients not later than 30 days after the department receives the report from the Prosecuting Attorneys Association of Michigan.

Sec. 8-850. (1) The department shall maintain each out-stationed eligibility specialist in a community-based organization, community mental health agency, nursing home, adult placement and independent living setting, FQHC, and hospital, unless the community-based organization, community mental health agency, nursing home, adult placement and independent living setting, FQHC, or hospital requests to discontinue the positions at its facility.

(2) From the funds appropriated in part 1 for donated funds positions, the department shall enter into a contract with any agency that is able and eligible under federal law to

provide the required matching funds for federal funding, as determined by federal law.

(3) A contract for a donated funds position for assistance payments must include, but not be limited to, performance metrics on both of the following topics:

(a) Meeting a standard of promptness for processing an application for Medicaid and other public assistance programs under the law of this state.

(b) Meeting required standards for error rates in determining programmatic eligibility, as determined by the department.

(4) The department shall fill an additional donated funds position only after a new contract has been signed with an agency. The position must be abolished when the contract expires or is terminated.

(5) The department shall classify as a limited-term FTE a new employee who is hired to fill a donated funds position contract or is hired to fill a vacancy from an employee who transferred to a donated funds position.

(6) By March 1 of the current fiscal year, the department shall submit a report to the standard report recipients detailing information on the donated funds positions. The report must include, but is not limited to, the total number of occupied positions, the total private contribution of the positions, and the total cost to this state for a nonsalary expenditure for the donated funds position employees.

**DISABILITY DETERMINATION SERVICES**

Sec. 8-890. From the funds appropriated in part 1 for disability determination services, the department shall maintain the unit rates in effect on September 30, 2019 for medical consultants performing disability determination services, including physicians, psychologists, and speech-language pathologists.

**BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS**

Sec. 8-901. The department shall use the funds appropriated in part 1 to support a system of comprehensive community mental health services under the full authority and responsibility of local CMHSPs or PIHPs in accordance with the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, the Medicaid provider manual, federal Medicaid waivers, and all other applicable federal law and the law of this state.

Sec. 8-902. (1) From the funds appropriated in part 1, the department shall make a

final authorization to a CMHSP or PIHP on the execution of a contract between the department and the CMHSP or PIHP. The contract must contain an approved plan and budget and any policy and procedure governing the obligations and responsibilities of each party to the contract. Each contract with a CMHSP or PIHP that the department is authorized to enter into under this subsection must include a provision that the contract is not valid unless the total dollar obligation for all of the contracts between the department and the CMHSPs or PIHPs entered into under this subsection for the current fiscal year does not exceed the amount of money appropriated in part 1 for the contracts authorized under this subsection.

(2) The department shall immediately submit a report to the standard report recipients if either of the following occurs:

(a) The department enters into a new contract with a CMHSP or PIHP that would affect a rate or expenditure.

(b) The department amends a contract that the department has entered into with a CMHSP or PIHP that would affect a rate or expenditure.

(3) The report required by subsection (2) must include information about any changes to the contract and the change's effects on rates and expenditures.

Sec. 8-904. (1) Not later than September 30 of the current fiscal year, the department shall provide a report on the CMHSPs, PIHPs, and designated regional entities for substance use disorder prevention and treatment to the standard report recipients that includes the information required by this section.

(2) The report required under subsection (1) must contain, unless otherwise noted, information for each CMHSP and PIHP and a statewide summary, as follows:

(a) A statewide summary of the demographic description of service recipients that, minimally, includes reimbursement eligibility, client population group, age, ethnicity, housing arrangements, and diagnosis.

(b) Per capita expenditures in total and by client population group.

(c) A statewide summary of Medicaid-funded cost information for the 3 diagnosis groups of adults with a mental illness, children with a serious emotional disturbance, and individuals with an intellectual or developmental disability. The statewide summary must, minimally, include expenditures by service category for each of the 3 diagnosis groups described in this subdivision and cases, units, and cost of each specific service code index or health care common procedure coding system code for each of the 3 diagnosis

groups.

(d) Financial information on non-Medicaid mental health services by general fund cost reporting category.

(e) Lapses and carryforwards during the previous fiscal year for each CMHSP, PIHP, and designated regional entity for substance use disorder prevention and treatment.

(f) Performance indicator information required to be submitted to the department in the contracts with each PIHP.

(g) Administrative expenditures of each CMHSP and PIHP that include a breakout of the salary, benefits, and pension of each executive-level staff, which includes, but is not limited to, the director, chief executive, and chief operating officer.

(3) The report required under subsection (1) must contain the following information from the previous fiscal year on substance use disorder prevention, education, and treatment programs:

(a) A statewide summary of the demographic description of service recipients that, minimally, must include reimbursement eligibility, primary substance of abuse, age, ethnicity, housing arrangements, and sex at birth.

(b) The expenditures stratified by department-designated regional entities for substance use disorder prevention and treatment, by fund source, by subcontractor, by population served, and by service type.

(c) The expenditures per state client, with data on the distribution of expenditures reported using a histogram approach.

(d) The number of services provided by subcontractor and by service type. Additionally, data on length of stay, referral source, and participation in other state programs.

(e) The collections from other first- or third-party payers, private donations, or other state or local programs, by department-designated regional entities for substance use disorder prevention and treatment, by subcontractor, by population served, and by service type.

(f) Information about access to CMHSPs, PIHPs, and designated regional entities for substance use disorder prevention and treatment that includes, but is not limited to, the following:

(i) The number of individuals receiving requested services.

(ii) The number of individuals who requested services but did not receive services.

(4) The department shall include the data reporting requirements described in subsections (2) and (3) in the department's annual contract with each CMHSP, PIHP, and designated regional entity for substance use disorder prevention and treatment.

(5) The department shall take all reasonable actions to ensure that the data required are complete and consistent among all CMHSPs, PIHPs, and designated regional entities for substance use disorder prevention and treatment.

Sec. 8-907. (1) The department shall expend the amount appropriated in part 1 for community substance use disorder prevention, education, and treatment to coordinate care and services provided to individuals with severe and persistent mental illness and substance use disorder diagnoses.

(2) Each managing entity shall continue current efforts to collaborate on the delivery of services to clients with mental illness and substance use disorder diagnoses, with the goal of providing services in an administratively efficient manner.

Sec. 8-909. From the funds appropriated in part 1 for health homes, the department shall use available revenue from the marihuana regulatory fund established in section 604 of the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27604, to improve physical health, expand access to substance use disorder prevention and treatment services, and strengthen the existing prevention, treatment, and recovery systems.

Sec. 8-910. The department shall ensure that substance use disorder treatment is provided to applicants and recipients of public assistance through the department who are required to obtain substance use disorder treatment as a condition of eligibility for public assistance.

Sec. 8-911. (1) The department shall ensure that a contract with a CMHSP or PIHP requires the CMHSP or PIHP to implement programs to encourage the diversion of individuals with a serious mental illness, serious emotional disturbance, or developmental disability from possible jail incarceration, when appropriate.

(2) Each CMHSP or PIHP shall have jail diversion services and shall work toward establishing working relationships with representative staff of local law enforcement agencies, including county prosecutors' offices, county sheriffs' offices, county jails, municipal police agencies, municipal detention facilities, and the courts. Written interagency agreements describing what services each participating agency is prepared to

commit to the local jail diversion effort and the procedures to be used by local law enforcement agencies to access mental health jail diversion services are strongly encouraged.

Sec. 8-914. Not later than June 1 of the current fiscal year, the department shall submit a report to the standard report recipients on outcomes of the funds provided in part 1 to the Michigan Clinical Consultation and Care program (MC3). The outcomes reported must include, but are not limited to, the number of same-day telephone consultations with primary care providers and the number of local resource recommendations made to primary care providers who are providing medical care to patients who need behavioral health services.

Sec. 8-915. From the funds appropriated in part 1 for community substance use disorder prevention, education, and treatment and opioid response activities, the department shall, to the extent possible, provide grants, pursuant to federal law, to local public entities that provide substance use disorder services and to 1 private entity that has a statewide contract to provide community-based substance use disorder services.

Sec. 8-916. From the funds appropriated in part 1 for behavioral health program administration, the department shall allocate $100,000.00 as a grant to a nonprofit mental health clinic located in a county with a population between 290,000 and 300,000 according to the most recent federal decennial census that provides counseling services, accepts clients regardless of their ability to pay for services through sliding scale copayments and volunteer services, and uses fundraising to support their clinic.

Sec. 8-917. From the funds appropriated in part 1 for opioid response activities, the department shall allocate $55,000,000.00 from the Michigan opioid healing and recovery fund created under section 3 of the Michigan trust fund act, 2000 PA 489, MCL 12.253, to programs and services to address the opioid crisis in a manner consistent with the opioid judgement, settlement, or compromise of claims pertaining to violations, or alleged violations, of law related to the manufacture, marketing, distribution, dispensing, or sale of opioids. The funds must be allocated as follows:

(a) $10,000,000 must be allocated for primary prevention activities, including:

(i) $6,000,000 for supporting out of school programming that prevents substance use among teenagers and young adults.

(ii) $1,000,000 for funding for public health communications and outreach to educate

and provide tools to parents to increase knowledge about the impact of substance use and available resources.

(iii) $3,000,000 for reducing the risks of multi-generational addiction and family separations through family substance use supports and youth programming.

(b) $16,500,000 must be allocated for harm reduction, including:

(i) $11,500,000 to continue reducing overdose deaths and preventing infectious disease spread in communities most impacted by substance use through harm reduction agency service expansion.

(ii) $5,000,000 to continue distributing naloxone through community organizations, health systems, first responders, and directly to individuals across the state to prevent fatal overdoses.

(c) $7,000,000 must be allocated to substance use disorder treatment, including:

(i) $6,000,000 for improving access to quality substance use disorder care providers through workforce development programming.

(ii) $1,000,000 to support expanding jail treatment services throughout the state.

(d) $15,000,000 must be allocated for recovery investments, including

(i) $11,000,000 to improve Michigan's ability to provide supportive community services that help encourage individuals to achieve and sustain recovery through recovery community organizations.

(ii) $4,000,000 to support housing, transportation, benefits navigation assistance for people in recovery.

(e) $6,500,000 must be allocated for informed decision-making and evaluation of investments, including:

(i) $2,500,000 in oversight and grants management to promote good government, transparency, and accountability.

(ii) $2,000,000 for data to inform investments and evaluate progress.

(iii) $2,000,000 to invest in Tribal communities and partnerships.

Sec. 8-918. On a quarterly basis, providing monthly data, the department shall submit a report to the standard report recipients on the amount of funding paid to PIHPs to support the Medicaid managed mental health care program. The report must include information on the total paid to each PIHP, per capita rate paid for each eligibility group for each PIHP, the number of cases in each eligibility group for each PIHP, and a year-to-

date summary of eligibles and expenditures for the Medicaid managed mental health care program.

Sec. 8-924. From the funds appropriated in part 1, for the purposes of actuarially sound rate certification and approval for Medicaid behavioral health managed care programs, the department shall maintain a minimum fee schedule of not less than $66.00 per hour for behavioral technicians providing autism services that are reimbursed under CPT code 97153.

Sec. 8-926. (1) From the funds appropriated in part 1 for community substance use disorder prevention, education, and treatment, $1,000,000.00 is allocated for a specialized substance use disorder detoxification project administered by a 9-1-1 service district in conjunction with a substance use and case management provider. The project must be located at a hospital within a 9-1-1 service district with at least 600,000 residents and 15 member communities and that is located within a county with a population of at least 1,500,000 according to the most recent federal decennial census.

(2) The substance use and case management provider receiving funds under this section shall collect and submit to the department data on the outcomes of the project throughout the duration of the project and the department shall submit a report on the project's outcomes to the standard report recipients.

Sec. 8-928. (1) Each PIHP shall provide, from the PIHP's internal resources, local funds to be used as a part of the state match required under the Medicaid program in order to increase capitation rates for PIHPs. The local funds must not include either of the following:

(a) State funds received by a CMHSP for services provided to non-Medicaid recipients.

(b) The state matching portion of the Medicaid capitation payments made to a PIHP.

(2) Not later than April 1 of the current fiscal year, the department shall report to the standard report recipients on the lapse by PIHP from the previous fiscal year and the projected lapse by PIHP in the current fiscal year.

Sec. 8-929. From the funds appropriated in part 1 for Michigan Clinical Consultation and Care, the department shall allocate at least $325,000.00 to address needs in a city in which a declaration of emergency was issued because of drinking water contamination.

Sec. 8-935. A county required under the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide matching funds to a CMHSP for mental health services rendered to residents in the county's jurisdiction shall pay the matching funds in equal installments

on not less than a quarterly basis throughout the fiscal year, with the first payment being made by October 1 of the current fiscal year.

Sec. 8-940. (1) In accordance with section 236 of the mental health code, 1974 PA 258, MCL 330.1236, the department shall review expenditures for each CMHSP to identify any CMHSP with a projected allocation surplus and to identify any CMHSP with a projected allocation shortfall. The department shall encourage the board of a CMHSP with a projected allocation surplus to concur with the department's recommendation to reallocate the projected surplus to a CMHSP with a projected allocation shortfall.

(2) A CMHSP that has its projected surplus reallocated during the current fiscal year as described in subsection (1) is not eligible for an additional funding reallocation during the remainder of the current fiscal year, unless the CMHSP is responding to a public health emergency as determined by the department.

(3) A CMHSP shall report to the department on a proposed reallocation described in this section at least 30 days before the reallocation takes effect.

(4) The department shall notify the chairs of the appropriation subcommittees on the department budget when a request is made and when the department grants approval for a reallocation described in subsection (1). Not later than February 1 of the current fiscal year, the department shall submit a report on the amount of funding reallocated in the previous fiscal year to the standard report recipients.

Sec. 8-942. A CMHSP shall provide at least 30 days' notice before reducing, terminating, or suspending a service provided by the CMHSP to a CMHSP client, unless the service is authorized by a physician and the service no longer meets established criteria for medical necessity.

Sec. 8-960. (1) From the funds appropriated in part 1 for autism services, the department shall continue to cover all Medicaid autism services to Medicaid enrollees eligible for the services that were covered on January 1, 2019.

(2) To restrain cost increases in the autism services line item, the department shall do all of the following:

(a) Require consultation with the client's evaluation diagnostician and PIHP to approve the client's ongoing therapy for 3 years, unless the client's evaluation diagnostician recommended an evaluation before the 3 years or if a clinician on the treatment team recommended an evaluation for the client before the third year.

(b) Limit the authority to perform a diagnostic evaluation for Medicaid autism services to qualified licensed practitioners as determined by the department.

(c) Allow and expand the utilization of telemedicine and telepsychiatry to increase access to diagnostic evaluation services.

(d) Coordinate with the department of insurance and financial services on oversight for compliance with the Paul Wellstone and Pete Domenici mental health parity and addiction equity act of 2008, Public Law 110-343, as it relates to autism spectrum disorder services, to ensure appropriate cost sharing between public and private payers.

(e) Require that Medicaid eligibility be confirmed through prior evaluations conducted by qualified licensed practitioners as determined by the department.

(f) Maintain regular statewide provider trainings on autism spectrum disorder standard clinical best practice guidelines for treatment and diagnostic services.

(3) By March 1 of the current fiscal year, the department shall submit a report to the standard report recipients on total autism services spending broken down by PIHP and CMHSP for the previous fiscal year and current fiscal year and total administrative costs broken down by PIHP, CMHSP, and the type of administrative cost for the previous fiscal year and current fiscal year.

Sec. 8-962. For special projects involving high-need children or adults, including the not guilty by reason of insanity population, the department may contract directly with providers of services to the children and adults described in this section.

Sec. 8-972. From the funds appropriated in part 1 for behavioral health program administration, the department shall allocate not less than $9,386,400.00 of general fund/general purpose revenue and any associated federal match or federal grant funding, including, but not limited to, associated federal 988 grant funding for the mental health telephone access line known as the Michigan crisis and access line (MiCAL), to provide for both of the following in accordance with section 165 of the mental health code, 1974 PA 258, MCL 330.1165:

(a) Primary coverage in a region where a regional national suicide prevention lifeline center does not provide coverage.

(b) Statewide secondary coverage.

Sec. 8-974. The department and a PIHP shall allow an individual with an intellectual or developmental disability who receives supports and services from a CMHSP to instead

receive supports and services from another provider if the individual is eligible and qualified to receive supports and services from another provider. Other providers may include, but are not limited to, MIChoice and PACE.

Sec. 8-978. From the funds appropriated in part 1 for community substance use disorder prevention, education, and treatment and recovery community organizations, the department shall allocate $1,200,000.00 as grants for recovery community organizations in accordance with section 273b of the mental health code, 1974 PA 258, MCL 330.1273b. A grant must be used to offer or expand recovery support center services or recovery community center services to individuals seeking long-term recovery from substance use disorders.

Sec. 8-995. (1) From the funds appropriated in part 1 for mental health diversion council, the department shall allocate $3,850,000.00 to continue to implement the jail diversion programs that are intended to address the recommendations of the mental health diversion council.

(2) Not later than March 1 of the current fiscal year, the department shall submit a report to the standard report recipients on the planned allocation of the funds appropriated for the mental health diversion council.

(3) As used in this section, "mental health diversion council" means the council as that term is defined in section 207e of the mental health code, 1974 PA 258, MCL 330.1207e.

Sec. 8-996. From the funds appropriated in part 1 for family support subsidy, the department shall make monthly payments of $300.36 to a parent or legal guardian of a child approved for the family support subsidy by a CMHSP.

Sec. 8-997. The department shall use population data from the most recent federal data from the United States Census Bureau in determining the distribution of substance use disorder block grant funds.

Sec. 8-998. If the department decides to use census data to distribute state general funds to CMHSPs, the department shall use the most recent federal data from the United States Census Bureau.

**BEHAVIORAL HEALTH SERVICES**

Sec. 8-1001. Not later than May 15 of the current fiscal year, each CMHSP shall submit a report to the department that identifies populations being served by the CMHSP broken down by program eligibility category. The report must also include the percentage of

the operational budget that is related to program eligibility enrollment. Not later than June 30 of the current fiscal year, the department shall submit the reports described in this section to the standard report recipients.

Sec. 8-1002. The funds appropriated in part 1 must not be used by the department to expand the certified community behavioral health clinic demonstration.

Sec. 8-1005. (1) From the funds appropriated in part 1 for health homes, the department shall maintain the number of behavioral health homes and maintain the number of substance use disorder health homes, in place by PIHP region as of September 30 of the previous fiscal year. The department may expand the number of behavioral health homes and the number of substance use disorder health homes in a PIHP region added after October 1 of the current fiscal year.

(2) On a semiannual basis, the department shall submit a report to the standard report recipients on the number of individuals being served and expenditures incurred by each PIHP region by site.

Sec. 8-1006. From the funds appropriated in part 1 for certified community behavioral health clinics, the department shall submit the CCBHC cost efficiency evaluation to the standard report recipients not later than 7 business days after the department's receipt of the final information required from the relevant contractors.

Sec. 8-1008. (1) A PIHP and CMHSP shall do all of the following:

(a) Work to reduce administration costs by ensuring that PIHP and CMHSP responsible functions are efficient in allowing optimal transition of dollars to the direct services considered most effective in assisting individuals served. Any consolidation of administrative functions must demonstrate, by independent analysis, a reduction in dollars spent on administration resulting in greater dollars spent on direct services. Savings resulting from increased efficiencies must not be applied to PIHP and CMHSP net assets, internal service fund increases, building costs, increases in the number of PIHP and CMHSP personnel, or other areas not directly related to the delivery of improved services.

(b) Take an active role in managing mental health care by ensuring consistent and high-quality service delivery throughout its network and promote a conflict-free care management environment.

(c) Ensure that direct service rate variances are related to the level of need or other quantifiable measures to ensure that the most money possible reaches direct services.

(d) Whenever possible, promote fair and adequate direct care reimbursement, including, but not limited to, fair wages for direct service workers.

(2) Not later than June 30 of the current fiscal year, the department shall submit a report to the standard report recipients on any actual reduction of administrative costs over the prior 2 fiscal years.

Sec. 8-1010. (1) The department shall use the funds appropriated in part 1 for behavioral health community supports and services to reduce waiting lists at state-operated hospitals and centers through cost-effective community-based and residential services, including, but not limited to, assertive community treatment, forensic assertive community treatment, crisis stabilization units in accordance with chapter 9A of the mental health code, 1974 PA 258, MCL 330.1971 to 330.1979, and psychiatric residential treatment facilities in accordance with section 137a of the mental health code, 1974 PA 258, MCL 330.1137a.

(2) From the funds appropriated in part 1 for behavioral health community supports and services, the department shall allocate $30,450,000.00 to reimburse private providers for intensive psychiatric treatments and services that are provided outside of state-operated hospitals and centers and for support efforts related to overseeing community-based programs placement.

(3) If a private provider has an existing wait list for intensive psychiatric treatments and services, a reimbursement to the private provider under this section must not be conditioned on the private provider giving wait-list priority to individuals placed with funds appropriated in this section.

(4) Not later than March 1 of the current fiscal year, the department shall submit a report to the standard report recipients on all of the following:

(a) The types of community supports and services purchased.

(b) The quantity, measured by days or other relevant unit of service, of each community support and service purchased.

(c) The quantifiable impact of the purchase of community supports and services, including the number of individuals served, the number of successful discharges, and the number of re-escalations to either the discharging entity or a state psychiatric hospital.

Sec. 8-1014. (1) From the funds appropriated in part 1 to agencies providing physical and behavioral health services to multicultural populations, the department shall award

grants in accordance with the requirements of subsections (2) and (3). This state is not liable for any spending above the contract amount. The department shall not release funds until reporting requirements under section 1014 of article 6 of 2024 PA 121 are satisfied.

(2) The department shall require each contractor described in subsection (1) that receives greater than $1,000,000.00 in state grant funding to comply with performance-related metrics to maintain their eligibility for funding. The performance-related metrics shall include, but not be limited to, all of the following:

(a) Each contractor or subcontractor shall have accreditations that attest to their competency and effectiveness as behavioral health and social service agencies.

(b) Each contractor or subcontractor shall have a mission that is consistent with the purpose of the multicultural agency.

(c) Each contractor shall validate that any subcontractors utilized within these appropriations share the same mission as the lead agency receiving funding.

(d) Each contractor or subcontractor shall demonstrate cost-effectiveness.

(e) Each contractor or subcontractor shall ensure their ability to leverage private dollars to strengthen and maximize service provision.

(f) Each contractor or subcontractor shall provide timely and accurate reports regarding the number of clients served, units of service provision, and ability to meet their stated goals.

(3) The department shall require each contractor described in subsection (1) to ensure that the funds appropriated in this section are only used on proven or established programs.

(4) The department shall require an annual report from the contractors described in subsection (2). The annual report, due 60 days following the end of the contract period, must include specific information on services and programs provided, the client base to which the services and programs were provided, information on any wraparound services provided, and the expenditures for those services. Not later than February 1 of the current fiscal year, the department must submit the annual reports to the standard report recipients.

Sec. 8-1034. (1) PIHPs must verify, on a quarterly basis, to the department and to the standard report recipients that every provider within the PIHP's provider network receives not less than the applicable reimbursement rates or fees required in sections 924

and 231 of this part. The verification under this subsection must provide actual claims and utilization data.

(2) The department shall seek CMS approval to exclude PIHPs that are not compliant with subsection (1) from all performance incentives available to PIHPs.

(3) The department shall audit the claims and utilization data provided in this section. If the department audit determines that a PIHP reimburses any provider within that PIHP's provider network at a rate less than the applicable reimbursement rates or fees required in sections 924 and 231 of this part, the department shall notify that PIHP that it is not eligible for performance incentives funded in part 1. Not later than 10 days after a notification to a PIHP under this subsection, the department shall notify the standard report recipients that the PIHP is not eligible for performance incentives funded in part 1.

**STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES**

Sec. 8-1052. The department shall use gifts and bequests received for patient living and treatment environments for additional private funds to provide specific enhancements for individuals residing at state-operated facilities. The department shall use the gifts and bequests consistent with the stipulation of the donor. The department shall use gift and bequest donations within 3 years unless otherwise stipulated by the donor.

Sec. 8-1055. (1) The department shall not implement a closure or consolidation of a state hospital, center, or agency, until each CMHSP or PIHP affected by the closure or consolidation has programs and services in place for the individuals currently in the hospital, center, or agency that is to be closed or consolidated, and has a plan for providing services to the individuals who would have been admitted to the hospital, center, or agency.

(2) A closure or consolidation is dependent on adequate department-approved CMHSP and PIHP plans that include a discharge and aftercare plan for each individual currently in a facility described in subsection (1). A discharge and aftercare plan must address an individual's housing needs. A homeless shelter or similar temporary shelter arrangement is inadequate to meet an individual's housing needs.

(3) Four months after a closure is certified under section 19(6) of the state employees' retirement act, 1943 PA 240, MCL 38.19, the department shall provide a closure

plan to the standard report recipients.

(4) On the closure of a hospital, center, or agency and after transitional costs have been paid, the remaining balances of funds appropriated for the hospital, center, or agency must be transferred to CMHSPs or PIHPs responsible for providing services for individuals previously served by the hospital, center, or agency.

Sec. 8-1056. The department may collect revenue for patient reimbursement from first- and third-party payers, including Medicaid and local county CMHSP payers, to cover the cost of patient placement in state hospitals and centers. The department may adjust financing sources for patient reimbursement based on actual revenues earned. If the revenue collected exceeds current year expenditures, the revenue may be carried forward with approval of the state budget director. The department shall use the revenue carried forward as a first source of funds in the subsequent year.

Sec. 8-1058. Effective October 1 of the current fiscal year, the department, in consultation with the department of technology, management, and budget, may maintain a bid process to identify 1 or more private contractors to provide food and custodial services for the administrative areas at a state hospital identified by the department as capable of generating savings through the outsourcing of food and custodial services.

Sec. 8-1059. (1) The department shall identify specific outcomes and performance measures for state-operated hospitals and centers. Unless specified, the outcomes and performance measures must be calculated on an average monthly basis from the previous calendar year, as follows:

(a) The average wait time from the time of the receipt of a court order for the treatment of an individual who is determined incompetent to stand trial until the individual's admission to the center for forensic psychiatry or other state-operated psychiatric hospital.

(b) The average number of individuals determined not guilty by reason of insanity by an order of the court who, on the first day of each month, are waiting to receive admission into the center for forensic psychiatry or other state-operated psychiatric hospital.

(c) The average number of adults who, on the first day of each month, are waiting to receive admission into another state-operated hospital or center through the civil admissions process.

(d) The average number of children who, on the first day of each month, are waiting

to receive admission into another state-operated hospital or center through the civil admissions process.

(e) The average wait time for an adult who is awaiting admission into another state-operated hospital or center through the civil admissions process.

(f) The average wait time for a child who is awaiting admission into another state-operated hospital or center through the civil admissions process.

(g) The number of individuals determined not guilty by reason of insanity or incompetent to stand trial by an order of the court who have been determined to be ready for discharge to the community, and the average wait time between being determined to be ready for discharge to the community and actual community placement.

(h) The number of adults admitted through the civil admission process that have been determined to be ready for discharge to the community, and the average wait time between being determined to be ready for discharge to the community and actual community placement.

(i) The number of children admitted through the civil admission process that have been determined to be ready for discharge to the community, and the average wait time between being determined to be ready for discharge to the community and actual community placement.

(j) The most recent 12-month total number of individuals determined not guilty by reason of insanity by an order of the court ordering the individual to be admitted into the center for forensic psychiatry or other state-operated psychiatric hospital.

(k) The most recent 12-month total number of adults requested to be admitted to a state-operated hospital or center through the civil admissions process.

(l) The most recent 12-month total number of children requested to be admitted to a state-operated hospital or center through the civil admissions process.

(m) The number of individuals determined not guilty by reason of insanity by an order of the court who were removed from the admissions waiting list and the reason for the removal from the admissions waiting list.

(n) The number of adults awaiting admission through the civil admission process removed from the admission waiting list and the reason for the removal from the admission waiting list.

(o) The number of children awaiting admission through the civil admission process removed from the admission waiting list and the reason for the removal from the admission

waiting list.

(p) The number of individuals determined not guilty by reason of insanity by an order of the court and not admitted into the center for forensic psychiatry or other state-operated hospital or center, and the rationale for the individual not being admitted.

(q) The number of adults not admitted into the other state-operated hospitals or centers through the civil admissions process and the rationale for the individual not being admitted.

(r) The number of children not admitted into a state-operated hospital or center through the civil admission process and the rationale for the individual not being admitted.

(2) Not later than April 1 of the current fiscal year, the department shall submit a report to the standard report recipients of this part on the outcomes and performance measures required under subsection (1).

Sec. 8-1060. Not later than March 1 of the current fiscal year, the department shall submit a report on mandatory overtime, staff turnover, and staff retention at the state psychiatric hospitals and centers to the standard report recipients. The report must include, but is not limited to, the following:

(a) The number of direct care and clinical staff positions that are currently vacant by hospital, and how that number compares to the number of vacancies during the previous fiscal year.

(b) A breakdown of voluntary and mandatory overtime hours worked by position and by hospital, and how that breakdown compares to the breakdown of voluntary and mandatory overtime hours during the previous fiscal year.

(c) The ranges of wages paid by position and by hospital, and how the ranges of wages paid compare to wages paid during the previous fiscal year.

Sec. 8-1063. (1) From the funds appropriated in part 1 for southeast Michigan state psychiatric hospital, the department shall maintain a psychiatric transitional unit and children's transition support team. The unit and support team described in this subsection shall augment the continuum of behavioral health services for high-need youth and provide additional continuity of care and transition into supportive community-based services.

(2) The outcome and performance measures for the unit and support team described in subsection (1) include, but are not limited to, the following:

(a) The rate of rehospitalization for youth served through the unit or support team at 30 and 180 days.

(b) The measured change in the Michigan Child and Adolescent Needs and Strengths tool for youth and families served through the unit or support team.

**HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES**

Sec. 8-1140. From the funds appropriated in part 1 for primary care services, $400,000.00 is allocated to free health clinics operating in this state. The department shall distribute the funds equally to each free health clinic. As used in this section, "free health clinic" means a nonprofit organization that uses a volunteer health professional to provide care to an uninsured individual.

Sec. 8-1143. From the funds appropriated in part 1 for primary care services, the department shall allocate no less than $675,000.00 for island primary health care access and services including island clinics, in the following amounts:

(a) Beaver Island, $250,000.00.

(b) Mackinac Island, $250,000.00.

(c) Drummond Island, $150,000.00.

(d) Bois Blanc Island, $25,000.00

Sec. 8-1145. The department shall take steps necessary to work with the Indian Health Service, tribal health program facilities, or Urban Indian Health Program facilities, that provide services under a contract with a Medicaid managed care entity to ensure that the facilities described in this section receive the maximum amount allowable under federal law for Medicaid services.

Sec. 8-1146. From the funds appropriated in part 1 for domestic violence prevention and treatment, the department shall allocate $1,000,000.00 to support programs that serve survivors of domestic violence, sexual violence, and human trafficking. The funds appropriated in this section must be allocated in the following manner:

(a) $500,000.00 must be used at the discretion of the Department to provide technical assistance, training, and support to victim service organizations and must be allocated to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501. To be eligible for funding under this subsection, the nonprofit organization must be a statewide

tribal domestic violence and sexual assault coalition serving the tribes located in this state recognized as the tribal coalition in Michigan by the Federal Office of Violence Against Women.

(b) $500,000.00 must be allocated to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501 recognized as The Domestic and Sexual Violence Coalition in Michigan by the Federal Office of Violence Against Women.

Sec. 8-1153. From the funds appropriated in part 1 for crime victim rights sustaining grants, the department shall allocate $102,600.00 of state general fund/general purpose revenue for a sexual assault nurse examiners program at a hospital that is located in a city with a population between 21,600 and 21,700 in a county with a population between 64,300 and 64,400, according to the most recent federal decennial census. The funds allocated under this section must be used to support staff compensation and training, victim needs, and community awareness, education, and prevention programs.

Sec. 8-1155. (1) From the funds appropriated in part 1 for the uniform statewide sexual assault evidence kit tracking system, in accordance with the final report of the Michigan sexual assault evidence kit tracking and reporting commission, the department shall allocate $369,500.00 for administering a uniform statewide sexual assault evidence kit tracking system. The system must include all of the following:

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

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

(c) Secure electronic access for victims.

(d) The ability to accommodate concurrent data entry with kit collection through mechanisms that include, but are not limited to, web entry through computers or smartphones, and through scanning devices.

(2) The sexual assault evidence tracking fund established in section 1451 of 2017 PA 158 shall continue to be maintained in the department of treasury. Money in the sexual assault evidence tracking fund at the close of a fiscal year remains in the sexual assault evidence tracking fund, does not revert to the general fund, and is appropriated as provided by law for the development and implementation of a uniform statewide sexual

assault evidence kit tracking system as described in subsection (1).

Sec. 8-1157. (1) From the funds appropriated in part 1 for child advocacy centers - supplemental grants, the department shall allocate $2,000,000.00 to provide additional funding to child advocacy centers to support the general operations of child advocacy centers. The department shall allocate the additional funding to each center according to the formula under this section. The department shall set a formula in consultation with children's advocacy centers of Michigan (CAC-MI) to allocate the additional funding. The formula must include base funding for each program and factors, such as the number of children in the service area, square miles of the service area, and prior service levels. The purpose of the additional funding is to increase the amount of services provided to children and their families who are victims of abuse over the amount provided in the previous fiscal year.

(2) Not later than March 1 of the current fiscal year, the department shall submit to the standard report recipients a report on the distribution of child advocacy center - supplemental grants funding from the previous fiscal year. The report must include the amount allocated to each specific child advocacy center or other community-based child protection entity, including, but not limited to, child abuse councils.

Sec. 8-1158. From the funds appropriated in part 1 for crime victim rights sustaining grants, the department shall allocate $29,897,400.00 to supplement the loss of federal victims of crime act and state crime victim rights funding. The department must distribute the funds consistent with the regular allocation formula for crime victim justice grants and crime victim rights services grants.

Sec. 8-1160. Not later than March 1 of the current fiscal year, the department shall submit to the standard report recipients a report on the distribution of crime victim rights justice assistance grants, crime victim rights services grants, and crime victim rights sustaining grants from the previous fiscal year. The report must include the amount allocated to nonprofit agencies for crime victim services listed by agency and the amount of funding that the department has used for administrative purposes.

**EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND LABORATORY**

Sec. 8-1180. From the funds appropriated in part 1 for epidemiology administration and for childhood lead program, the department shall maintain a public health drinking

water program and maintain enhanced efforts to monitor child blood lead levels. The public health drinking water program shall ensure that appropriate investigations of potential health hazards occur for all community and noncommunity drinking water supplies where chemical exceedances of action levels, health advisory levels, or maximum contaminant limits are identified. The goals of the childhood lead program must include improving the identification of children affected by lead exposure, improving the timeliness of case follow-up, and attaining nurse care management for children with lead exposure, and to achieve a long-term reduction in the percentage of children in this state with elevated blood lead levels.

Sec. 8-1181. From the funds appropriated in part 1 for epidemiology administration, the department shall maintain a vapor intrusion response program. The vapor intrusion response program shall assess risks to public health at vapor intrusion sites and respond to vapor intrusion risks if appropriate. The goals of the vapor intrusion response program must include reducing the number of individuals who are exposed to toxic substances through vapor intrusion and improving health outcomes for individuals who are identified as having been exposed to vapor intrusion.

Sec. 8-1182. Not later than April 1 of the current fiscal year, the department shall submit a report to the standard report recipients on the expenditures and activities undertaken by the lead abatement program during the previous fiscal year using the funds previously appropriated for the healthy homes program. The report must include, but is not limited to, a funding allocation schedule, the expenditures by category of expenditure and by subcontractor, a description of program elements, the number of housing units abated of lead-based paint hazards by zip code, and a description of program accomplishments and progress.

**LOCAL HEALTH AND ADMINISTRATIVE SERVICES**

Sec. 8-1220. The amount appropriated in part 1 for implementation of the 1993 additions of or amendments to sections 9161, 16221, 16226, 17015, and 17515 of the public health code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17015, and 333.17515, must be used to reimburse local health departments for costs incurred to implement section 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

Sec. 8-1221. If a county that participates in a district health department or has an

associated arrangement with another local health department takes action to stop participating in that arrangement after October 1 of the current fiscal year, the department may assess a penalty from the local health department's operational accounts in an amount equal to no more than 6.25% of the local health department's essential local public health services funding. The department shall assess a penalty only if a county requests the dissolution of the health department.

Sec. 8-1222. (1) The department shall prospectively allocate funds appropriated in part 1 for essential local public health services to local health departments to support immunizations, infectious disease control, sexually transmitted disease control and prevention, hearing screening, vision services, food protection, public water supply, private groundwater supply, and on-site sewage management. The department shall consult with the department of agriculture and rural development before allocating funds for food protection under this section. The department shall consult with the department of environment, Great Lakes, and energy before allocating funds for public water supply, private groundwater supply, and on-site sewage management under this section.

(2) The department shall not distribute funds under subsection (1) to a county unless the county maintains local spending in the current fiscal year in an amount that is equal to or exceeds the amount the county expended in fiscal year 1992-1993 for the services described in subsection (1).

(3) Not later than February 1 of the current fiscal year, the department shall submit a report to the standard report recipients on the planned allocation of the funds appropriated for essential local public health services.

(4) The department shall continue to implement the distribution formula for allocating essential local public health services funding to local health departments as specified in section 1234 of article X of 2018 PA 207.

(5) From the funds appropriated in part 1 for essential local public health services, each local public health department is allocated not less than the amount allocated to that local public health department during the previous fiscal year.

Sec. 8-1227. The department shall establish criteria for all funds allocated for health and wellness initiatives. The criteria must include a requirement that a program receiving funding is evidence-based and supported by research, includes interventions that have been shown to demonstrate outcomes that lower cost and improve quality, and is

designed for statewide impact. The department shall give preference to a program that uses the funding as match for additional resources, including, but not limited to, federal sources.

Sec. 8-1231. (1) From the funds appropriated for local health services, up to $4,750,000.00 is allocated for grants to local health departments to support PFAS response and emerging public health threat activities. The department shall allocate a portion of the funding in a collaborative fashion with local health departments in jurisdictions experiencing PFAS contamination. The department shall allocate the remainder of the funding to address infectious and vector-borne disease threats, and other environmental contamination issues, including, but not limited to, vapor intrusion, drinking water contamination, and lead exposure. The department shall allocate the funding to address issues including, but not limited to, staffing, planning and response, and creating and disseminating materials related to PFAS contamination issues and other emerging public health issues and threats.

(2) Not later than March 1 of the current fiscal year, the department shall submit a report to the standard report recipients on actual expenditures in the previous fiscal year and planned spending in the current fiscal year of the funds described in subsection (1). The report must include recipient entities, the amount of allocation, the general category of allocation, and detailed uses.

Sec. 8-1232. The department may work to ensure that the United States Department of Defense reimburses the state for costs associated with PFAS and environmental contamination response at military training sites and support facilities.

Sec. 8-1233. The department shall not expend general fund and state restricted fund appropriations in part 1 for PFAS and environmental contamination response if federal funding or private grant funding is available for the same expenditures.

Sec. 8-1239. The department shall participate in and give necessary assistance to the Michigan PFAS action response team (MPART) pursuant to Executive Order No. 2019-03. The department shall collaborate with MPART and other departments to carry out appropriate activities, actions, and recommendations as coordinated by MPART. Efforts must be continuous to ensure that the department's activities are not duplicative with activities of another department or agency.

Sec. 8-1240. From the funds appropriated in part 1 for chronic disease control and

health promotion administration, $70,000.00 is allocated to support a rare disease advisory council and the responsibilities of the rare disease advisory council, which may include all of the following:

(a) Developing a list of rare diseases.

(b) Posting the list of rare diseases on the department's website.

(c) Updating the list of rare diseases.

(d) Annually investigating and reporting to the legislature on 1 rare disease on the list, and including legislative recommendations in the report.

Sec. 8-1241. (1) From the funds appropriated in part 1 for community health programs, the department shall support preventive health supports and services in regions with high health care access and outcome disparities. The department shall use the funds appropriated pursuant to this section to provide for all of the following:

(a) Financial support for the operation of community-based health clinics. A community-based health clinic shall provide preventive health supports and services, be established in communities with high social vulnerability and health disparities and be operated in cooperation with trusted community partners with demonstrated experience in serving as an access point for preventive health supports and services.

(b) Financial support for the operation of healthy community zones. The healthy community zones must utilize long-term strategies to address access to healthy food, affordable housing, and safety networks.

(c) Financial support for the operation of mobile health units to provide preventive health supports and services for individuals residing in areas with high disparities in health care outcomes and access.

(2) Not later than March 1 of the current fiscal year, the department shall submit to the standard report recipients a report on the outcome of the community health programs described in subsection (1). The report must include, but is not limited to, all of the following:

(a) The list of communities served.

(b) The types of health services offered by grant recipients.

(c) A spending report from the grant recipients.

**FAMILY HEALTH SERVICES**

Sec. 8-1302. From the funds appropriated in part 1 for special projects, the department shall allocate $500,000.00 of TANF revenue to purchase child restraint systems for newborn children who are TANF eligible. The child restraint systems must meet the standards of all applicable federal law and the laws of this state, be purchased in volume by this state, and be distributed through maternal infant health program providers.

Sec. 8-1306. (1) From the funds appropriated in part 1 for the drinking water declaration of emergency, the department shall allocate funds to address needs in a city in which a declaration of emergency was issued because of drinking water contamination. The funds allocated under this section may be used to support any of the following activities:

(a) Nutrition assistance, nutritional and community education, food bank resources, and food inspections.

(b) Epidemiological analysis and case management of individuals at risk of elevated blood lead levels.

(c) Support for child and adolescent health centers, and the children's health care access program.

(d) Nursing services, breastfeeding education, evidence-based home visiting programs, intensive services, and outreach for children exposed to lead coordinated through local community mental health organizations.

(e) Department local office operations costs.

(f) Lead poisoning surveillance, investigations, treatment, and abatement.

(g) Nutritional incentives provided to local residents through the double up food bucks expansion program.

(h) Genesee County health department food inspectors to perform water testing at local food service establishments.

(i) Transportation related to health care delivery.

(j) Senior initiatives.

(k) Lead abatement contractor workforce development.

(l) Any other activity that the department considers appropriate.

(2) From the funds appropriated in part 1 for the drinking water declaration of emergency, the department shall allocate $500,000.00 for rides to wellness through the Flint mass transportation authority.

Sec. 8-1308. From the funds appropriated in part 1 for prenatal care outreach and

service delivery support, the department shall allocate not less than $500,000.00 for evidence-based programs to reduce infant mortality. The funds must be used for enhanced support and education to nursing teams or other teams of health professionals that the department considers qualified, client recruitment in areas designated as underserved for obstetrical and gynecological services and in other high-need communities, strategic planning to expand and sustain programs, and marketing and communications of programs to raise awareness, engage stakeholders, and recruit nurses.

Sec. 8-1311. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, the department shall allocate not less than $2,750,000.00 of state general fund/general purpose revenue for a rural home visit program. The department shall give equal consideration to all eligible evidence-based providers in all regions in contracting for rural home visitation services.

Sec. 8-1313. (1) From the funds appropriated in part 1, the department shall continue developing an outreach program on fetal alcohol syndrome services, targeting health promotion, prevention, and intervention.

(2) The department shall explore federal grant funding to address prevention services for fetal alcohol syndrome and to reduce alcohol consumption among pregnant women.

Sec. 8-1314. From the funds appropriated in part 1, the department shall enhance the department's education and outreach efforts that encourage women of childbearing age to seek the confirmation of a pregnancy at the earliest indication of a possible pregnancy and to initiate continuous and routine prenatal care on the confirmation of a pregnancy. The department shall ensure that the department's programs, policies, and practices promote prenatal and obstetrical care by doing all of the following:

(a) Supporting access to care.

(b) Reducing and eliminating barriers to care.

(c) Supporting recommendations for best practices.

(d) Encouraging optimal prenatal habits, including, but not limited to, prenatal medical visits, use of prenatal vitamins, and the cessation of tobacco use, alcohol use, or drug use.

(e) Tracking birth outcomes to study improvements in prevalence of neonatal substance exposure, fetal alcohol syndrome, and other preventable neonatal disease.

(f) Tracking maternal increase in healthy behaviors following childbirth.

Sec. 8-1315. From the funds appropriated in part 1 for dental programs, $200,000.00 is allocated to the Michigan Dental Association for the administration of a volunteer dental program that provides dental services to the Uninsured.

Sec. 8-1316. The department shall use revenue from permit fees for mobile dental facilities that the department receives under section 21605 of the public health code, 1978 PA 368, MCL 333.21605, to offset the costs of processing and issuing permits for mobile dental facilities.

Sec. 8-1325. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, the department shall allocate $5,000,000.00 to support grants to local collaboratives to enhance the ability of local collaboratives to coordinate and improve maternal and infant health outcomes. To receive a grant under this section, a local collaborative must be a part of a perinatal quality collaborative.

Sec. 8-1341. The department shall use income eligibility and verification guidelines established by the Food and Nutrition Service agency of the United States Department of Agriculture to determine eligibility of individuals for the special supplemental nutrition program for women, infants, and children (WIC) as stated in current WIC policy.

Sec. 8-1343. (1) From the funds appropriated in part 1 for dental programs, the department shall allocate $4,260,000.00 of state and local funds, plus any private contributions received to support the program, to establish and maintain the dental oral assessment program described in section 9316 of the public health code, 1978 PA 368, MCL 333.9316.

(2) Not later than December 31 of the current fiscal year, the department shall submit a report to the standard report recipients that provides a summary of the dental reports the department receives from principals and administrators under section 9316 of the public health code, 1978 PA 368, MCL 333.9316.

Sec. 8-1349. Subject to federal approval, from the funds appropriated in part 1 for immunization program, the department shall allocate all of the following funds to support a statewide media campaign for improving this state's immunization rates:

(a) $740,000.00 of general fund/general purpose revenue.

(b) Any available work project funds.

(c) Any available federal match through a contract administered by the department with oversight from the behavioral and physical health and aging services administration

and the public health administration.

**CHILDREN'S SPECIAL HEALTH CARE SERVICES**

Sec. 8-1360. From the funds appropriated in part 1, the department may do 1 or more of the following:

(a) Provide special formulas for eligible individuals with specified metabolic and allergic disorders.

(b) Provide medical care and treatment to eligible individuals with cystic fibrosis who are 26 years of age or older.

(c) Provide medical care and treatment to eligible individuals with hereditary coagulation defects, commonly known as hemophilia, who are 26 years of age or older.

(d) Provide human growth hormone to eligible individuals.

(e) Provide mental health care to eligible individuals for mental health needs that result from, or are a symptom of, the individual's qualifying medical condition.

(f) Provide medical care and treatment to eligible individuals with sickle cell disease who are 26 years of age or older.

Sec. 8-1361. From the funds appropriated in part 1 for medical care and treatment, the department may spend the funds to continue developing and expanding telemedicine capacity to allow families with children in the children's special health care services program to access specialty providers more readily and in a more timely manner. The department may spend funds to support chronic complex care management of children enrolled in the children's special health care services program to minimize hospitalizations and reduce costs to the program while improving outcomes and quality of life. As used in this section, "children's special health care services program" or "program" means the program established under section 5815 of the public health code, 1978 PA 368, MCL 333.5815.

**AGING SERVICES**

Sec. 8-1402. The department may encourage the Food Bank Council of Michigan to collaborate directly with each area agency on aging and any other organization that provides senior nutrition services to secure the food access of older adults.

Sec. 8-1403. (1) From the funds appropriated in part 1, the department may implement a palliative care advisory task force. The palliative care advisory task force shall do all

of the following:

(a) Provide the legislature with a recommended definition for palliative care in this state.

(b) Conduct research on palliative care.

(c) Make recommendations that will expand the provision of palliative care.

(d) Identify palliative care services that are offered and measures for reimbursement of the services.

(e) Develop key program metrics for palliative care services and make recommendations to the department and the legislature.

(f) Collaborate with individuals who are able to improve and expand high-quality palliative care services.

(g) Develop engagement strategies to educate the public on access to palliative care and to improve an individual's ability to make informed decisions on preferred care.

(h) Identify the capacity of palliative care providers to provide palliative care services.

(2) If the department implements the task force described in subsection (1), then not later than January 1 of the current fiscal year, the palliative care advisory task force shall submit to the standard report recipients a report that identifies the palliative care services available in this state and any palliative care services that are not offered in this state but would provide a benefit.

Sec. 8-1404. From the funds appropriated in part 1 for community services, the department shall allocate $658,000.00 to area agencies on aging for home and community-based services.

Sec. 8-1417. Not later than March 31 of the current fiscal year, the department shall submit to the standard report recipients a report that contains all of the following information:

(a) The total allocation of state resources made to each area agency on aging by individual program and administration.

(b) Detailed expenditures by each area agency on aging by individual program and administration, including both state-funded resources and locally funded resources.

Sec. 8-1421. From the funds appropriated in part 1 for community services, $1,100,000.00 is allocated for locally determined needs that are provided by area agencies

on aging.

**HEALTH AND AGING SERVICES ADMINISTRATION**

Sec. 8-1512. From the funds appropriated in part 1, the department shall maintain the Medicaid encounter quality initiative report to separate nonclinical administrative costs from actual claims and encounter costs.

Sec. 8-1518. The department shall coordinate with the department of licensing and regulatory affairs to ensure that, on the issuance of an order suspending the license of an adult foster care facility, home for the aged, or nursing home, the department of licensing and regulatory affairs provides a notice to the department, to the house and senate appropriations subcommittees on the department budget, and to the members of the house of representatives and senate that represent the legislative districts of the county in which the adult foster care facility, home for the aged, or nursing home is located.

**HEALTH SERVICES**

Sec. 8-1605. The protected income level for Medicaid coverage determined under section 106(1)(b)(iii) of the social welfare act, 1939 PA 280, MCL 400.106, is 100% of the related public assistance standard.

Sec. 8-1606. For the purpose of guardian and conservator charges, the department may deduct up to $83.00 per month as an allowable expense against a recipient's income when determining Medicaid eligibility and patient pay amounts.

Sec. 8-1607. (1) The department shall immediately presume that an applicant for Medicaid whose qualifying condition is pregnancy is eligible for Medicaid coverage, unless the preponderance of evidence in the applicant's application indicates otherwise. The applicant who is qualified as described in this subsection is allowed to select or remain with the Medicaid participating obstetrician of the applicant's choice.

(2) Each qualifying applicant is entitled to receive all medically necessary obstetrical and prenatal care without preauthorization from a health plan. All claims submitted for payment for obstetrical and prenatal care must be paid at the Medicaid fee-for-service rate if a contract does not exist between the Medicaid participating obstetrical or prenatal care provider and the managed care plan. The applicant must receive a listing of Medicaid physicians and managed care plans in the immediate vicinity of the

applicant's residence.

(3) If an applicant, presumed to be eligible for Medicaid under subsection (1), is subsequently found to be ineligible, a Medicaid physician or managed care plan that has been providing pregnancy services to the applicant is entitled to reimbursement for the services until the Medicaid physician or managed care plan is notified by the department that the applicant was found to be ineligible for Medicaid.

(4) If the preponderance of evidence in an application under subsection (1) indicates that the applicant is not eligible for Medicaid, the department shall refer the applicant to the nearest public health clinic or similar entity as a potential source for receiving pregnancy-related services.

(5) The department shall develop an enrollment process for applicants covered under this section that facilitates the selection of a managed care plan at the time of application.

(6) The department shall require that Medicaid managed care plans enroll women whose qualifying condition for Medicaid is pregnancy.

(7) The department shall encourage physicians to provide an applicant whose qualifying condition for Medicaid is pregnancy with a referral to a Medicaid participating dentist at the applicant's first pregnancy-related appointment.

Sec. 8-1611. (1) For care provided to Medicaid recipients with other third-party sources of payment, Medicaid reimbursement shall not exceed, in combination with such other resources, including Medicare, those amounts established for Medicaid-only patients. The Medicaid payment rate shall be accepted as payment in full. Other than an approved Medicaid copayment, no portion of a provider's charge shall be billed to the recipient or any person acting on behalf of the recipient. This section does not affect the level of payment from a third-party source other than the Medicaid program. The department shall require a nonenrolled provider to accept Medicaid payments as payment in full.

(2) Notwithstanding subsection (1), if a hospital service is provided to a dual Medicare/Medicaid recipient with only Medicare part B coverage, the Medicaid reimbursement must equal, when combined with a payment for Medicare or other third-party source of payment, the amount established for a Medicaid-only patient, including a capital payment.

Sec. 8-1620. (1) If a Medicaid claim is a fee-for-service Medicaid claim, the professional dispensing fee for a drug that is listed as a medication on the Michigan

pharmaceutical products list is $20.02 or the pharmacy's submitted dispensing fee, whichever is less.

(2) If a Medicaid claim is a fee-for-service Medicaid claim, the professional dispensing fee for a drug that is not listed as a specialty medication on the Michigan pharmaceutical products list is as follows:

(a) If the drug is indicated as preferred on the department's preferred drug list, $10.80 or the pharmacy's submitted dispensing fee, whichever is less.

(b) If the drug is not on the department's preferred drug list, $10.64 or the pharmacy's submitted dispensing fee, whichever is less.

(c) If the drug is indicated as nonpreferred on the department's preferred drug list, $9.00 or the pharmacy's submitted dispensing fee, whichever is less.

Sec. 8-1626. (1) Not later than January 15 of the current fiscal year, each pharmacy benefit manager that receives reimbursements directly, through a department-administered fee-for-services contract, or through a Medicaid health plan, from the funds appropriated in part 1 for health services must submit all of the following information to the department for the previous fiscal year:

(a) The total number of prescriptions that were dispensed.

(b) The aggregate fiscal year paid pharmacy claims repriced using the wholesale acquisition cost for each drug on its formulary.

(c) The aggregate amount of rebates, discounts, and price concessions that the pharmacy benefit manager received for each drug on its formulary. The aggregate amount of rebates must include any utilization discounts the pharmacy benefit manager received from a manufacturer.

(d) The aggregate amount of administrative fees that the pharmacy benefit manager received from all pharmaceutical manufacturers.

(e) The aggregate amount identified in subdivisions (b) and (c) that were retained by the pharmacy benefit manager and did not pass through to the department or to the Medicaid health plan.

(f) The aggregate amount of reimbursements the pharmacy benefit manager paid to contracting pharmacies.

(g) Any other information considered necessary by the department.

(2) Not later than March 1 of the current fiscal year, the department shall submit a

report including the information provided under subsection (1) to the standard report recipients.

(3) Any nonaggregated information submitted under this section is confidential and must not be disclosed to any person by the department. The information described in this subsection is not a public record of the department.

Sec. 8-1628. From the funds appropriated in part 1 for hospital services and therapy and Healthy Michigan plan, the department shall continue to allocate $3,000,000.00 in general fund/general purpose revenue and any associated federal match to maintain the Medicaid reimbursement rate for dental services provided at ambulatory surgical centers and outpatient hospitals. The funding provided in this section must be used to maintain the minimum rate of reimbursement for dental services provided in ambulatory surgical centers at $1,495.00 and maintain the minimum rate of reimbursement for dental services provided in outpatient hospitals at $2,300.00.

Sec. 8-1629. The department shall utilize maximum allowable cost pricing for generic drugs that is based on wholesaler pricing to providers. The wholesaler pricing must be based on the price available from at least 2 wholesalers who deliver drugs in this state.

Sec. 8-1630. Not later than April 1 of the current fiscal year, from the funds appropriated in part 1 for Medicaid dental services, the department shall submit a report to the standard report recipients on the dental service benefit. The report must cover all of the following areas:

(a) Information on the implementation of the Adult Medicaid dental benefit redesign including all of the following information:

(i) The number of dental providers, by Medicaid health plan in this state, who provided 1 or more Medicaid dental services in the fiscal year ending September 30, 2022, and the number of additional providers who were added in the previous fiscal year, with a delineation in the reported numbers based on the average payment per visit and before and after the implementation of the Adult Medicaid dental benefit redesign.

(ii) The status of enhanced care coordination.

(iii) The array of covered dental benefits and services before the Adult Medicaid dental benefit redesign and how the available benefits and services changed or expanded after the Adult Medicaid dental benefit redesign.

(b) Information on the Healthy Kids Dental program including all of the following

information:

(i) The number of children enrolled in the Healthy Kids Dental program who visited the dentist in the previous fiscal year broken down by dental benefit manager.

(ii) The number of dentists who accept payment from the Healthy Kids Dental program broken down by dental benefit manager.

(iii) The annual change in dental utilization of children enrolled in the Healthy Kids Dental program broken down by dental benefit manager.

(iv) Service expenditures for the Healthy Kids Dental program broken down by dental benefit manager.

(v) Administrative expenditures for the Healthy Kids Dental program broken down by dental benefit manager.

Sec. 8-1631. (1) The department shall require copayments on dental, podiatric, and vision services provided to Medicaid recipients, except as prohibited by federal law or a law of this state.

(2) Except as otherwise prohibited by federal law or a law of this state, the department shall require Medicaid recipients to pay the following copayments:

(a) Two dollars for a physician office visit.

(b) Three dollars for a hospital emergency room visit.

(c) Fifty dollars for the first day of an inpatient hospital stay.

(d) Two dollars for an outpatient hospital visit.

(e) One dollar for a generic drug or any drug indicated as preferred on the department's preferred drug list and $3.00 for a brand-name drug not indicated as preferred on the department's preferred drug list.

Sec. 8-1640. From the funds appropriated in part 1, the department shall maintain the rate increase for the home help individual caregiver rate and the home help agency provider rate specified in the department's Medicaid provider letters L 24-66, L 24-67, and L 24-74.

Sec. 8-1641. An institutional provider that is required to submit a cost report under the Medicaid program shall submit cost reports completed in full not more than 5 months after the end of the institutional provider's fiscal year.

Sec. 8-1644. (1) From the funds appropriated in part 1, the department shall maintain wages at a level not less than the amount in effect the previous fiscal year. This funding must include all costs incurred by the employer, including, but not limited to, payroll

taxes, due to the wage increase. As used in this subsection, "direct care workers" means a registered professional nurse, licensed practical nurse, competency-evaluated nursing assistant, and respiratory therapist.

(2) From the funds appropriated in part 1, the department shall maintain wages at a level not less than the amount in effect during the previous fiscal year for direct care workers who are employed by licensed adult foster care facilities and licensed homes for the aged and who provide Medicaid-funded fee-for-service personal care services that were not eligible for any direct care worker pay adjustment under Medicaid-funded managed care. This funding must include all costs incurred by the employer, including, but not limited to, payroll taxes, due to the wage increase.

Sec. 8-1645. (1) From the funds appropriated in part 1, the department shall maintain the wages of eligible nonclinical staff employed by skilled nursing facilities. The funding must include all costs incurred by the employer, including payroll taxes, due to prior wage increases.

(2) The nonclinical staff eligible for the wages described in subsection (1) are those whose costs are reported in the following job classifications in nursing facility institutional cost reports shared with the department:

(a) Other housekeeping.

(b) Other maintenance worker.

(c) Other plant operations.

(d) Other laundry.

(e) Dining room assistants.

(f) Other dietary workers.

(g) Other medical records.

(h) Other social services.

(i) Other diversion therapy.

(j) Beauty and barber.

(k) Gift, flower, coffee, and canteen worker.

Sec. 8-1646. From the funds appropriated in part 1, the department shall maintain the Medicaid reimbursement rates for orthotic and prosthetic providers in place in the previous fiscal year.

Sec. 8-1657. (1) The department shall not make reimbursement for Medicaid to screen

and stabilize a Medicaid recipient, including stabilization of a psychiatric crisis, in a hospital emergency room, contingent on obtaining prior authorization from the recipient's HMO. If the recipient is discharged from the emergency room, the hospital shall notify the recipient's HMO within 24 hours of the diagnosis and treatment received.

(2) If the treating hospital determines that the recipient will require further medical service or hospitalization beyond the point of stabilization, that hospital shall receive authorization from the recipient's HMO prior to admitting the recipient.

(3) Subsections (1) and (2) do not require an alteration to an existing agreement between an HMO and its contracting hospitals and do not require an HMO to reimburse for services that are not considered to be medically necessary.

Sec. 8-1662. (1) From the funds appropriated in part 1, the department shall require an annual external quality review of each contracting HMO. The external quality review must analyze and evaluate aggregated information on quality, timeliness, and access to health care services that the HMO or its contractors furnish to Medicaid beneficiaries. The department shall create a report containing each quality review required under this subsection.

(2) The department shall require Medicaid HMOs to provide EPSDT utilization data through the encounter data system, and HEDIS well child health measures in accordance with the National Committee for Quality Assurance prescribed methodology.

(3) The department shall submit a copy of the analysis of the Medicaid HMO annual audited reports on HEDIS and the report under subsection (1) to the standard report recipients within 30 days after the department's receipt of the final information required from the contractors.

Sec. 8-1670. (1) The appropriation in part 1 for the MIChild program is to be used to provide comprehensive health care to all children under age 19 who reside in families with an income at or below 212% of the federal poverty level, who are uninsured and have not had coverage by other comprehensive health insurance within 6 months of applying for MIChild benefits, and who are residents of this state. The department shall develop detailed eligibility criteria through the behavioral and physical health and aging services administration public concurrence process. The eligibility criteria must be consistent with the provisions of this part and part 1.

(2) The department shall provide up to 1 year of continuous eligibility to a child

eligible for the MIChild program unless the child reaches age 19.

Sec. 8-1677. From the funds appropriated in part 1 for the MIChild program, the department shall provide, at a minimum, all benefits available under the Michigan benchmark plan that are delivered through contracted providers and consistent with federal law, including, but not limited to, the following medically necessary services:

(a) Inpatient mental health services, other than substance use disorder treatment services, including services furnished in a state-operated mental hospital and residential or other 24-hour therapeutically planned structured services.

(b) Outpatient mental health services, other than substance use disorder services, including services furnished in a mental hospital operated by this state and community-based services.

(c) Durable medical equipment and prosthetic and orthotic devices.

(d) Dental services as outlined in the approved MIChild state plan.

(e) Substance use disorder treatment services that may include inpatient, outpatient, and residential substance use disorder treatment services.

(f) Care management services for mental health diagnoses.

(g) Physical therapy, occupational therapy, and services for individuals with speech, hearing, and language disorders.

(h) Emergency ambulance services.

Sec. 8-1682. (1) In addition to the appropriations in part 1, the department is authorized to receive and spend penalty money received as the result of noncompliance with Medicaid certification regulations. Penalty money, characterized as private funds, received by the department shall increase authorizations and allotments in the long-term care accounts.

(2) Any unexpended penalty money, at the end of the year, must carry forward to the following year.

(3) Not later than March 1 of the current fiscal year, the department shall report to the standard report recipients on penalty money received by the department as described in subsection (1). The report must include, but is not limited to, the following information:

(a) The amount of penalty monies received by the department in the previous fiscal year listed by the assessed entity.

(b) A list of the entities that were assessed penalties in the previous fiscal year

with the rationale for each penalty.

Sec. 8-1692. (1) The department is authorized to pursue reimbursement for eligible services provided in Michigan schools from the federal Medicaid program. The department and the state budget director are authorized to negotiate and enter into agreements, together with the department of education, with local and intermediate school districts regarding the sharing of federal Medicaid services funds received for these services. The department is authorized to receive and disburse funds to participating school districts pursuant to agreements described in this subsection and pursuant to federal law and a law of this state.

(2) From the funds appropriated in part 1 for health services school-based services payments, the department is authorized to do all of the following:

(a) Finance activities within the behavioral and physical health and aging services administration related to eligible services.

(b) Reimburse participating school districts pursuant to the fund-sharing ratios negotiated in the state-local agreements authorized in subsection (1).

(c) Offset general fund costs associated with the Medicaid program.

Sec. 8-1694. From the funds appropriated in part 1 for special Medicaid reimbursement, $2,628,500.00 of general fund/general purpose revenue and any associated federal match must be distributed for poison control services to an academic health care system that has a high volume of providing care to indigent individuals.

Sec. 8-1697. The department shall require that Medicaid health plans administering Adult Dental benefits maintain a network of dental providers in sufficient numbers, mix, and geographic locations throughout their respective service areas in order to provide adequate dental care for Healthy Michigan plan enrollees.

Sec. 8-1700. Not later than December 1 of the current fiscal year, the department shall report to the standard report recipients on the distribution of funding provided, and the net benefit if the special hospital payment is not financed with general fund/general purpose revenue, to each eligible hospital during the previous fiscal year from the following special hospital payments:

(a) GME.

(b) Special rural hospital payments provided under section 1802(1)(b) of this part.

(c) Lump-sum payments to rural hospitals for obstetrical care provided under section

1802(1)(a) of this part.

Sec. 8-1702. From the funds appropriated in part 1, the department shall allocate $2,830,000.00 in general fund/general purpose revenue and any associated federal match to maintain the rates in place in the previous fiscal year for private duty nursing services for Medicaid beneficiaries under the age of 21. These additional funds must be used to attract and retain highly qualified registered nurses and licensed practical nurses to provide private duty nursing services so that medically fragile individuals can be cared for in the most homelike setting possible.

Sec. 8-1757. The department shall obtain proof from all Medicaid recipients that they are United States citizens or otherwise legally residing in this country and that they are residents of this state before approving Medicaid eligibility.

Sec. 8-1764. The department's contracted actuaries shall annually certify whether rates paid to Medicaid health plans and specialty PIHPs are actuarially sound in accordance with federal requirements. The department shall provide to the standard report recipients a copy of the rate certification required under this section and the approval of rates paid to Medicaid health plans and specialty PIHPs for any fiscal year not later than October 1 for Medicaid capitation rate certifications and not later than November 15, February 15, May 15, and August 15 for any Medicaid capitation rate amendments. Following the rate certification, the department shall ensure that any new or revised policies with a substantive impact on capitation rates are reviewed by the contracted actuaries and considered for future rate amendments.

Sec. 8-1786. From the funds appropriated in part 1, the department shall maintain Medicaid reimbursement for the administration of injectable, nasal, and oral vaccines at $23.03.

Sec. 8-1787. From the funds appropriated in part 1 for health plan services, Healthy Michigan plan, and long-term care services, the department shall maintain the Medicaid reimbursement rates in place in the previous fiscal year for CPT codes 31579, 92507, 92508, 92520, 92521, 92522, 92523, 92524, 92526, 92597, 92607, 92608, 92609, 92610, 92630, 92633, 92700, 94010, 97129, 97130, 97533, 97799, G2250, G2251, and S9152.

Sec. 8-1788. From the funds appropriated in part 1, the department shall provide Medicaid reimbursement rates, including Medicaid reimbursements from the ambulance provider quality assurance assessment, for ground ambulance services at not less than 100% of the

Medicare base rates for Locality 01 for ground ambulance services in effect on January 1, 2023.

Sec. 8-1789. From the funds appropriated in part 1 for federally qualified health centers, the department shall allocate not less than $11,300,000.00 in general fund/general purpose revenue and any associated federal match to maintain Medicaid prospective payment system reimbursement rates.

Sec. 8-1790. The department shall maintain the current practitioner rates paid for CPT codes 90791 through 90899 for psychiatric procedures through Medicaid fee-for-service and through the comprehensive Medicaid health plans for psychiatric procedures provided for Medicaid recipients under the age of 21.

Sec. 8-1791. From the funds appropriated in part 1 for health plan services and physician services, the department shall provide Medicaid reimbursement rates for neonatal services at 100% of the Medicare rate received for those services in effect on the date the services are provided to eligible Medicaid recipients. The neonatal services and physician services eligible for reimbursement rates under this section are described as CPT codes 99468, 99469, 99471, 99472, 99475, 99476, 99477, 99478, 99479, and 99480.

Sec. 8-1794. (1) From the funds appropriated in part 1, the department shall provide Medicaid reimbursements for hospital-based substance use disorder peer-supports.

(2) Not later than March 1 of the current fiscal year, the department shall report to the standard report recipients on the statewide amounts and each hospital amount for hospital-based substance use disorder peer supports during the first quarter of the current fiscal year, including for all of the following:

(a) The number of individuals served.

(b) The Medicaid reimbursement utilization.

(c) The total expenditures.

Sec. 8-1801. From the funds appropriated in part 1 for physician services and health plan services, the department shall continue the increase to Medicaid rates for primary care services provided only by primary care providers. The department shall not provide the increase to Medicaid rates under this section to primary care providers whose primary practice is as a non-primary-care subspecialty. As used in this section, "primary care provider" means a physician, or a practitioner working in collaboration with a physician, who is either licensed under part 170 or part 175 of the public health code, 1978 PA 368,

MCL 333.17001 to 333.17097 and 333.17501 to 333.17556, and who works as a primary care provider in general practice or is board-eligible or certified with a specialty designation of family medicine, general internal medicine, or pediatric medicine, or is a provider who provides the department with documentation of equivalency.

Sec. 8-1802. (1) From the funds appropriated in part 1 for hospital services and therapy, the department shall provide for the following:

(a) $8,470,200.00 in general fund/general purpose revenue as lump-sum payments to noncritical access hospitals that qualified for rural hospital access payments in fiscal year 2013-2014 proportional to Medicaid deliveries performed during the second immediately preceding fiscal year. Payment amounts must be based on the volume of obstetrical care cases and newborn care cases for all such cases billed by each qualified hospital in the most recent year for which data is available. The department shall make payments not later than January 1 of the current fiscal year. For the current fiscal year, a hospital that met established occupied bed criteria based on Medicaid cost reports as of the fiscal year ending September 30, 2011, and that is located within a county with a population of not more than 195,000 and within a city, village, or township with a population of not more than 15,000, according to the 2020 federal decennial census, is eligible.

(b) $15,204,800.00 in general fund/general purpose revenue and any associated federal match awarded as rural access payments to noncritical access hospitals that meet criteria established by the department for services to low-income rural residents. One of the reimbursement components of the criteria established by the department under this subsection must be assistance with labor and delivery services.

(2) Payments under this section must be made by January 1 of the current fiscal year.

(3) The department shall publish the distribution of payments for the current fiscal year and the previous fiscal year.

Sec. 8-1803. From the funds appropriated in part 1 for rural health transformation program, the department shall provide grants to hospitals and providers, in accordance with federal requirements.

Sec. 8-1804. The department may utilize the federal public assistance reporting information system to continue to work to identify Medicaid recipients who are veterans and who may be eligible for federal veterans' health care benefits or other benefits and shall continue to refer veterans to the department of military and veterans affairs for

assistance in securing additional benefits.

Sec. 8-1810. In advance of the annual rate setting development, Medicaid health plans must be given at least 60 days to dispute and correct any discarded encounter data before rates are certified. The department shall notify each contracting Medicaid health plan of any encounter data that have not been accepted for the purposes of rate setting.

Sec. 8-1812. Not later than June 1 of the current fiscal year, and using the most recent available cost reports, the department shall complete a report of all direct and indirect costs associated with residency training programs for each hospital that receives funds appropriated in part 1 for graduate medical education or through the MiDocs consortium. The report shall be submitted to the standard report recipients.

Sec. 8-1820. (1) In order to avoid duplication of effort, if a Medicaid health plan has been reviewed and accredited by a national accrediting entity for health care services, the department shall use applicable national accreditation review criteria to determine compliance with corresponding requirements in this state.

(2) The department shall continue to comply with federal law and laws of this state and shall not initiate an action that negatively impacts beneficiary safety.

(3) As used in this section, "national accrediting entity" means the National Committee for Quality Assurance, the URAC, formerly known as the Utilization Review Accreditation Commission, or another appropriate entity, as approved by the department.

Sec. 8-1830. From the funds appropriated in part 1 for hospital services and therapy, the department shall allocate $5,000,000.00 to support prenatal health care providers operating in this state to provide services for existing group-based prenatal care programs that include 1 or more health care professionals leading small groups of expectant mothers in the same phase of pregnancy  in discussions and other health services that promote the well-being and health of mothers and babies.

Sec. 8-1831. From the funds appropriated in part 1 for hospital services and therapy and prenatal care outreach and service delivery support, the department shall allocate $10,000,000.00 to continue to support hospitals in this state to improve maternal safety and outcomes by administering and expanding a data-driven maternal safety and quality improvement initiative that is based on interdisciplinary and consensus-based practices. The initiative expansion must focus on mitigating pregnancy-associated injury and death, work to improve outcomes for underserved groups, and address problems related to substance

use disorders.

Sec. 8-1837. The department shall continue, and expand where appropriate, utilization of telemedicine and telepsychiatry as strategies to increase access to services for Medicaid recipients.

Sec. 8-1846. From the funds appropriated in part 1 for graduate medical education, the department shall distribute the funds with an emphasis on the following health care workforce goals:

(a) The encouragement of the training of physicians in specialties, including primary care, that are necessary to meet the future needs of residents of this state.

(b) The training of physicians in settings that include ambulatory sites and rural locations.

(c) The training of practitioners providing pediatric psychiatry services.

Sec. 8-1850. The department may allow Medicaid health plans to assist with maintaining eligibility through outreach activities to ensure continuation of Medicaid eligibility and enrollment in managed care. The assistance may include mailings, telephone contact, or face-to-face contact with beneficiaries enrolled in the individual Medicaid health plan. Medicaid health plans may offer assistance in completing paperwork for beneficiaries enrolled in the Medicaid health plan.

Sec. 8-1851. From the funds appropriated in part 1 for Healthy Michigan Plan, the department shall allocate $1,000,000.00 in general fund/general purpose revenue and any associated federal match to enhance Medicaid health plan outreach in partnership with the national kidney foundation of Michigan. The funds are to support outreach efforts by the Morris Hood III Chronic Kidney Disease Prevention Initiative to identify, educate, and prevent chronic kidney disease in high-risk populations and regions.

Sec. 8-1854. The funds appropriated in part 1 for PACE must support a current fiscal year enrollment cap that is not less than 9,590.

Sec. 8-1855. From the funds appropriated in part 1 for PACE, to the extent that funding is available in the PACE line item and unused program slots are available, the department may do the following:

(a) Increase the number of slots for a local and already-established PACE if the local PACE has provided appropriate documentation to the department indicating its ability to expand capacity to provide services to additional PACE clients.

(b) Suspend the 10 member per month individual PACE enrollment increase cap in order to allow unused and unobligated slots to be allocated to address unmet demand for PACE services.

Sec. 8-1856. (1) From the funds appropriated in part 1 for hospice services, $5,000,000.00 shall be expended to provide room and board for Medicaid-eligible individuals who meet hospice eligibility requirements and receive services at Medicaid enrolled hospice residences in this state. The department shall distribute funds through grants based on the total beds located in all eligible residences that have been providing these services as of October 1, 2017. An eligible grant applicant may inform the department of the applicant's request to reduce the grant amount allocated for the applicant's residence and the funds must be distributed proportionally to increase the total grant amount of the remaining grant-eligible residences. Grant amounts shall be paid out monthly with 1/12 of the total grant amount distributed each month to the grantees.

(2) Not later than September 15 of the current fiscal year, each Medicaid-enrolled hospice with a residence that receives funds under this section shall provide a report to the department on the utilization of the grant funding provided in subsection (1). The report must be provided in a format prescribed by the department and must include the following information:

(a) The number of patients served.

(b) The number of days served.

(c) The daily room and board rates for the patients served.

(d) If there is not sufficient funding to cover the total room and board need, the number of patients who did not receive care due to insufficient grant funding. (3) If funds awarded under this section remain unused at the end of the current fiscal year, the Medicaid-enrolled hospice with a residence shall return those unused funds to this state.

Sec. 8-1859. The department shall partner with the Michigan Association of Health Plans and Medicaid health plans to develop and implement strategies for the use of information technology services for Medicaid research activities. The department shall make available state medical assistance program data, including Medicaid behavioral data, to the Michigan Association of Health Plans and Medicaid health plans or any vendor considered qualified by the department to perform research activities consistent with this state's goals of improving health; increasing the quality, reliability, availability, and

continuity of care; and reducing the cost of care for the eligible population of Medicaid recipients.

Sec. 8-1862. From the funds appropriated in part 1, the department shall maintain payment rates for Medicaid obstetrical services at 95% of Medicare levels.

Sec. 8-1870. (1) From the funds appropriated in part 1 for hospital services and therapy, the department shall allocate $6,400,000.00 in general fund/general purpose revenue plus any contributions from public entities, up to $5,000,000.00, and any associated federal match to the MiDocs consortium to create new primary care residency slots in underserved communities. The new primary care residency slots must be in 1 of the following specialties: family medicine, general internal medicine, general pediatrics, general OB-GYN, psychiatry, or general surgery.

(2) The department shall seek any necessary approvals from CMS to allow the department to implement the program described in this section.

(3) Assistance with repayment of medical education loans, loan interest payments, or scholarships provided by the MiDocs consortium shall be contingent upon a minimum 2-year commitment to practice in an underserved community in this state post-residency and an agreement to forego any sub-specialty training for at least 2 years post-residency with the exception of a child and adolescent psychiatry fellowship that must be integrated with a psychiatry residency training program in a MiDocs consortium affiliated institution.

(4) The MiDocs consortium shall work with the department to integrate the Michigan inpatient psychiatric admissions discussion (MIPAD) recommendations and, when possible, prioritize training opportunities in state psychiatric hospitals and community mental health organizations.

(5) The department shall maintain the MiDocs consortium initiative advisory council to help support implementation of the program described in this section, and to provide oversight. The advisory council must be composed of the MiDocs consortium, the Michigan Area Health Education Centers, the Michigan Primary Care Association, the Michigan Center for Rural Health, the Michigan Academy of Family Physicians, and any other appointees designated by the department.

(6) Not later than September 1 of the current fiscal year, the MiDocs consortium shall submit a report to the standard report recipients that includes all of the following information:

(a) Audited financial statement of per-resident costs.

(b) Education and clinical quality data.

(c) Roster of trainees, including areas of specialty and locations of training.

(d) Medicaid revenue by training site.

(7) The department shall monitor outcome and performance measures for this program, including, but not limited to, the following:

(a) Increasing this state's ability to recruit, train, and retain primary care physicians and other select specialty physicians in underserved communities.

(b) Maximizing training opportunities with community health centers, rural critical access hospitals, solo or group private practice physician practices, schools, and other community-based clinics, in addition to the required training through rotations at inpatient hospitals.

(c) Increasing the number of residency slots for family medicine, general internal medicine, general pediatrics, general OB-GYN, psychiatry, and general surgery.

(8) Unexpended and unencumbered funds up to a maximum $6,400,000.00 in general fund/general purpose revenue plus any contributions from public entities, up to $5,000,000.00, and any associated federal match remaining in accounts appropriated in part 1 for hospital services and therapy are designated as work project appropriations, and any unencumbered or unallotted funds must not lapse at the end of the fiscal year and must be available for expenditures for the MiDocs consortium to create new primary care residency slots in underserved communities under this section until the work project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to fund the cost of the MiDocs consortium to create new primary care

residency slots in underserved communities.

(b) The work project will be accomplished by contracting with the MiDocs consortium to oversee the creation of new primary care residency slots.

(c) The total estimated completion cost of the work project is $20,200,000.00.

(d) The tentative completion date for the work project is September 30, 2031.

Sec. 8-1872. From the funds appropriated in part 1 for personal care services, the department shall maintain the monthly Medicaid personal care supplement paid to adult

foster care facilities and homes for the aged that provide personal care services to Medicaid recipients in place during the previous fiscal year.

Sec. 8-1874. The department shall ensure, in counties where PACE services are available, that PACE is included as an option in all options counseling and enrollment brokering for aging services and managed care programs, including, but not limited to, Area Agencies on Aging, centers for independent living, and the MiChoice home and community-based waiver. The department must include approved marketing and discussion materials for options counseling.

Sec. 8-1879. Not later than May 15 of the current fiscal year, the department shall submit to the standard report recipients a report with Medicaid pharmaceutical information. The report shall include, for the previous fiscal year, the total Medicaid pharmaceutical costs and the total Medicaid pharmaceutical rebates. The report must categorize the total Medicaid pharmaceutical costs and total Medicaid pharmaceutical rebates recognized by the contracted health plans and the department. In addition, the report must also include all of the following information:

(a) The total estimated pharmaceutical benefit expenses incurred by contracted health plans from the previous fiscal year and through the first 2 quarters of the current fiscal year.

(b) The total estimated pharmaceutical benefit expenses included in approved initial rates for contracted health plans from the previous fiscal year and total estimated pharmaceutical benefit expenses included in approved initial rates for contracted health plans for the first 2 quarters of the current fiscal year.

(c) The total Medicaid pharmaceutical rebates received by the department in the previous fiscal year and the single preferred drug list supplemental rebates invoices in the previous fiscal year.

(d) Information as to whether the average benefit expense for the composite average across all rate cells and service categories included in capitation rates, based on actual enrollment and anticipated recoveries, for the previous fiscal year and through the first 2 quarters of the current fiscal year exceeded the reported contracted health plan's experience, adjusted for completion over the same reporting periods.

(e) The following information related to the current Medicaid pharmacy carve-out of pharmaceutical products as provided for in section 109h of the social welfare act, 1939 PA

280, MCL 400.109h:

(i) The number of prescriptions paid by the department during the previous fiscal year.

(ii) The total amount of expenditures for prescriptions paid by the department during the previous fiscal year.

(iii) The number of and total expenditures for prescriptions paid by the department for generic equivalents during the previous fiscal year.

Sec. 8-1880. (1) The department shall align all pharmacy-related policies with the United States Food and Drug Administration quality and clinical standards. Any single preferred drug list utilization management criteria will be established in consultation with the Medicaid health plans and the Michigan pharmacy and therapeutics committee described in section 9705 of the public health code, 1978 PA 368, MCL 333.9705, with consideration given to applicable United States Food and Drug Administration dosing guidelines, subsequent evidence-based literature or studies, and current treatment guidelines.

(2) The department shall revise existing pharmacy coverage policies to limit the authorization of anti-obesity GLP-1 receptor agonists exclusively to individuals classified as Class III obesity. Coverage is contingent on documented failure of all other clinically appropriate weight-loss interventions and must be considered only as a measure to avert the need for higher-cost bariatric surgery.

Sec. 8-1889. All quality assurance assessment program revenue collected under section 20161 of the public health code, 1978 PA 368, MCL 333.20161, must only be expended on services provided under the Healthy Michigan plan, under 2013 PA 107, or the state Medicaid program, under Title XIX and Title XXI.

**INFORMATION TECHNOLOGY**

Sec. 8-1901. (1) The department shall submit a report on a semiannual basis to the standard report recipients that lists the projects approved in the previous 6 months and provides the purpose for approving each project including any federal, state, court, or legislative requirement for each project.

(2) Once an award for an expansion of information technology is made, the department shall submit a report to the standard report recipients that provides the projected cost of

the expansion broken down by use and type of expense.

Sec. 8-1902. (1) From the funds appropriated in part 1 for comprehensive child welfare information system, the department shall submit a report not later than March 1 to the standard report recipients. The report must include, but is not limited to, the following:

(a) The total expenditures by fiscal year, from all sources, on the development of the comprehensive child welfare information system.

(b) The expenditure plan for the subsequent fiscal year for the development, implementation, and maintenance of the comprehensive child welfare information system.

(c) The details on upgrades, remediation of user-reported issues, and other modifications to currently implemented modules of the comprehensive child welfare information system that occurred during the current fiscal year and are planned for the subsequent fiscal year.

(d) The current timeline for the full implementation of the comprehensive child welfare information system.

(2) The department shall continue to provide the report described in subsection (1) after the implementation of the comprehensive child welfare information system is complete and operational.

Sec. 8-1903. From the funds appropriated in part 1 for Michigan statewide automated child welfare information system, the department shall submit a report by not later than March 1 to the standard report recipients. The report must include, but is not limited to, the following:

(a) The current timeline for the phaseout of MiSACWIS and MiSACWIS's replacement by the comprehensive child welfare information system.

(b) Expenditures, from all funding sources, for maintenance, upgrades, and remediation of user-reported issues in the previous fiscal year. (c) Any cost savings realized by decommissioning MiSACWIS.

Sec. 8-1906. From the funds appropriated in part 1 for information technology services and projects, the department shall allocate $1,750,000.00 general fund/general purpose revenue, and all associated federal matching revenue, to a public and private nonprofit collaboration that is designated as this state's statewide health information exchange by cooperative agreement, to implement health information technology strategies

for health information exchange development, data management, and population health at a statewide level.

Sec. 8-1909. (1) From the funds appropriated in part 1 for child support automation, the department shall only encumber or expend funds for the operation, maintenance, and improvements of the Michigan child support enforcement system.

(2) From the funds appropriated in part 1 for bridges information system, the department shall only encumber or expend funds for the operation, maintenance, and improvements of Bridges and MIBridges.

(3) From the funds appropriated in part 1 for Michigan Medicaid information system, the department shall only encumber or expend funds for the operation, maintenance, and improvements of the community health automated Medicaid processing system.

(4) From the funds appropriated in part 1 for Michigan statewide automated child welfare information system, the department shall only encumber or expend funds for the operation, maintenance, and improvements of MiSACWIS.

(5) From the funds appropriated in part 1 for comprehensive child welfare information system, the department shall only encumber or expend funds for the operation, maintenance, and improvements to the comprehensive child welfare information system.

(6) From the funds appropriated in part 1 for comprehensive child welfare information system, the department shall continue development of a new information system to replace MiSACWIS consistent with the plan provided by the department to the United States District Court for Eastern District of Michigan as a part of the settlement. The development of the comprehensive child welfare information system must adhere to department of technology, management, and budget and information technology investment fund (ITIF) policies and practices, including use of the state unified information technology environment methodology and agile development. The project team shall also participate in and comply with the enterprise portfolio management office process and product quality assurance. To ensure full transparency, the project must be included in the ITIF portfolio for executive, legislative, and external reporting purposes. As a component of the ITIF portfolio, the project is subject to governance and oversight by the information technology investment management board.

**ONE-TIME APPROPRIATIONS**

Sec. 8-1911. Unexpended and unencumbered funds appropriated in part 1 for nursing facility staffing initiative are designated as work project appropriations. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and will be available for projects under this section until the work project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to address chronic workforce shortages in nursing facilities.

(b) The work project will be accomplished using resources or contracts with service providers, or both.

(c) The total estimated completion cost of the work project is $10,000,000.00.

(d) The tentative completion date for the work project is September 30, 2031.

Sec. 8-1912. (1) The funds appropriated in part 1 for community violence prevention-gun safety and training shall be used to implement recommendations of the Michigan gun violence prevention task force, created by executive order 2024-4.

(2) Unexpended and unencumbered funds appropriated in part 1 for community violence prevention-gun safety and training are designated as work project appropriations. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and will be available for projects under this section until the work project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to implement recommendations of the Michigan gun violence prevention task force.

(b) The work project will be accomplished using state resources or contracts with service providers, institutions of higher education, or other entities, as appropriate.

(c) The total estimated completion cost of the work project is $2,500,000.00.

(d) The tentative completion date for the work project is September 30, 2031.

Sec. 8-1913. Unexpended and unencumbered funds appropriated as one-time in part 1 for health services administration are designated as work project appropriations. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and will be available for projects under this section until the work project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431,

MCL 18.1451a:

(a) The purpose of the work project is to support the home help caregiver council and related activities, fulfilling the requirements of the home help caregiver council act as part of 2024 PA 144.

(b) The work project will be accomplished using state resources or contracts with service providers or other entities.

(c) The total estimated completion cost of the work project is $2,000,000.00.

(d) The tentative completion date for the work project is September 30, 2031.

Sec. 8-1914. (1) From the funds appropriated in part 1 for opioid response activities, the department shall allocate $62,750,000.00 from the Michigan opioid healing and recovery fund created under section 3 of the Michigan trust fund act, 2000 PA 489, MCL 12.253, to programs and services to address the opioid crisis in a manner consistent with the opioid judgment, settlement, or compromise of claims pertaining to violations, or alleged violations, of law related to the manufacture, marketing, distribution, dispensing, or sale of opioids. The funds must be allocated as follows:

a. $2,500,000 must be allocated for primary prevention activities, including:

i. $1,000,000 for funding for public health communications and outreach to educate and provide tools to parents to increase knowledge about the impact of substance use and available resources.

ii. $1,500,000 for supporting targeted resource development and capacity building to maximize the impact of prevention investments.

b. $5,000,000 must be allocated for harm reduction, including:

i. $5,000,000 to continue reducing overdose deaths and preventing infectious disease spread in communities most impacted by substance use through grants to remove overhead and improve efficiency in delivering services.

c. $17,000,000 must be allocated to substance use disorder treatment, including:

i. $17,000,000 for increasing treatment retention and access to care by expanding medications for opioid use disorder and crisis services throughout the state through physical infrastructure, mobile service expansion, and programming support.

d. $38,000,000 must be allocated for recovery investments, including

i. $34,500,000 to invest in a series of transitional and permanent supportive recovery housing new developments, acquisitions, and renovations throughout the state.

ii. $3,500,000 to support housing, transportation, and benefits navigation assistance for people in recovery.

e. $250,000 must be allocated for informed decision-making and evaluation of investments, including:

i. $250,000 in supporting local government technical assistance and partnerships.

(2) Funds appropriated in part 1 for opioid response activities are designated as work project appropriations. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and will be available for projects under this section until the work project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to address the opioid crisis in a manner consistent with the opioid judgment, settlement, or compromise of claims pertaining to violations, or alleged violations, of law related to the manufacture, marketing, distribution, dispensing, or sale of opioids.

(b) The work project will be accomplished using resources or contracts with service providers, or both.

(c) The total estimated completion cost of the work project is $62,750,000.00.

(d) The tentative completion date for the work project is September 30, 2031.

## Article 9

## DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 9-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of insurance and financial services are appropriated for the fiscal year ending September 30, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 393.5 | 393.5 |
| **GROSS APPROPRIATION .....** | **$ 82,333,800** | **$ 82,333,800** |
| Total interdepartmental grants and intradepartmental transfers ..... | 791,600 | 791,600 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 81,542,200 | $ 81,542,200 |
| Total federal revenues ..... | 250,000 | 250,000 |
| Total local revenues ..... | 0 | 0 |
| Total private revenues ..... | 0 | 0 |
| Total other state restricted revenues ..... | 81,292,200 | 81,292,200 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose .....* | *0* | *0* |
| *One-time state general fund/general purpose .....* | *0* | *0* |
| **Sec. 9-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 21.5 | 21.5 |
| Unclassified salaries-6.0 FTE positions ..... | $ 1,013,800 | $ 1,013,800 |
| Administrative hearings ..... | 173,700 | 173,700 |
| Department services-16.0 FTE positions ..... | 8,684,900 | 8,684,900 |
| Executive director programs-5.5 FTE positions ..... | 1,527,100 | 1,527,100 |
| Property management ..... | 1,318,700 | 1,318,700 |
| Worker's compensation ..... | 1,200 | 1,200 |
| **GROSS APPROPRIATION .....** | **$ 12,719,400** | **$ 12,719,400** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 12,719,400 | 12,719,400 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 9-103. INSURANCE AND FINANCIAL SERVICES REGULATION** | | |
| Full-time equated classified positions..... | 372.0 | 372.0 |

| | | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|---|
| 1 | Consumer services and protection-108.0 FTE positions . | $ 18,604,400 | $ 18,604,400 |
| 2 | Financial institutions evaluation-132.0 FTE positions | 24,966,000 | 24,966,000 |
| 3 | Insurance evaluation-132.0 FTE positions ..... | 22,413,300 | 22,413,300 |
| 4 | **GROSS APPROPRIATION ..... | **$ 65,983,700** | **$ 65,983,700** |
| 5 | Appropriated from: | | |
| 6 | Interdepartmental grant revenues: | | |
| 7 | IDG from department of licensing and regulatory | | |
| 8 | affairs ..... | 791,600 | 791,600 |
| 9 | Federal revenues: | | |
| 10 | Other federal revenues ..... | 250,000 | 250,000 |
| 11 | Special revenue funds: | | |
| 12 | Other state restricted revenues ..... | 64,942,100 | 64,942,100 |
| 13 | State general fund/general purpose ..... | $ 0 | $ 0 |
| 14 | **Sec. 9-104. INFORMATION TECHNOLOGY** | | |
| 15 | Information technology services and projects ..... | $ 3,630,700 | $ 3,630,700 |
| 16 | **GROSS APPROPRIATION ..... | **$ 3,630,700** | **$ 3,630,700** |
| 17 | Appropriated from: | | |
| 18 | Special revenue funds: | | |
| 19 | Other state restricted revenues ..... | 3,630,700 | 3,630,700 |
| 20 | State general fund/general purpose ..... | $ 0 | $ 0 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

**GENERAL SECTIONS**

Sec. 9-201. 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 30,2027 is $81,292,200.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is $0.00.

Sec. 9-202. The appropriations under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 9-203. As used in this part and part 1:

(a) "Department" means the department of insurance and financial services.

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

(c) "FTE" means full-time equated position in the classified service of this state.

(d) "IDG" means interdepartmental grant.

(e) "Standard report recipients" means the senate and house appropriations subcommittees on licensing and regulatory affairs and insurance and financial services, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 9-204. A department or agency shall use the internet to fulfill the reporting requirements of this part and shall make each report readily accessible to the public and conspicuously post each required report in a single archivable location on the department's or agency's Michigan.gov website not later than the due date required for each report. In addition to placing all reports required in the current fiscal year on the department's or agency's website, the department or agency shall maintain on its website all reports placed on the website from previous fiscal years posted by fiscal year in the same single archivable location. The department or agency shall also transmit all required reports for the current fiscal year to the standard recipients and any other required recipients by email.

Sec. 9-205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds

appropriated in part 1:

(a) The funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 9-206. (1) The department shall maximize utilization of its in-person state workforce. The department shall prioritize occupancy utilization of office space for each division within the department. Employees with job responsibilities that require the employees to serve in their capacities outside of an office shall be monitored each pay period to ensure all work hours reported on the timesheet were actually worked.

(2) The department shall comply with requirements set forth by the office of the state employer on in-person work and utilization and occupancy rates of state buildings to ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to market conditions.

(3) The department shall adhere to civil service rules and regulations that state the standard biweekly work period for a full-time employee in the classified service of this state is the equivalent of 80.0 hours of work. The department shall establish policies and processes to ensure all employees are working their jobs during agreed upon business hours.

Sec. 9-207. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall prepare a report on out of state travel expenses not later than January 1. The report must list all travel by classified and unclassified employees outside this state in the previous fiscal year that was funded in whole or in part with funds appropriated in the department's or agency's budget. The department or agency shall submit the report to the standard report recipients and to the house and senate appropriations committees. The report must include all of the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related expenses of each travel occurrence and the

proportions funded with state general fund/general purpose revenues, state restricted revenues, federal revenues, and other revenues.

Sec. 9-208. Not later than 6 months after the state budget office issues work project letters, a department, agency and the legislature shall submit an annual report that summarizes all work project accounts. The report must include all of the following:

(a) A list of all work project accounts.

(b) The status of all work project accounts, including amounts expended, amounts encumbered, and available balances for each account.

(c) The amount of funds that lapsed from any previously designated work project accounts, the name and description of the work project account, and the funds that received the lapsed amounts.

Sec. 9-209. Not later than December 15, the state budget office shall prepare and submit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the previous fiscal year. The report must summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall submit the report to the standard report recipients and the chairpersons of the senate and house appropriations committees.

Sec. 9-210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $300,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

Sec. 9-211. A department or agency shall cooperate with the department of technology, management and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

Sec. 9-212. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of a local health officer.

Sec. 9-213. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving appropriations in part 1 shall take all reasonable steps to ensure geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department or agency contracts to subcontract with certified geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined in Executive Directive No. 2023-1.

Sec. 9-214. The department must provide an annual report to the standard report recipients detailing significant federal policy changes that do, or are expected to significantly impact the operations of the department, including reductions in federal revenue and/or changes that are likely to lead to a reduction in the department's ability to safeguard the health or welfare of the public.

Sec. 9-215. (1) Within 30 days of enactment of this act, the house and senate fiscal agencies shall provide to the state budget office a jointly agreed upon list of legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33 of 2025. The list must include all information and documents pertaining to the funded items as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

(2) In accordance with section 364(4) of the Management and Budget Act, the department or agency administering the grant shall post a report in a publicly accessible location on its website beginning March 15 of the current fiscal year. The department or agency shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

Sec. 9-216. On a quarterly basis, a department or agency receiving appropriations in part 1 shall report on the number of FTEs in pay status by type of staff and civil service classification, including comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTE positions employed by the department or agency at the end of the reporting period. The report must be submitted to the senate and house appropriations committees and to the standard report recipients.

Sec. 9-217. The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal recovery funds that would otherwise lapse after September 30, 2026, are automatically reappropriated for the same purpose as originally authorized and available for expenditure through December 31, 2026, and any subsequent financial close out period.

Sec. 9-218. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

(a) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of corrections.

(b) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of state police.

(2) All applicable guidance, implementation, and reporting provisions of Public Law 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under subsection (1).

(3) The state budget director shall notify the senate and house appropriations committees not later than 10 business days after making any reallocations under subsection (1). The notification must include the authorized program under which funds were originally

appropriated, the amount of the reallocation, the program, or programs, or purpose, and the department to which the funds are being reallocated under subsection (1), and the amount reallocated to each program or purpose.

Sec. 9-220. Unless prohibited by law, the department may accept credit card or other electronic means of payment for licenses, fees, or permits.

**INSURANCE AND FINANCIAL SERVICES REGULATION**

Sec. 9-301. The annual health insurance rate change report prepared pursuant to 45 CFR 154.301(b) must include the total number of objections issued by the department.

Sec. 9-302. In addition to the funds appropriated in part 1, the funds collected by the department in connection with a conservatorship under section 32 of the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1682, and funds collected by the department from corporations being liquidated under the insurance code of 1956, 1956 PA 218, MCL 500.100 to 500.8302, must be appropriated for all expenses necessary to provide for the required services. Funds are available for expenditure when they are received by the department of treasury and must not lapse to the general fund at the end of the fiscal year. The total amount appropriated under this section and section 9-303 must not exceed $600,000.00.

Sec. 9-303. The department may make available to interested entities customized listings of nonconfidential information in its possession. The department may establish and collect a reasonable charge to provide this service. The revenue from this service is appropriated when received and must be used to offset expenses to provide the service. Any balance of this revenue collected and unexpended at the end of the fiscal year must lapse to the appropriate restricted fund. The total amount appropriated under this section and section 9-302 must not exceed $600,000.00.

**Article 10**

**JUDICIARY**

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 10-101. Subject to the conditions set forth in this article, the amounts listed in this part for the judiciary are appropriated for the fiscal year ending September 30, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **JUDICIARY** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated exempted positions | 683.5 | 683.5 |
| **GROSS APPROPRIATION** | **$ 391,258,400** | **$ 391,258,400** |
| Total interdepartmental grants and intradepartmental transfers | 1,902,300 | 1,902,300 |
| ADJUSTED GROSS APPROPRIATION | $ 389,356,100 | $ 389,356,100 |
| Total federal revenues | 7,323,000 | 7,323,000 |
| Total local revenues | 0 | 0 |
| Total private revenues | 1,912,900 | 1,912,900 |
| Total other state restricted revenues | 96,879,600 | 96,879,600 |
| State general fund/general purpose | $ 283,240,600 | $ 283,240,600 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose* | *283,240,600* | *283,240,600* |
| *One-time state general fund/general purpose* | *0* | *0* |
| **Sec. 10-102. SUPREME COURT** | | |
| Full-time equated exempted positions | 329.0 | 329.0 |
| Community dispute resolution-4.0 FTE positions | $ 3,584,100 | $ 3,584,100 |
| Drug treatment courts-2.0 FTE positions | 13,423,400 | 13,423,400 |
| Foster care review board-10.0 FTE positions | 1,482,600 | 1,482,600 |
| Jail reform advisory support-1.0 FTE position | 163,400 | 163,400 |
| Judicial information systems-113.0 FTE positions | 23,410,100 | 23,410,100 |
| Judicial institute-17.0 FTE positions | 2,968,600 | 2,968,600 |
| Justice for all initiative-2.0 FTE positions | 1,547,000 | 1,547,000 |
| Mental health courts and diversion services-1.0 FTE position | 5,855,700 | 5,855,700 |
| Michigan legal help | 1,000,000 | 1,000,000 |
| Next generation Michigan court system | 4,116,000 | 4,116,000 |
| Other federal grants | 275,100 | 275,100 |
| State court administrative office-83.0 FTE positions | 15,994,000 | 15,994,000 |
| Supreme court administration-96.0 FTE positions | 17,059,100 | 17,059,100 |
| Swift and sure sanctions program | 1,537,600 | 1,537,600 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Veterans courts | 1,089,300 | 1,089,300 |
| **GROSS APPROPRIATION** | **$ 93,506,000** | **$ 93,506,000** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of corrections | 52,300 | 52,300 |
| IDG from department of state police | 1,600,000 | 1,600,000 |
| Federal revenues: | | |
| Other federal revenues | 6,739,200 | 6,739,200 |
| Special revenue funds: | | |
| Private revenues | 1,444,500 | 1,444,500 |
| Other state restricted revenues | 8,128,500 | 8,128,500 |
| State general fund/general purpose | $ 75,541,500 | $ 75,541,500 |
| **Sec. 10-103. COURT OF APPEALS** | | |
| Full-time equated exempted positions | 179.0 | 179.0 |
| Court of appeals operations-179.0 FTE positions | $ 28,391,900 | $ 28,391,900 |
| **GROSS APPROPRIATION** | **$ 28,391,900** | **$ 28,391,900** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State general fund/general purpose | $ 28,391,900 | $ 28,391,900 |
| **Sec. 10-104. BRANCHWIDE APPROPRIATIONS** | | |
| Full-time equated exempted positions | 6.0 | 6.0 |
| Branchwide appropriations-6.0 FTE positions | $ 10,398,400 | $ 10,398,400 |
| **GROSS APPROPRIATION** | **$ 10,398,400** | **$ 10,398,400** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State general fund/general purpose | $ 10,398,400 | $ 10,398,400 |
| **Sec. 10-105. JUSTICES' AND JUDGES' COMPENSATION** | | |
| Full-time judges positions | 591.0 | 591.0 |
| Supreme court justices' salaries-7.0 justices | $ 1,270,500 | $ 1,270,500 |
| Circuit court judges' state base salaries-223.0 judges | 32,563,500 | 32,563,500 |
| Circuit court judicial salary standardization | 10,196,800 | 10,196,800 |
| Court of appeals judges' salaries-25.0 judges | 5,188,500 | 5,188,500 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| District court judges' state base salaries-232.0 judges | 33,877,700 | 33,877,700 |
| District court judicial salary standardization | 10,608,600 | 10,608,600 |
| Probate court judges' state base salaries-104.0 judges | 15,060,600 | 15,060,600 |
| Probate court judicial salary standardization | 4,715,300 | 4,715,300 |
| Judges' retirement system defined contributions | 9,734,600 | 9,734,600 |
| OASI, social security | 8,661,600 | 8,661,600 |
| **GROSS APPROPRIATION** | **$ 131,877,700** | **$ 131,877,700** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues | 3,119,300 | 3,119,300 |
| State general fund/general purpose | $ 128,758,400 | $ 128,758,400 |
| **Sec. 10-106. JUDICIAL AGENCIES** | | |
| Full-time equated exempted positions | 14.0 | 14.0 |
| Judicial tenure commission-14.0 FTE positions | $ 2,995,100 | $ 2,995,100 |
| **GROSS APPROPRIATION** | **$ 2,995,100** | **$ 2,995,100** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State general fund/general purpose | $ 2,995,100 | $ 2,995,100 |
| **Sec. 10-107. INDIGENT DEFENSE - CRIMINAL** | | |
| Full-time equated exempted positions | 129.5 | 129.5 |
| Appellate public defender program-97.0 FTE positions | $ 18,224,900 | $ 18,224,900 |
| Juvenile life resentencing-32.5 FTE positions | 5,621,200 | 5,621,200 |
| Michigan appellate assigned counsel system roster attorney compensation grants | 4,408,100 | 4,408,100 |
| **GROSS APPROPRIATION** | **$ 28,254,200** | **$ 28,254,200** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of state police | 250,000 | 250,000 |
| Federal revenues: | | |
| Other federal revenues | 583,800 | 583,800 |
| Special revenue funds: | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Private revenues | 468,400 | 468,400 |
| Other state restricted revenues | 172,400 | 172,400 |
| State general fund/general purpose | $ 26,779,600 | $ 26,779,600 |
| **Sec. 10-108. INDIGENT CIVIL LEGAL ASSISTANCE** | | |
| Indigent civil legal assistance | $ 7,937,000 | $ 7,937,000 |
| **GROSS APPROPRIATION** | **$ 7,937,000** | **$ 7,937,000** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues | 7,937,000 | 7,937,000 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 10-109. TRIAL COURT OPERATIONS** | | |
| Full-time equated exempted positions | 26.0 | 26.0 |
| Court equity fund reimbursements | $ 60,815,700 | $ 60,815,700 |
| Drug case-flow program | 250,000 | 250,000 |
| Drunk driving case-flow program | 3,300,000 | 3,300,000 |
| Judicial technology improvement fund | 4,815,000 | 4,815,000 |
| Juror compensation reimbursement-1.0 FTE position | 6,619,900 | 6,619,900 |
| Statewide e-file system-25.0 FTE positions | 12,097,500 | 12,097,500 |
| **GROSS APPROPRIATION** | **$ 87,898,100** | **$ 87,898,100** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues | 77,522,400 | 77,522,400 |
| State general fund/general purpose | $ 10,375,700 | $ 10,375,700 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

**GENERAL SECTIONS**

Sec. 10-201. 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 30,2027 is $380,120,200.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is $169,486,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

JUDICIARY

| | |
|---|---|
| Drug treatment courts | $ 9,373,400 |
| Judicial information systems | 17,319,100 |
| Mental health courts and diversion services | 5,855,700 |
| Next generation Michigan court system | 4,116,000 |
| State court administrative office | 200,000 |
| Swift and sure sanctions program | 1,537,600 |
| Veterans courts | 1,089,300 |
| Circuit court judicial salary standardization | 10,196,800 |
| District court judicial salary standardization | 10,608,600 |
| Probate court judges' state base salaries | 15,060,600 |
| Probate court judicial salary standardization | 4,715,300 |
| OASI, social security | 1,515,900 |
| Court equity fund reimbursements | 60,815,700 |
| Drug case-flow program | 250,000 |
| Drunk driving case-flow program | 3,300,000 |
| Judicial technology improvement fund | 4,815,000 |
| Juror compensation reimbursement | 6,619,900 |
| Statewide e-file system | 12,097,500 |
| TOTAL | $ 169,486,400 |

Sec. 10-202. The appropriations under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 10-203. As used in this part and part 1:

(a) "FTE" means full-time equated exempted positions.

(b) "IDG" means interdepartmental grant.

(c) "OASI" means old age survivor's insurance.

(d) "Standard report recipients" means the senate and house appropriations subcommittees on the judiciary budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 10-204. The judicial branch shall use the internet to fulfill the reporting requirements of this part and shall make each report readily accessible to the public and conspicuously post each required report on the branch's website not later than the applicable due date. In addition, the judicial branch shall maintain on its website reports posted in previous fiscal years. The judicial branch shall also transmit all required reports under this part to the standard report recipients and any other required recipients by email.

Sec. 10-205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds appropriated in part 1:

(a) The funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 10-206. The state court administrative office shall prepare a report on out-of-state travel expenses not later than January 1. The report must list all travel outside this state by judicial branch employees in the previous fiscal year that was funded in whole or in part with funds appropriated in the judicial branch's budget. The state court administrative office shall submit the report to the standard report recipients and to the senate and house appropriations committees. The report must include all of the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related expenses of each travel occurrence and the proportions funded with state general fund/general purpose revenues, state restricted revenues, federal revenues, local revenues, and private revenues, including specific sources of state restricted, federal, local, and private revenues.

Sec. 10-207. Not later than December 15, the judicial branch shall prepare and submit a report that provides estimates of the total general fund/general purpose appropriation lapses at the close of the previous fiscal year. The report must summarize the projected year-end general fund/general purpose appropriation lapses by major judicial program or program areas. The report shall be submitted to the standard report recipients and to the chairpersons of the senate and house appropriations committees. In lieu of direct submission, the judicial branch may coordinate the completion and submission of the report with the state budget office.

Sec. 10-208. From the funds appropriated in part 1, the judicial branch shall maintain a searchable website accessible by the public at no cost that posts all of the expenditures made by the judicial branch within a fiscal year. A post must include the purpose for the expenditure. The judicial branch shall not provide financial information on the public website that would violate a federal or state law, rule, regulation, or guideline that establishes privacy or security standards applicable to that financial information.

Sec. 10-214. Not later than 6 months after the state budget office issues work project letters, the judicial branch shall submit an annual report that summarizes all work project accounts. The report must include all of the following:

(a) A list of all work project accounts.

(b) The status of all work project accounts, including amounts expended, amounts encumbered, and available balances for each account.

(c) The amount of funds that lapsed from any previously designated work project accounts, the name and description of the work project account, and the funds that received the lapsed amounts.

Sec. 10-215. (1) Funds appropriated in part 1 to an entity in the judicial branch must not be expended or transferred to another account without written approval of the authorized agent of the judicial entity. If the authorized agent of the judicial entity

notifies the state budget director of its approval of an expenditure or transfer, the state budget director shall immediately make the expenditure or transfer. The authorized judicial entity agent shall be designated by the chief justice of the supreme court.

(2) Funds appropriated to the judicial branch must not be expended by a component in the judicial branch without the approval of the supreme court.

Sec. 10-217. The chief justice shall take steps to ensure that all state fiscal recovery funds received under the American rescue plan act of 2021, Public Law 117-2 by the judicial branch are expended by December 31, 2026, as required by law. Any state fiscal recovery funds that would otherwise lapse after September 30, 2026 are automatically reappropriated for the same purpose as originally authorized and available for expenditure through December 31, 2026 and any subsequent financial close out period.

**JUDICIAL BRANCH**

Sec. 10-301. From the funds appropriated in part 1 for the judicial branch, $711,900.00 is allocated for circuit court reimbursement under section 3 of 1978 PA 16, MCL 800.453, and for costs associated with the court of claims.

Sec. 10-302. A member of the legislature may request a report or data from the data collected in the judicial data warehouse. The report must be made available to the public upon request, unless disclosure is prohibited by court order or state or federal law. If data is provided under this section, the data must be public and nonidentifying information, as determined by the state court administrative office. As used in this section, "nonidentifying information" means information that does not include personal information that, if released, would be considered invasion of privacy.

Sec. 10-303. From the funds appropriated in part 1 for community dispute resolution, community dispute resolution centers shall provide dispute resolution services specified in the community dispute resolution act, 1988 PA 260, MCL 691.1551 to 691.1564, help reduce suspensions and truancy, and improve school environment. The funds appropriated in part 1 for community dispute resolution may be used to develop or expand juvenile diversion services in coordination with local prosecutors.

Sec. 10-304. If funds in the court fee fund are insufficient to pay judges' compensation, the difference between the appropriated amount from that fund for judges' compensation and the actual amount available after the amount appropriated for trial court

reimbursement is made is appropriated from the state general fund for judges' compensation. If an appropriation from the state general fund is necessary under this section, not later than 14 days after the appropriation, the state court administrative office shall submit a report to the standard report recipients and the senate and house appropriations committees.

Sec. 10-305. From the funds appropriated in part 1, the state court administrative office shall submit a report on drug treatment, mental health, and veterans court programs in this state not later than March 1. The report must include all of the following information for each individual court, by program:

(a) The number of each type of program.

(b) The number of program participants.

(c) The impact of the programs on offender criminal involvement and recidivism.

(d) An accounting of previous fiscal year expenditures, including grant amounts requested, grant amounts awarded, and grant amounts expended.

Sec. 10-306. (1) The funds appropriated in part 1 for drug treatment courts must be administered by the state court administrative office to operate drug treatment court programs. A drug treatment court shall use all available county and state personnel involved in the disposition of cases, including, but not limited to, parole and probation agents, prosecuting attorneys, defense attorneys, and community corrections providers. The funds may be used in connection with other federal, state, and local funding sources.

(2) From the funds appropriated in part 1, the chief justice shall allocate sufficient funds for the Michigan judicial institute to provide in-state training for those identified in subsection (1) and new drug treatment court judges.

(3) The state court administrative office may prioritize funding for courts that have a higher number of filed substance use disorder cases.

(4) To assist the department of corrections and avoid prison bed space growth for nonviolent offenders, the judicial branch shall receive $1,500,000.00 in Byrne formula grant funding through an interdepartmental grant from the department of state police to be used to support drug treatment court costs consistent with Byrne grant program criteria.

Sec. 10-307. (1) From the funds appropriated in part 1 for swift and sure sanctions programs, the state court administrative office shall administer a program to distribute grants to qualifying courts in accordance with the objectives and requirements of the

probation swift and sure sanctions act, chapter XIA of the code of criminal procedure, 1927 PA 175, MCL 771A.1 to 771A.8. Courts interested in participating in the swift and sure sanctions program may apply to the state court administrative office for a portion of the funds appropriated in part 1 under this section.

(2) Not later than March 1, the state court administrative office, in coordination with the department of corrections, shall submit a report on the swift and sure sanctions program that includes all of the following information for each individual court, by program:

(a) A list of courts that participate in the program.

(b) The number of offenders who participate in the program.

(c) The criminal history of offenders who participate in the program.

(d) The recidivism rate of offenders who participate in the program, including the rate of return to jail, prison, or both.

(e) A detailed description of the establishment and parameters of the program.

(f) An accounting of previous fiscal year expenditures, including, but not limited to, grant amounts requested by the courts, grant amounts awarded to the courts, and grant amounts expended by the courts.

Sec. 10-308. From the funds appropriated in part 1, the judicial branch shall support a statewide legal self-help internet website and local nonprofit self-help centers that use the statewide website to provide assistance to individuals who represent themselves in civil legal proceedings. The state court administrative office shall summarize the costs to maintain the website, provide statistics on the number of individuals who visit the website, and provide information on content usage, form completion, and user feedback not later than March 1 for the previous fiscal year.

Sec. 10-309. From the funds appropriated in part 1, the state court administrative office shall submit a report on the statewide judicial case management system not later than March 1. The report must provide a status update on development and implementation of the statewide judicial case management system and must include all appropriation and expenditure data for all previous and the current fiscal years.

Sec. 10-310. The state court administrative office shall not impose local user fees or collect local user fees from trial courts that are using the statewide judicial case management system.

Sec. 10-311. (1) If Byrne formula grant funding is awarded to the state appellate defender office in excess of the amount appropriated in part 1, the state appellate defender office may receive and expend not more than $250,000.00 of Byrne formula grant funds as an interdepartmental grant from the department of state police.

(2) If the state appellate defender office receives federal grant funding from the United States Department of Justice in excess of the amount appropriated in part 1, the state appellate defender office may receive and expend not more than $300,000.00 in federal grant funds.

Sec. 10-313. (1) From the funds appropriated in part 1, the state appellate defender office shall operate the program to ensure this states compliance with Montgomery v Louisiana, 577 US 190 (2016), People v Parks, 510 Mich 225 (2022), People v Stovall, 510 Mich 301 (2022), People v Poole, ___ Mich App ___ (2025), People v Czarnecki, ___ Mich___ (2025), and People v Taylor, ___ Mich ___ (2025). The purpose of the program is to ensure competent, resourced, and supervised counsel in cases that involve resentencing individuals who are serving a life sentence for an offense committed when the individuals were 20 years of age or younger.

(2) The state appellate defender office shall submit a report not later than March 1 on the number of cases investigated and prepared by the state appellate defender office under subsection (1). The report must include a calculation of the hours spent and the incremental costs associated with the investigation and robust examination of each case.

Sec. 10-314. (1) The funds appropriated in part 1 for Michigan appellate assigned counsel system roster attorney compensation grants must be deposited into the restricted Michigan appellate assigned counsel system attorney compensation fund created in subsection (2).

(2) The Michigan appellate assigned counsel system attorney compensation fund is created in the state treasury. The state treasurer may receive money or other assets from any source for deposit into the fund. The state treasurer shall direct the investment of the fund and credit to the fund interest and earnings from fund investments. Unexpended funds at the close of the fiscal year must remain in the fund and shall not lapse to the general fund. The judicial branch shall be the administrator of the fund for auditing purposes. The judicial branch shall expend money from the fund to provide payments to indigent defense systems as provided under section 8a of the appellate defender act, 1978

PA 620, MCL 780.718a.

(3) All funds available in the Michigan appellate assigned counsel system attorney compensation fund are appropriated and available for expenditure as provided by law.

## Article 11

## DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 11-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of labor and economic opportunity are appropriated for the fiscal year ending September 30, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 34.5 | 34.5 |
| Full-time equated classified positions..... | 2,607.0 | 2,607.0 |
| **GROSS APPROPRIATION ..... | **$ 1,682,109,700** | **$ 1,657,609,700** |
| Total interdepartmental grants and intradepartmental transfers ..... | 0 | 0 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 1,682,109,700 | $ 1,657,609,700 |
| Total federal revenues ..... | 1,190,870,600 | 1,190,870,600 |
| Total local revenues ..... | 6,200,000 | 6,200,000 |
| Total private revenues ..... | 8,097,200 | 8,097,200 |
| Total other state restricted revenues ..... | 295,779,500 | 293,779,500 |
| State general fund/general purpose ..... | $ 181,162,400 | $ 158,662,400 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose .....* | *158,662,400* | *158,662,400* |
| *One-time state general fund/general purpose .....* | *22,500,000* | *0* |
| **Sec. 11-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT** | | |
| Full-time equated unclassified positions..... | 34.5 | 34.5 |
| Full-time equated classified positions..... | 75.0 | 75.0 |
| Unclassified salaries-34.5 FTE positions ..... | $ 5,015,500 | $ 5,015,500 |
| Executive direction and operations-75.0 FTE positions | 10,975,600 | 10,975,600 |
| Property management ..... | 7,458,000 | 7,458,000 |
| **GROSS APPROPRIATION ..... | **$ 23,449,100** | **$ 23,449,100** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 12,804,600 | 12,804,600 |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 7,367,400 | 7,367,400 |
| State general fund/general purpose ..... | $ 3,277,100 | $ 3,277,100 |
| **Sec. 11-103. WORKFORCE DEVELOPMENT** | | |
| Full-time equated classified positions..... | 240.0 | 240.0 |
| 23+ high school diploma program ..... | $ 2,000,000 | $ 2,000,000 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| At-risk youth grants | 5,184,500 | 5,184,500 |
| Community and worker economic transition office-10.0 FTE positions | 2,252,600 | 2,252,600 |
| High school equivalency-to-school program | 250,000 | 250,000 |
| Michigan office of rural prosperity-1.0 FTE position | 2,302,100 | 2,302,100 |
| MiSTEM advisory council-3.0 FTE positions | 674,600 | 674,600 |
| Office of future mobility and electrification-5.0 FTE positions | 1,500,000 | 1,500,000 |
| Rural development fund grant program-1.0 FTE position | 2,014,900 | 2,014,900 |
| Workforce development-220.0 FTE positions | 459,078,800 | 459,078,800 |
| **GROSS APPROPRIATION** | **$ 475,257,500** | **$ 475,257,500** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 415,802,700 | 415,802,700 |
| Special revenue funds: | | |
| Local revenues | 300,000 | 300,000 |
| Private revenues | 5,001,300 | 5,001,300 |
| Other state restricted revenues | 4,183,500 | 4,183,500 |
| State general fund/general purpose | $ 49,970,000 | $ 49,970,000 |
| **Sec. 11-104. REHABILITATION SERVICES** | | |
| Full-time equated classified positions | 669.0 | 669.0 |
| Bureau of services for blind persons-116.0 FTE positions | $ 30,597,200 | $ 30,597,200 |
| Centers for independent living | 18,718,600 | 18,718,600 |
| Michigan rehabilitation services-553.0 FTE positions | 155,220,500 | 155,220,500 |
| Subregional libraries state aid | 451,800 | 451,800 |
| **GROSS APPROPRIATION** | **$ 204,988,100** | **$ 204,988,100** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 157,206,400 | 157,206,400 |
| Special revenue funds: | | |
| Local revenues | 5,400,000 | 5,400,000 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Private revenues | 643,300 | 643,300 |
| Other state restricted revenues | 466,200 | 466,200 |
| State general fund/general purpose | $ 41,272,200 | $ 41,272,200 |
| **Sec. 11-105. EMPLOYMENT SERVICES** | | |
| Full-time equated classified positions | 405.0 | 405.0 |
| Bureau of employment relations-22.0 FTE positions | $ 4,718,200 | $ 4,718,200 |
| Compensation supplement fund | 820,000 | 820,000 |
| First responder presumed coverage claims | 6,500,000 | 6,500,000 |
| Insurance funds administration-21.0 FTE positions | 4,525,300 | 4,525,300 |
| Michigan occupational safety and health administration 217.0 FTE positions | 41,384,700 | 41,384,700 |
| Office of global Michigan-15.0 FTE positions | 41,980,700 | 41,980,700 |
| Private and occupational distance learning-3.0 FTE positions | 989,700 | 989,700 |
| Radiation safety section-26.0 FTE positions | 4,206,100 | 4,206,100 |
| Wage and hour program-33.0 FTE positions | 4,781,500 | 4,781,500 |
| Workers' compensation board of magistrates-10.0 FTE positions | 2,341,500 | 2,341,500 |
| Workers' disability compensation agency-56.0 FTE positions | 10,255,300 | 10,255,300 |
| Workers' disability compensation appeals commission-2.0 FTE positions | 363,700 | 363,700 |
| **GROSS APPROPRIATION** | **$ 122,866,700** | **$ 122,866,700** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 55,679,200 | 55,679,200 |
| Special revenue funds: | | |
| Other state restricted revenues | 57,569,800 | 57,569,800 |
| State general fund/general purpose | $ 9,617,700 | $ 9,617,700 |
| **Sec. 11-106. UNEMPLOYMENT** | | |
| Full-time equated classified positions | 738.0 | 738.0 |
| Unemployment insurance agency-728.0 FTE positions | $ 294,287,000 | $ 294,287,000 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Unemployment insurance agency - advocacy assistance .. | 1,500,000 | 1,500,000 |
| Unemployment insurance appeals commission-10.0 | | |
| FTE positions ..... | 4,430,600 | 4,430,600 |
| **GROSS APPROPRIATION ..... | **$ 300,217,600** | **$ 300,217,600** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 280,270,300 | 280,270,300 |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 19,947,300 | 19,947,300 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 11-107. COMMISSIONS** | | |
| Full-time equated classified positions..... | 23.0 | 23.0 |
| Asian Pacific American affairs commission-1.0 | | |
| FTE position ..... | $ 225,900 | $ 225,900 |
| Commission on Middle Eastern American affairs-1.0 | | |
| FTE position ..... | 216,700 | 216,700 |
| Hispanic/Latino commission of Michigan-1.0 | | |
| FTE position ..... | 298,500 | 298,500 |
| Michigan community service commission-14.0 | | |
| FTE positions ..... | 19,622,300 | 19,622,300 |
| Michigan women's commission-2.0 FTE positions ..... | 1,548,900 | 1,548,900 |
| Prosperity-4.0 FTE positions ..... | 922,000 | 922,000 |
| **GROSS APPROPRIATION ..... | **$ 22,834,300** | **$ 22,834,300** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 18,184,400 | 18,184,400 |
| Special revenue funds: | | |
| Private revenues ..... | 1,552,600 | 1,552,600 |
| State general fund/general purpose ..... | $ 3,097,300 | $ 3,097,300 |
| **Sec. 11-108. INFORMATION TECHNOLOGY** | | |
| Information technology services and projects ..... | $ 31,082,100 | $ 31,082,100 |
| **GROSS APPROPRIATION ..... | **$ 31,082,100** | **$ 31,082,100** |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 27,339,700 | 27,339,700 |
| Special revenue funds: | | |
| Other state restricted revenues | 2,844,200 | 2,844,200 |
| State general fund/general purpose | $ 898,200 | $ 898,200 |
| **Sec. 11-109. MICHIGAN STRATEGIC FUND** | | |
| Full-time equated classified positions | 130.0 | 130.0 |
| Arts and cultural program | $ 3,708,800 | $ 3,708,800 |
| Business attraction and community revitalization | 59,350,000 | 59,350,000 |
| Community college skilled trades equipment program | 3,017,500 | 3,017,500 |
| Entrepreneurship ecosystem | 15,650,000 | 15,650,000 |
| Facility for rare isotope beams | 7,300,000 | 7,300,000 |
| Job creation services-130.0 FTE positions | 36,193,700 | 36,193,700 |
| Lighthouse preservation program | 250,000 | 250,000 |
| Michigan office of defense and aerospace innovation | 4,000,000 | 4,000,000 |
| Pure Michigan | 17,000,000 | 17,000,000 |
| **GROSS APPROPRIATION** | **$ 146,470,000** | **$ 146,470,000** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 5,950,000 | 5,950,000 |
| Special revenue funds: | | |
| Local revenues | 500,000 | 500,000 |
| Private revenues | 900,000 | 900,000 |
| 21st century jobs fund | 75,000,000 | 75,000,000 |
| Other state restricted revenues | 15,617,500 | 15,617,500 |
| State general fund/general purpose | $ 48,502,500 | $ 48,502,500 |
| **Sec. 11-110. MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY** | | |
| Full-time equated classified positions | 318.0 | 318.0 |
| Community development block grants | $ 47,000,000 | $ 47,000,000 |
| Housing and rental assistance-318.0 FTE positions | 52,875,700 | 52,875,700 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Michigan housing and community development program ... | 50,000,000 | 50,000,000 |
| MSHDA technology services and projects ..... | 3,772,600 | 3,772,600 |
| Payments on behalf of tenants ..... | 166,860,000 | 166,860,000 |
| Property management ..... | 3,506,100 | 3,506,100 |
| **GROSS APPROPRIATION ..... | **$ 324,014,400** | **$ 324,014,400** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 216,633,300 | 216,633,300 |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 107,381,100 | 107,381,100 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 11-111. STATE LAND BANK AUTHORITY** | | |
| Full-time equated classified positions..... | 9.0 | 9.0 |
| State land bank authority-9.0 FTE positions ..... | $ 6,429,900 | $ 6,429,900 |
| **GROSS APPROPRIATION ..... | **$ 6,429,900** | **$ 6,429,900** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 1,000,000 | 1,000,000 |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 3,402,500 | 3,402,500 |
| State general fund/general purpose ..... | $ 2,027,400 | $ 2,027,400 |
| **Sec. 11-112. ONE-TIME APPROPRIATIONS** | | |
| Arts and cultural program ..... | $ 10,000,000 | $ 0 |
| Michigan office of defense and aerospace innovation .. | 1,000,000 | 0 |
| Museums support ..... | 1,500,000 | 0 |
| Office of future mobility and electrification ..... | 4,000,000 | 0 |
| Rural development fund grant program ..... | 2,000,000 | 0 |
| Special events and national convention attraction .... | 6,000,000 | 0 |
| **GROSS APPROPRIATION ..... | **$ 24,500,000** | **$ 0** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 2,000,000 | 0 |

| | | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|---|
| 1 | State general fund/general purpose ..... | $ 22,500,000 | $ 0 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

**GENERAL SECTIONS**

Sec. 11-201. 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 30,2027 is $476,941,900.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is $39,799,500.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

| | |
|---|---|
| At-risk youth grants | $ 5,184,500 |
| Rural development fund grant program | 3,400,000 |
| Workforce development | 28,000,000 |
| Michigan rehabilitation services | 275,000 |
| Arts and cultural program | 2,940,000 |
| TOTAL | $ 39,799,500 |

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

Sec. 11-203. As used in this article:

(a) "Department" means the department of labor and economic opportunity and entities contained within its organization, including, but not limited to, the fund.

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

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

(d) "Fund", unless the context clearly implies a different meaning, means the Michigan strategic fund.

(e) "MEDC" means the Michigan economic development corporation, which is the public body corporate created under section 28 of article VII of the state constitution of 1963 and the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, by contractual interlocal agreement effective April 5, 1999, between local participating economic development corporations formed under the economic development corporations act, 1974 PA 338, MCL 125.1601 to 125.1636, and the fund.

(f) "MEGA" means the Michigan economic growth authority.

(g) "MiSTEM" means Michigan science, technology, engineering, and mathematics.

(h) "MSHDA" means the Michigan state housing development authority.

(i) "PATH" means Partnership. Accountability. Training. Hope.

(j) "Standard report recipients" means the senate and house appropriations subcommittees on labor and economic opportunity, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

(k) "STEM" means science, technology, engineering, and mathematics.

(l) "USDOL" means the United States Department of Labor.

Sec. 11-204. A department or agency shall use the internet to fulfill the reporting requirements of this part and shall make each report readily accessible to the public and conspicuously post each required report in a single archivable location on the department's or agency's Michigan.gov website not later than the due date required for each report. In addition to placing all reports required in the current fiscal year on the department's or agency's website, the department or agency shall maintain on its website all reports placed on the website from previous fiscal years posted by fiscal year in the same single archivable location. The department or agency shall also transmit all required reports for the current fiscal year to the standard recipients and any other required recipients by email.

Sec. 11-205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds appropriated in part 1:

(a) The funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 11-206. (1) The department shall maximize utilization of its in-person state workforce. The department shall prioritize occupancy utilization of office space for each

division within the department. Employees with job responsibilities that require the employees to serve in their capacities outside of an office shall be monitored each pay period to ensure all work hours reported on the timesheet were actually worked.

(2) The department shall comply with requirements set forth by the office of the state employer on in-person work and utilization and occupancy rates of state buildings to ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to market conditions.

(3) The department shall adhere to civil service rules and regulations that state the standard biweekly work period for a full-time employee in the classified service of this state is the equivalent of 80.0 hours of work. The department shall establish policies and processes to ensure all employees are working their jobs during agreed upon business hours.

Sec. 11-207. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall prepare a report on out of state travel expenses not later than January 1. The report must list all travel by classified and unclassified employees outside this state in the previous fiscal year that was funded in whole or in part with funds appropriated in the department's or agency's budget. The department or agency shall submit the report to the standard report recipients and to the house and senate appropriations committees. The report must include all of the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related expenses of each travel occurrence and the proportions funded with state general fund/general purpose revenues, state restricted revenues, federal revenues, and other revenues.

Sec. 11-208. Not later than 6 months after the state budget office issues work project letters, a department, agency and the legislature shall submit an annual report that summarizes all work project accounts. The report must include all of the following:

(a) A list of all work project accounts.

(b) The status of all work project accounts, including amounts expended, amounts encumbered, and available balances for each account.

(c) The amount of funds that lapsed from any previously designated work project accounts, the name and description of the work project account, and the funds that received the lapsed amounts.

Sec. 11-209. Not later than December 15, the state budget office shall prepare and submit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the previous fiscal year. The report must summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall submit the report to the standard report recipients and the chairpersons of the senate and house appropriations committees.

Sec. 11-210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $30,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $560,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

Sec. 11-211. A department or agency shall cooperate with the department of technology, management and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

Sec. 11-212. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of a local health officer.

Sec. 11-213. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving appropriations in part 1 shall take all reasonable steps to ensure geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department or agency contracts to subcontract with certified geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined in Executive Directive No. 2023-1.

Sec. 11-214. The department must provide an annual report to the standard report recipients detailing significant federal policy changes that do, or are expected to significantly impact the operations of the department, including reductions in federal revenue and/or changes that are likely to lead to a reduction in the department's ability to safeguard the health or welfare of the public.

Sec. 11-215. (1) Within 30 days of enactment of this act, the house and senate fiscal agencies shall provide to the state budget office a jointly agreed upon list of legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33 of 2025. The list must include all information and documents pertaining to the funded items as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

(2) In accordance with section 364(4) of the Management and Budget Act, the department or agency administering the grant shall post a report in a publicly accessible location on its website beginning March 15 of the current fiscal year. The department or agency shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

Sec. 11-216. On a quarterly basis, a department or agency receiving appropriations in part 1 shall report on the number of FTEs in pay status by type of staff and civil service

classification, including comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTE positions employed by the department or agency at the end of the reporting period. The report must be submitted to the senate and house appropriations committees and to the standard report recipients.

Sec. 11-217. The state budget director shall take steps to ensure that all state fiscal recovery funds and capital projects fund allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal recovery funds and capital projects fund that would otherwise lapse after September 30, 2026, are automatically reappropriated for the same purpose as originally authorized and available for expenditure through December 31, 2026, and any subsequent financial close out period.

Sec. 11-218. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

(a) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of corrections.

(b) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of state police.

(2) All applicable guidance, implementation, and reporting provisions of Public Law 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under subsection (1).

(3) The state budget director shall notify the senate and house appropriations committees not later than 10 business days after making any reallocations under subsection (1). The notification must include the authorized program under which funds were originally appropriated, the amount of the reallocation, the program, or programs, or purpose, and the

department to which the funds are being reallocated under subsection (1), and the amount reallocated to each program or purpose.

**DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY**

Sec. 11-302. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 and that do not require additional state matching funds are appropriated for the purposes intended. The department may carry forward into the succeeding fiscal year unexpended federal pass-through funds to local institutions and governments that do not require additional state matching funds. The department shall report the amount and source of the funds to the standard report recipients not later than 10 business days after receiving any additional pass-through funds.

Sec. 11-303. Requirements under this part applicable to the fund and the fund's activities apply regardless of whether the fund delegates its functions and authority to the MEDC.

Sec. 11-304. (1) Grants supported with private revenues received by the department are appropriated upon receipt and are available for expenditure by the department for purposes specified within the grant agreement and as permitted under state and federal law.

(2) Not later than 10 days after the receipt of a private grant appropriated in subsection (1), the department shall notify the standard report recipients of the receipt of the grant, including the fund source, purpose, and amount of the grant.

(3) Not later than March 15, the department shall report to the standard report recipients the amount of private revenue generated in the previous fiscal year and the amount of private revenue carried forward into the current fiscal year.

Sec. 11-305. (1) The department may charge registration fees to attendees of informational, training, or special events that are sponsored by the department and related to activities that are under the department's purview.

(2) The fees under subsection (1) must reflect the costs for the department to sponsor the informational, training, or special events.

(3) Revenue generated by the registration fees under subsection (1) is appropriated upon receipt and available for expenditure to cover the department's costs of sponsoring informational, training, or special events.

(4) Revenue generated by registration fees under this section in excess of the department's costs of sponsoring informational, training, or special events must carry forward to the subsequent fiscal year and not lapse to the general fund.

(5) Not later than March 15, the department shall report to the standard report recipients on the amount of registration fees generated in the previous fiscal year and the amount of registration fees carried forward into the current fiscal year.

Sec. 11-306. (1) The department may sell documents at a price not to exceed the cost of production and distribution. Money received from the sale of these documents must revert to the department. In addition to the funds appropriated in part 1, these funds are available for expenditure when they are received by the department of treasury. This subsection applies only to R 418.10101 to R 418.101503 of the Michigan Administrative Code.

(2) Unexpended funds at the end of the fiscal year must carry forward to the subsequent fiscal year and not lapse to the general fund. The money carried forward under this section must be used as the first source of funds in the subsequent fiscal year.

(3) Not later than March 15, the department shall report to the standard report recipients the amount of revenue generated from the sale of documents produced and distributed by the department in the previous fiscal year and the amount of revenue generated from the sale of documents produced and distributed by the department carried forward into the current fiscal year.

Sec. 11-307. (1) If the revenue collected by the department for radiological health administration and projects from fees and collections exceeds the amount appropriated in part 1, the revenue must be carried forward into the subsequent fiscal year. The revenue carried forward under this section must be used as the first source of funds in the subsequent fiscal year.

(2) Not later than March 15, the department shall report to the standard report recipients the total amount of revenue from fees and collections for any radiological health administration and projects that was carried forward from the previous fiscal year.

Sec. 11-308. Funds appropriated in part 1 must not be used by a department, authority, or agency to purchase an ownership interest in a casino.

**MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY**

Sec. 11-402. The funds appropriated in part 1 for the Michigan housing and community

development program must be expended for projects as described in sections 58b and 58c of the state housing development authority act of 1966, 1966 PA 346, MCL 125.1458b and 125.1458c.

**STATE LAND BANK AUTHORITY**

Sec. 11-451. (1) In addition to the amounts appropriated in part 1, the state land bank authority may expend revenues received under the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774, for the purposes authorized by the act, including, but not limited to, the acquisition, lease, management, demolition, maintenance, or rehabilitation of real or personal property, payment of debt service for notes or bonds issued by the authority, and other expenses to clear or quiet title property held by the authority. The state land bank authority may establish partnerships with local land bank authorities.

(2) Not later than March 15, the state land bank authority shall submit a report to the standard report recipients on the number of real properties acquired, leased, managed, demolished, maintained, or rehabilitated in the previous fiscal year and list any partnerships that the state land bank authority has with any local land bank authorities. The report must also include a list of any properties sold by or otherwise transferred from the state land bank authority in the previous fiscal year.

**MICHIGAN STRATEGIC FUND**

Sec. 11-501. The report required under section 9 of the Michigan strategic fund act, 1984 PA 270, MCL 125.2009, must be transmitted not later than April 10.

Sec. 11-502. In addition to the appropriations in part 1, Travel Michigan may receive and expend private revenue related to the use of "Pure Michigan" and all other copyrighted slogans and images. This revenue may come from the direct licensing of the name and image or from the royalty payments from various merchandise sales. Revenue collected is appropriated for the marketing of this state as a travel destination. The funds are available for expenditure when they are received by the department of treasury. If the fund receives revenues from the use of "Pure Michigan", the fund shall provide a report that lists the revenues by source received from the use of "Pure Michigan" and all other copyrighted slogans and images. The report must provide a detailed list of expenditures of revenues received under this section. The report must be provided to the standard report

recipients not later than April 10.

Sec. 11-503. (1) Funds appropriated in part 1 for Pure Michigan must be used for the following purposes:

(a) Conduction of market research regionally, nationally, and internationally for use in market campaigns.

(b) Production of advertisements for the promotion of Michigan as a place to live, learn, build, work, play, and succeed.

(c) Placement of advertisements that have a diverse representation in regional, national, and international market campaigns to promote Michigan as a state that welcomes all individuals and families.

(d) Administration of the program.

(e) Matching marketing campaigns funded from the local promotion fund or private promotion fund.

(2) The fund may work in cooperation with local units of government, nonprofit entities, and private entities on Pure Michigan promotion campaigns. The fund shall include agreements prior to undertaking cooperative marketing campaigns.

(3) The department shall provide an annual report to the standard report recipients not later than April 10 on the utilization of funds for eligible activities in subsection (1), including a breakdown by eligible use, efforts taken to broaden the scope of marketing activities to diverse populations, a breakdown of funds spent within this state and outside of this state, targeted marketing to encourage residents from other states to move to this state, and how much was expended on market research.

(4) As prescribed by the legislature, funds appropriated to Pure Michigan must be used only for this state to market itself as a travel and tourist destination with the sole purpose of attracting new visitors and retaining former visitors. All of the following apply to marketing under this subsection:

(a) Promotion may be made by print, television, radio, and social media.

(b) The purpose of the advertisements under subdivision (a) must be to attract tourism and leisure travelers to this state.

(c) Advertisements that incorporate the Pure Michigan Byways campaign satisfy the requirement under subdivision (b).

(5) Each local visitor bureau can only receive dollars appropriated to Pure Michigan

once per fiscal year.

Sec. 11-504. (1) A local promotion fund is created in the department. The fund may receive funds from local units of government and nonprofit entities and deposit these funds into the local promotion fund. Funds received are available for expenditure for use in Pure Michigan promotion campaigns. The fund may maintain individual accounts for local units of government and nonprofit entities that deposit funds into the local promotion fund upon request from a local unit of government. As used in this subsection, "local unit of government" includes cities, villages, townships, counties, and regional councils of government.

(2) Local promotion funds appropriated in part 1 may be used for media production and placements, national and international marketing campaigns, and for other activities that promote Michigan as a place to live, work, and play.

(3) Any unexpended or unencumbered balance must be disposed of in accordance with the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, unless carryforward authorization has been otherwise provided for.

(4) The department shall provide a report to the standard report recipients not later than April 10 on any funds that have been generated by local units of government and how those funds have been expended.

Sec. 11-505. (1) A private promotion fund is created in the department. The fund may receive funds from private entities and deposit these funds into the private promotion fund. Funds received are available for expenditure for use in Pure Michigan promotion campaigns. The fund may maintain individual accounts for private entities that deposit funds into the private promotion fund upon request from a private entity.

(2) Private promotion funds appropriated in part 1 may be used for media production and placements, national and international marketing campaigns, and for other activities that promote Michigan as a place to live, work, and play.

(3) Any unexpended or unencumbered balance shall be disposed of in accordance with the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, unless carryforward authorization has been otherwise provided for.

Sec. 11-510. As a condition for receiving funds in part 1, not later than April 10, the fund shall provide a report for the previous fiscal year on the jobs for Michigan investment fund, created in section 88h of the Michigan strategic fund act, 1984 PA 270,

MCL 125.2088h. The report must include, but is not limited to, all of the following:

(a) A detailed listing of revenues, by fund source, to the jobs for Michigan investment fund. The listing must include the manner and reason for which the funds were appropriated to the jobs for Michigan investment fund.

(b) A detailed listing of expenditures, by project, from the jobs for Michigan investment fund.

(c) A fiscal year-end balance of the jobs for Michigan investment fund.

Sec. 11-511. (1) From the appropriations in part 1 to the fund and granted or transferred to the MEDC, any unexpended or unencumbered balance must be disposed of in accordance with the requirements in the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, unless carryforward authorization has been otherwise provided for.

(2) Any encumbered funds, including encumbered funds subsequently unobligated, must be used for the same purposes for which funding was originally appropriated in this part and part 1.

(3) For funds appropriated in part 1 to the fund, any carryforward authorization subsequently created through a work project must be preserved until a cash or accrued expenditure has been executed or the allowable work project time period has expired.

Sec. 11-512. (1) As a condition of receiving funds under part 1, the fund must ensure that the MEDC and the fund comply with all of the following:

(a) The freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(b) The open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(c) Annual audits of all financial records by the auditor general or the auditor general's designee.

(d) All reports required by law to be submitted to the legislature.

(2) If the MEDC is unable for any reason to perform duties under this part, the fund may exercise those duties.

Sec. 11-514. (1) From the funds appropriated in part 1 for business attraction and community revitalization, not less than 60.0% must be used to provide support for small businesses and may include the following activities:

(a) Small business support hubs and community incubators.

(b) Business development grants or loans to small businesses.

(c) Support to community development financial institutions.

(d) Public spaces community places program.

(e) Grants and loans to small business service providers.

(f) Grants or other funding for technical assistance for small businesses.

(g) Matching funds for federal grants and programming that benefits small businesses.

(2) All remaining funding for business attraction and community revitalization may be used to support programs and administration as outlined in the Michigan strategic fund act, 1984 PA 270, MCL 125.2001 to 125.2094.

(3) As used in this section:

(a) "Community incubator" means a local hub, combined programming, or a facility designed to foster local growth and innovation by providing startups, small businesses, nonprofit organizations, and community initiatives with access to affordable workspace, resources, mentorship, training, technical assistance, and networking opportunities.

(b) "Small business" means a small business as defined by the United States Small Business Administration.

Sec. 11-516. As a condition of receiving an award from the fund, each business incubator or accelerator that received an award from the fund must maintain and update a dashboard of indicators to measure the effectiveness of the business incubator and accelerator programs. Indicators must include the direct jobs created, new companies launched as a direct result of business incubator or accelerator involvement, businesses expanded as a direct result of business incubator or accelerator involvement, direct investment in client companies, private equity financing obtained by client companies, grant funding obtained by client companies, and other measures developed by the recipient business incubators and accelerators in conjunction with the MEDC. Dashboard indicators must be reported for the previous fiscal year and cumulatively, if available. Each recipient shall submit a copy of their dashboard indicators to the fund by March 1. The fund shall transmit the local reports not later than April 10.

Sec. 11-517. (1) From the appropriations in part 1, the Michigan arts and culture council shall administer an arts and cultural grant program that maintains an equitable geographic distribution of funding and utilizes past arts and cultural grant programs as a guideline for administering this program. The council shall do all of the following:

(a) Not later than October 1, publish proposed application criteria, instructions,

and forms for use by eligible applicants. The council shall provide at least a 2-week period for public comment before finalizing the application criteria, instructions, and forms.

(b) Assess a nonrefundable application fee that may be applied for each application. Application fees must be deposited in the council for the arts fund and are appropriated for expenses necessary to administer the programs. These funds are available for expenditure when they are received and may be carried forward to the subsequent fiscal year.

(c) Issue grants to public and private arts and cultural entities.

(d) Not later than 1 business day after the award announcements, provide to each member of the legislature and the fiscal agencies a list of all grant recipients and the total award given to each recipient, sorted by county.

(e) In addition to the information in subdivision (d), report on the number of applications received, number of grants awarded, total amount requested from applications received, and total amount of grants awarded.

(2) Funds appropriated in part 1 for arts and cultural program may be expended for the administration of the grant program.

Sec. 11-520. (1) The fund, in conjunction with the department of treasury, shall report not later than November 1 on the annual cost of the MEGA tax credits. The report must include for each year the board-approved credit amount, adjusted for credit amendments where applicable, and the actual and projected value of tax credits for each year from 1995 to the expiration of the credit program. For years for which credit claims are complete, the report must include the total of actual certificated credit amounts. For years that claims are still pending or not yet submitted, the report must include a combination of actual credits where available and projected credits. Credit projections must be based on updated estimates of employees, wages, and benefits for eligible companies.

(2) In addition to the report under subsection (1), the fund, in conjunction with the department of treasury, shall report to the standard report recipients not later than November 1 on the annual cost of all other certificated credits by program, for each year until the credits expire or can no longer be collected. The report must include estimates on the brownfield redevelopment credit, film credits, MEGA photovoltaic technology credit, MEGA polycrystalline silicon manufacturing credit, MEGA vehicle battery credit, and other

certificated credits.

Sec. 11-522. (1) From the funds appropriated in part 1 for business attraction and community revitalization, the fund shall identify specific outcomes and performance measures, including, but not limited to, the following:

(a) Total verified jobs created by the business attraction program during the previous fiscal year.

(b) Total private investment obtained through the business attraction and community revitalization programs during the previous fiscal year.

(c) Amount of private and public square footage created and reactivated through the community revitalization program during the previous fiscal year.

(2) The fund shall submit a report to the standard report recipients not later than April 10. The report must describe the specific outcomes and measures required in subsection (1) and provide the results and data related to these outcomes and measures for the previous fiscal year if related information is available for the previous fiscal year. The report must also contain a summary of any metrics used to evaluate the outcomes and performance of any programs.

Sec. 11-523. In addition to the funds appropriated in part 1, the funds collected by state historic preservation programs for document reproduction and services and application fees are appropriated for all expenses necessary to provide the required services. These funds are available for expenditure when they are received and may be carried forward into the succeeding fiscal year.

Sec. 11-524. Tax capture revenues collected in accordance with written agreements under the good jobs for Michigan program and transferred from the general fund for deposit into the good jobs for Michigan fund, and for both calculated payments from the good jobs for Michigan fund to authorized businesses and distributions to the fund for administrative expenses, are appropriated under the provisions of chapter 8D of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090g to 125.2090j.

Sec. 11-526. (1) The funds appropriated in part 1 for Michigan office of defense and aerospace innovation shall be used by the Michigan strategic fund to protect and grow the defense and homeland security industry in this state by protecting this state's current department of defense missions, infrastructure, and industry, including securing new missions and increasing defense and homeland security spending in this state. These funds

may be used for, but are not limited to, the following activities:

(a) Helping businesses in this state identify federal defense contract opportunities.

(b) Providing technical assistance for bid responses to federal defense contracts.

(c) Strengthening cybersecurity compliance at businesses in this state to qualify for federal defense contracts.

(2) Not later than April 10, the Michigan office of defense and aerospace innovation shall provide an annual report to the standard report recipients. The report must include, but is not limited to, all of the following:

(a) A strategic plan for the organization.

(b) An overview of the defense industry in this state, including identification of recent accomplishments and services provided to businesses in this state in the most recent year.

(c) A list of expenditures used to fund memberships in organizations and costs associated with attending conferences and expositions in the previous fiscal year.

(d) The most recent annual figures on direct domestic defense-related contracts and grants awarded to Michigan-based entities in the previous fiscal year.

(e) A summary of contracts or defense industry business with international clients.

**EMPLOYMENT SERVICES**

Sec. 11-601. From the funds appropriated in part 1 for wage and hour program, the department shall continue to engage with employers and employees to enhance education and outreach, in accordance with the youth employment standards act, 1978 PA 90, MCL 409.101 to 409.124, 1978 PA 390, MCL 408.471 to 408.490, the improved workforce opportunity wage act, 2018 PA 337, MCL 408.931 to 408.945, the earned sick time act, 2018 PA 338, MCL 408.961 to 408.974, the human trafficking notification act, 2016 PA 62, MCL 752.1031 to 752.1040, and 2023 PA 10, MCL 408.1101 to 408.1126, and private right of action. All funds received in the prevailing wage fund created in section 25a of 2023 PA 10, MCL 408.1125a, are appropriated for the purposes allowable under 25a of 2023 PA 10, MCL 408.1125a.

Sec. 11-602. (1) In addition to the funds appropriated in part 1, all funds necessary to pay approved claims and administrative costs incurred during this fiscal year, as allowed in the Christopher R. Slezak first responder presumed coverage fund created in section 405 of the worker's disability compensation act of 1969, 1969 PA 317, MCL 418.405,

are appropriated for the purposes authorized under section 405 of the worker's disability compensation act of 1969, 1969 PA 317, MCL 418.405.

(2) The department shall provide a year-end report to the Michigan gaming control board, the department of treasury, and the state budget office that includes, but is not limited to, the total of all approved claims and administrative costs incurred as of September 30 of the current fiscal year.

**WORKFORCE DEVELOPMENT**

Sec. 11-701. The department shall administer the PATH training program in accordance with the requirements of section 407(d) of title IV of the social security act, 42 USC 607, the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, and all other applicable laws and regulations.

Sec. 11-702. (1) From the funds appropriated in part 1 for workforce development, the department may allocate funding for grants to nonprofit organizations that offer programs under the workforce innovation and opportunity act, 29 USC 3101 to 3361, for eligible youth that focus on apprenticeship readiness, pre-apprenticeship and apprenticeship activities, entrepreneurship, work-readiness skills, job shadowing, or financial literacy. Organizations eligible for funding under this section must have the capacity to provide similar programs in urban areas, as determined by the United States Census Bureau according to the most recent federal decennial census. Additionally, programs eligible for funding under this section must include the participation of local business partners. The department shall develop other appropriate eligibility requirements to ensure compliance with applicable federal rules and regulations.

(2) Not later than March 15, the department shall report at least all of the following:

(a) Total grants expended under this section in the previous fiscal year.

(b) The total number of students served from the grants appropriated under this section.

(c) A list of all organizations and the amount each organization received from the funding appropriated under this section.

Sec. 11-703. From the funds appropriated in part 1, the department shall make available, in person or by telephone, 1 disabled veterans outreach program specialist or

local veterans employment representative to Michigan works service centers, as resources permit, during hours of operation, and shall continue to make the appropriate placement of veterans and disabled veterans a priority.

Sec. 11-704. (1) In addition to the funds appropriated in part 1, any unencumbered and unrestricted funds allocated under the federal workforce innovation and opportunity act, 29 USC 3101 to 3361, or trade adjustment assistance funds available from previous fiscal years are appropriated for the purposes originally intended.

(2) The department shall report to the standard report recipients not later than March 15 on the amount, by fiscal year, of funds allocated under the federal workforce innovation and opportunity act, 29 USC 3101 to 3361, appropriated under this section.

Sec. 11-707. The funds appropriated in part 1 for MiSTEM advisory council must be used to support the staff for the MiSTEM network, and for administrative, training, and travel costs related to the MiSTEM council. The MiSTEM network may receive funds from private sources. If the MiSTEM network receives funds from private sources, those funds are appropriated and shall be expended in alignment with the statewide STEM strategy. The staff for the MiSTEM network shall do all of the following:

(a) Serve as a liaison among and between the department, the department of lifelong education, advancement, and potential, the department of education, the MiSTEM council, the governor's workforce development board, the MiSTEM regions, and any other relevant organization or entity in a manner that creates a robust statewide STEM culture, empowers STEM teachers, integrates business and education into the STEM network, and ensures high-quality STEM experiences for pupils.

(b) Coordinate the implementation of a marketing campaign, including, but not limited to, a website that includes dashboards of outcomes, to build STEM awareness and communicate STEM needs and opportunities to pupils, parents, educators, and the business community.

(c) Work with the department of education and the MiSTEM council to coordinate, award, and monitor MiSTEM state and federal grants to the MiSTEM network regions and conduct reviews of grant recipients, including, but not limited to, pupil experience and feedback.

(d) Report to the governor, the legislature, and the MiSTEM council annually on the activities and performance of the MiSTEM network regions.

(e) Coordinate recurring discussions and work with regional staff to ensure that a

network or loop of feedback and best practices are shared, including funding, programming, professional learning opportunities, discussion of MiSTEM strategic vision, and regional objectives.

(f) Coordinate major grant application efforts with the MiSTEM council to assist regional staff with grant applications on a local level. The MiSTEM council shall leverage private and nonprofit relationships to coordinate and align private funds in addition to funds appropriated under this section.

(g) Train state and regional staff in the STEM works rating system, in collaboration with the MiSTEM council and the Michigan department of education.

(h) Hire MiSTEM network region staff in collaboration with the network region fiscal agent.

Sec. 11-708. (1) From the funds appropriated in part 1 for workforce development, the department shall provide a report on the status of workforce development not later than March 15 to the standard report recipients. The report must include the following:

(a) The amount of funding allocated to each Michigan works agency and the total funding allocated to the workforce training programs statewide by fund source.

(b) The number of participants enrolled in education or training programs by each Michigan works agency.

(c) The average duration of training for training program participants by each Michigan works agency.

(d) The number of participants enrolled in remedial education programs and the number of participants enrolled in literacy programs.

(e) The number of participants enrolled in programs at 2-year institutions.

(f) The number of participants enrolled in programs at 4-year institutions.

(g) The number of participants enrolled in proprietary schools or other technical training programs.

(h) The number of participants who completed an education or training program.

(i) The number of participants who completed a training program and secured employment in a field related to their training.

(j) The average wage earned by participants who completed a training program and secured employment within 1 year.

(k) The actual revenues received by the fund source and fund appropriated for each

discrete workforce development program area.

(l) The average cost of training per individual served.

(2) Data collection for the report must be for the previous state fiscal year.

Sec. 11-710. (1) The funds appropriated in part 1 for 23+ high school diploma program must be awarded for a program to assist Michigan residents 23 years of age or older in obtaining high school diplomas and placement in career training programs.

(2) For purposes of this section, an eligible program provider may be a public, nonprofit, or private accredited diploma-granting institution, but must have not less than 2 years of experience providing dropout recovery services in this state.

(3) The department shall issue a request for qualifications for eligible program providers to participate in the program. To be considered a qualified program provider, the institution must offer all of the following:

(a) Dropout reengagement services.

(b) Academic intake assessments.

(c) An integrated learning plan.

(d) A course catalog that includes all graduation requirements.

(e) Remediation coursework.

(f) Academic resilience assessment and intervention.

(g) Employability skills development, such as WorkKeys preparation.

(h) Industry recognized credentials.

(i) Credit for on-the-job training.

(j) A robust support framework, including technology, social support, and academic support.

(4) The department shall announce qualified program providers not later than January 1 of the current fiscal year. Qualified program providers must start providing programming by February 1 of the current fiscal year.

(5) The department shall reimburse qualified program providers for each month of satisfactory monthly progress as described in section 23a of the state school aid act of 1979, 1979 PA 94, MCL 388.1623a, at a rate of $500.00 per month. A payment shall be made to a qualified program provider for the completion of the following by an eligible participant:

(a) $500.00 for the completion of an employability skills program equal to at least 1

unit of high school credit obtained through classroom or online instruction.

(b) $250.00 for the attainment of an industry-recognized credential requiring up to 50 hours of training.

(c) $500.00 for the attainment of an industry-recognized credential requiring 50 to 100 hours of training.

(d) $750.00 for the attainment of an industry-recognized credential requiring more than 100 hours of training.

(e) $1,000.00 for the attainment of a high school diploma awarded for satisfying Michigan merit curriculum requirements or an approved personal curriculum, as defined by the Michigan department of education.

(f) $2,500.00 for placement in a job in an in-demand career pathway.

(6) The department shall develop policies and guidelines to implement this section.

Sec. 11-711. The funds appropriated in part 1 for at-risk youth grants must be awarded to the Michigan franchise holder of the national Jobs for America's Graduates program for the administration of the Jobs for Michigan's Graduates program.

Sec. 11-712. (1) The funds appropriated in part 1 for the high school equivalency-to-school program must be used to purchase and distribute vouchers that cover the cost of high school equivalency testing and certification under this section. The department shall administer a Michigan high school equivalency-to-school program that covers the cost of taking a high school equivalency test free of charge for individuals who meet all of the following requirements:

(a) The individual has not previously been administered a high school equivalency test free of charge under this section.

(b) The individual meets at least 1 of the following requirements:

(i) Prior to taking the high school equivalency test, the individual successfully completed a department-approved high school equivalency preparation program.

(ii) Prior to taking the high school equivalency test, the individual completed the official high school equivalency practice test and the individual's score indicated that the individual is likely to pass.

(2) A department-approved high school equivalency preparation program must include all of the following:

(a) Instructional and tutorial assistances.

(b) High school equivalency test practice.

(c) Required attendance at program instructional sessions.

(d) A curriculum that prepares students for opportunities in postsecondary education and the job market.

(e) Information on potential postsecondary and career pathways.

(f) Counseling on preparing for and applying to college.

(g) Personal and job readiness skills development.

(h) Comprehensive information on college costs and financial aid.

(i) College and career assessments.

(j) Computer-based instruction, practice, or remediation.

(3) The department shall post online an announcement of the Michigan high school equivalency-to-school program, minimum standards for high school equivalency preparation program approval, and approval procedures.

(4) The department shall do all of the following:

(a) Develop procedures consistent with this section under which individuals can take the high school equivalency test without charge.

(b) Provide program information for educators and students on the department website, including explanations of the procedures developed under subparagraph (a), and contact information for questions about the program.

(c) Provide an estimate of the full-year cost of the program to the standard report recipients.

(5) Not later than September 30, the department shall report on utilization of the high school equivalency incentive program to the standard report recipients, including numbers of high school equivalency certifications issued by location, year-to-date expenditures, and numbers of participants qualifying under subsection (1)(b)(i) or (ii), or both.

Sec. 11-714. (1) The office of rural prosperity shall encourage and enable appropriate community advancements and improvements, including, but not limited to, all of the following:

(a) Housing.

(b) Infrastructure.

(c) Education.

(d) Workforce development.

(e) Other activities that address needs uniquely present in rural areas of this state and assist in expansion of rural development.

(2) Not later than March 15, the office of rural prosperity shall submit a report to the standard report recipients that outlines the office's activities, programs, and accomplishments in the previous fiscal year. To the extent possible, the report must also include information regarding the amount of subsequent grant funding that entities are able to secure after receiving assistance from the office of rural prosperity or an office of rural prosperity grant.

Sec. 11-715. (1) From the funds appropriated in part 1 for community and worker economic transition office, the department may hire employees and deploy capabilities to evaluate and address the impacts of economic transitions on workers, communities, and employers in sectors that include, but are not limited to, the auto, utility, manufacturing, and building trades sectors. Activities of the office may include developing transition mitigation strategies, conducting data analysis, coordinating across state and federal agencies, engaging stakeholders, and providing resource navigation support. No later than March 15, the department shall submit an annual report on office activities and progress made on the community and worker economic transition plan to the standard report recipients and to the legislature, as required under section 7(5) of the community and worker economic transition act, 2023 PA 232, MCL 408.917.

(2) In the annual report submitted under subsection (1), the department shall include information on the mission statement, goals, metrics, and recommendations of the community and worker economic transition office.

Sec. 11-717. The department's office of rural prosperity shall collaborate with the department of agriculture and rural development on the rural development fund grant program as part of this state's coordinated strategy for achieving rural prosperity across this state.

Sec. 11-718. There are appropriated 8.0 full-time equated positions for the Michigan high speed internet office.

**UNEMPLOYMENT**

Sec. 11-801. The unemployment insurance agency shall provide a report updated at

least quarterly that includes, but is not limited to, fiscal year-to-date expenditures by division and program unit. The unemployment insurance agency shall transmit each quarterly report no later than 60 days after the end of each quarter.

Sec. 11-802. (1) From the funds appropriated in part 1, the department, on behalf of the unemployment insurance agency, shall provide a quarterly report to the standard report recipients not later than 60 days after the end of each quarter that includes, but is not limited to, the following:

(a) The average number of unique claimants for the quarter.

(b) The average number of eligible claimants with certification for the quarter.

(c) The average number of claims paid for the quarter.

(d) The total amount of standard unemployment insurance payments paid for the quarter.

(e) The total amount of unemployment insurance tax generated for the quarter.

(f) The balance of the Michigan unemployment trust fund at the end of the quarter.

(2) The department shall include the same information required in subsection (1) for the previous 12 months. The department shall include the most recent quarterly report on the department's webpage.

Sec. 11-803. From the funds appropriated in part 1, the department shall provide a quarterly report not later than 60 days after the end of each quarter that includes, but is not limited to, the following:

(a) The number of new fraudulent and noncompliant cases that have been identified or issued by the unemployment insurance agency, classified by employer or claimant, during the quarter.

(b) The total amount of penalties and interest issued on fraudulent and noncompliant cases during the quarter.

(c) The total amount of penalties and interest dollars received during the quarter by employer or claimant.

(d) The total amount of collectible penalties and interest still owed to this state by employer or claimant.

(e) The number of fraudulent and noncompliant cases that have been appealed by an employer or claimant during the quarter.

Sec. 11-804. (1) The funds appropriated in part 1 for unemployment insurance agency

must be used to staff unemployment insurance agency branch offices for in-person appointments for unemployment insurance agency claimant services.

(2) The department shall provide a biannual report to the standard report recipients not later than March 15 and September 30 that includes all of the following:

(a) The number and location of in-person offices.

(b) The average number of staff at each location over the previous 6 months.

(c) The volume of in-person claimants served at each location in the previous 6 months.

(d) For the previous 6 months, the average number of staff at each location where the unemployment insurance agency offers in-person appointments, the average number of staff assigned to offering virtual appointments, and the average number of staff assigned to offering telephone appointments.

(e) For the previous 6 months, the volume of in-person claimants served at each location, the volume of claimants served through virtual appointments, and the volume of claimants served through telephone appointments.

Sec. 11-805. (1) Funds appropriated in part 1 for the unemployment insurance agency may be used by the unemployment insurance agency to increase capacity by an estimated 250 limited-term employees only if the unemployment insurance agency provides full-time, in-person services at existing unemployment insurance local offices.

(2) In addition to the 250 limited-term employees described in subsection (1), the unemployment insurance agency may increase capacity by up to 250 additional limited-term employees if all of the following occur:

(a) The unemployment insurance agency provides full-time, in-person services at existing unemployment insurance local offices.

(b) The number of claims received by the unemployment insurance agency increased by 20% or more in a month.

(c) The unemployment insurance agency determines there is a need for additional limited-term employees.

Sec. 11-806. (1) From the funds appropriated in part 1 for unemployment insurance agency, the department shall maintain customer service standards for employers and claimants making use of the various means by which they can access the system.

(2) The department shall identify specific outcomes and performance metrics for this

initiative, including, but not limited to, the following:

(a) Unemployment benefit fund balance.

(b) Process improvement - fiscal integrity.

(c) Process improvement - determination timeliness.

(d) Process improvement - determination quality.

Sec. 11-807. Funds earned or authorized by the USDOL in addition to the appropriation in part 1 for the unemployment insurance agency are appropriated and may be expended for staffing and related expenses incurred in the operation of its programs. These funds may be spent after the department notifies the standard report recipients of the purpose and amount of each grant award.

**REHABILITATION SERVICES**

Sec. 11-901. The Michigan rehabilitation services and bureau of services for blind persons shall work collaboratively with service organizations and government entities to identify allowable match dollars to secure available federal vocational rehabilitation funds.

Sec. 11-902. From the funds appropriated in part 1, the department shall provide an annual report on efforts taken to improve the Michigan rehabilitation services not later than March 15 to the standard report recipients. The report must include all of the following items:

(a) Changes in administrative costs and staffing.

(b) Number of individuals with disabilities served each fiscal year and number of students with disabilities served each fiscal year.

(c) Number of services provided in each allowable vocational rehabilitation service category.

(d) Plans to integrate Michigan rehabilitative services programs into other services provided by the department.

(e) Quarterly expenditures by major spending category.

(f) Employment and job retention rates from both Michigan rehabilitation services and its nonprofit partners.

(g) Success rate in achieving the program goals, by geographic region, in a manner determined by the department.

(h) An explanation of each program goal that is set for Michigan rehabilitation services.

Sec. 11-903. (1) From the funds appropriated in part 1 for Michigan rehabilitation services, the department shall allocate funding along with available federal match to support the provision of vocational rehabilitation services to eligible agricultural workers with disabilities. Authorized services shall assist agricultural workers with disabilities in acquiring or maintaining quality employment and independence.

(2) Not later than March 15, the department shall report to the standard report recipients on the total number of clients served and the total amount of federal matching funds obtained throughout the duration of the program.

Sec. 11-904. If the department is at risk of entering into an order of selection for services, the department shall notify the standard report recipients within 2 weeks of receiving notification.

Sec. 11-905. (1) Funds appropriated in part 1 for independent living must be used to support the general operations of centers for independent living in delivering mandated independent living services in compliance with federal rules and regulations, including 2 CFR 200, for the centers, by existing centers for independent living to serve underserved areas, and for projects to build the capacity of centers for independent living to deliver independent living services. Applications for the funds must be reviewed in accordance with criteria and procedures established by the department. Funds must be used in a manner consistent with the state plan for independent living. Services provided should assist people with disabilities to move toward self-sufficiency, including, but not limited to, support for accessing transportation and health care, obtaining employment, community living, nursing home transition, information and referral services, education, youth transition services, veterans, and stigma reduction activities and community education. This includes the independent living guide services that specifically focus on economic self-sufficiency.

(2) Not later than March 15 and in partnership with service providers, the department shall provide a report to the standard report recipients on direct customer and system outcomes and performance measures.

Sec. 11-906. Federal workforce innovation and opportunity vocational rehabilitation funds from prior years that are received in amounts in addition to those included in part 1

and that have already met state matching requirements are appropriated for the purposes intended. The department may carry forward into the succeeding fiscal year unexpended federal workforce innovation and opportunity vocational rehabilitation funds that do not require additional state matching funds.

Sec. 11-907. (1) The appropriation in part 1 for bureau of services for blind persons includes funds for case services. These funds may be used for tuition payments for blind clients.

(2) Revenue collected by the bureau of services for blind persons and from private and local sources that is unexpended at the end of the fiscal year must carry forward to the subsequent fiscal year.

Sec. 11-908. The bureau of services for blind persons may provide and enter into agreements to provide general services, training, meetings, information, special equipment, software, facility use, and technical consulting services to other principal executive departments, state agencies, local units of government, the judicial branch of government, other organizations, and patrons of department facilities. The department may charge fees for these services that are reasonably related to the cost of providing the services. In addition to the funds appropriated in part 1, funds collected by the department for these services are appropriated for all expenses necessary. The funds appropriated under this section are allotted for expenditure when they are received by the department of treasury.

Sec. 11-909. (1) The funds appropriated in part 1 for a regional or subregional library must not be released until a budget for that regional or subregional library has been approved by the department for expenditures for library services directly serving the blind and persons with disabilities.

(2) To receive subregional state aid appropriated in part 1, a regional or subregional library's fiscal agency must agree to maintain local funding support at the same level in the current fiscal year as in the fiscal agency's preceding fiscal year. If a reduction in expenditures equally affects all agencies in a local unit of government that includes the regional or subregional library's fiscal agency, the reduction must not be interpreted as a reduction in local support and must not disqualify a regional or subregional library from receiving state aid under part 1. If a reduction in income affects a library cooperative or district library that includes a regional or subregional library's fiscal agency or a reduction in expenditures for the regional or subregional library's

fiscal agency, a reduction in expenditures for the regional or subregional library must not be interpreted as a reduction in local support and must not disqualify a regional or subregional library from receiving state aid under part 1.

**COMMISSIONS**

Sec. 11-953. The office of global Michigan must submit a report to the standard report recipients not later than January 31. The report must include all of the following information:

(a) The number of individuals served through each major program and activity.

(b) The number of refugee arrivals, the job placement rate of those refugees actively receiving services under global Michigan grants, and the average wages and initial job placements for those refugees.

(c) A list and description of the activities that the office has conducted to attract and retain international, advanced degree, and entrepreneurial talent.

(d) A list of goals for the office and the metrics used to determine whether each goal is achieved.

**ONE-TIME APPROPRIATIONS**

Sec. 11-1001. (1) From the funds appropriated in part 1 for museums support, $500,000.00 must directly be awarded to support the Arab American National Museum.

(2) From the funds appropriated in part 1 for museums support, $500,000.00 must directly be awarded to the Charles H. Wright Museum of African American History.

(3) From the funds appropriated in part 1 for museums support, $500,000.00 must directly be awarded to support the Zekelman Holocaust Center.

Sec. 11-1002. (1) Funds appropriated in part 1 for special events and national convention attraction must be used by the Michigan strategic fund to promote this state as a destination for special events, including, but not limited to, national conventions, national conferences, major sporting events, or other significant events that would feature Michigan to a national audience.

(2) The Michigan strategic fund must develop program guidelines for the use of these funds. Funds may be used to help attract eligible special events and to support costs associated with hosting eligible events. Eligible events must have a regular attendance of

more than 500 people and meet other eligibility criteria as determined by the Michigan strategic fund.

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

(a) The purpose of the project is to promote this state as a destination for special events and support costs related to hosting eligible events.

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

(c) The total estimated cost of the project is $6,000,000.00.

(d) The tentative completion date is September 30, 2031.

Sec. 11-1003. (1) The one-time funds appropriated in part 1 for office of future mobility and electrification shall be used to further the state's emerging aviation and advanced air mobility sector in alignment with Executive Directive 2025-4. Funds may be used for advanced air mobility infrastructure deployment to enable beyond visual line of sight operations, for efforts that further develop this emerging sector, and workforce development strategies to aid in this industry transition.

(2) The office of future mobility and electrification shall collaborate with other state departments, such as the department of military and veterans affairs and the Michigan department of transportation, on the implementation of this program. As necessary to improve the administration or oversight of any of the dollars appropriated under this part and part 1, the department may adopt a memorandum of understanding with another state department to perform the required duties under this section. Any grant money that is awarded to a state department is appropriated in that department for the purpose of the intended grant.

(3) In addition to the funds appropriated in part 1, federal funds received by the office of future mobility and electrification, or other state department, for the purposes of advancing the state's aviation and advanced air mobility sector, are appropriated for the purposes outlined in the federal grant award. Unexpended federal funds received under

this section may be carried forward into the succeeding fiscal year.

(4) The unexpended funds appropriated in part 1 for the office of future mobility and electrification are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to support the emerging aviation and advanced air mobility sector.

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

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

(d) The tentative completion date is September 30, 2031.

## Article 12

## LEGISLATURE

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 12-101. Subject to the conditions set forth in this article, the amounts listed in this part for the legislature are appropriated for the fiscal year ending September 30, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **LEGISLATURE** | | |
| **APPROPRIATION SUMMARY** | | |
| **GROSS APPROPRIATION** | **$ 239,019,400** | **$ 239,019,400** |
| Total interdepartmental grants and intradepartmental transfers | 7,445,000 | 7,445,000 |
| ADJUSTED GROSS APPROPRIATION | $ 231,574,400 | $ 231,574,400 |
| Total federal revenues | 0 | 0 |
| Total local revenues | 0 | 0 |
| Total private revenues | 474,700 | 474,700 |
| Total other state restricted revenues | 8,016,700 | 8,016,700 |
| State general fund/general purpose | $ 223,083,000 | $ 223,083,000 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose* | *223,083,000* | *223,083,000* |
| *One-time state general fund/general purpose* | *0* | *0* |
| **Sec. 12-102. LEGISLATURE** | | |
| Senate | $ 52,837,900 | $ 52,837,900 |
| Senate automated data processing | 3,339,300 | 3,339,300 |
| Senate fiscal agency | 5,054,500 | 5,054,500 |
| House of representatives | 77,597,300 | 77,597,300 |
| House automated data processing | 3,339,300 | 3,339,300 |
| House fiscal agency | 5,054,500 | 5,054,500 |
| **GROSS APPROPRIATION** | **$ 147,222,800** | **$ 147,222,800** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State general fund/general purpose | $ 147,222,800 | $ 147,222,800 |
| **Sec. 12-103. LEGISLATIVE COUNCIL** | | |
| Legislative corrections ombudsman | $ 1,657,900 | $ 1,657,900 |
| Legislative council | 17,221,200 | 17,221,200 |
| Legislative service bureau automated data processing | 3,880,800 | 3,880,800 |
| Michigan veterans facility ombudsman | 385,300 | 385,300 |
| National association dues | 735,700 | 735,700 |
| Sentencing commission | 100 | 100 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Tribal legislative liaison ..... | 522,700 | 522,700 |
| Worker's compensation ..... | 185,200 | 185,200 |
| **GROSS APPROPRIATION ..... | **$ 24,588,900** | **$ 24,588,900** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State general fund/general purpose ..... | $ 24,588,900 | $ 24,588,900 |
| **Sec. 12-104. LEGISLATIVE RETIREMENT SYSTEM** | | |
| Actuarially determined contribution ..... | $ 100 | $ 100 |
| General nonretirement expenses ..... | 6,521,000 | 6,521,000 |
| **GROSS APPROPRIATION ..... | **$ 6,521,100** | **$ 6,521,100** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 1,483,300 | 1,483,300 |
| State general fund/general purpose ..... | $ 5,037,800 | $ 5,037,800 |
| **Sec. 12-105. PROPERTY MANAGEMENT** | | |
| Binsfeld Office Building and other properties ..... | $ 10,313,400 | $ 10,313,400 |
| Cora Anderson building ..... | 7,135,200 | 7,135,200 |
| **GROSS APPROPRIATION ..... | **$ 17,448,600** | **$ 17,448,600** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State general fund/general purpose ..... | $ 17,448,600 | $ 17,448,600 |
| **Sec. 12-106. STATE CAPITOL HISTORIC SITE** | | |
| Bond/lease obligations ..... | $ 100 | $ 100 |
| General operations ..... | 6,858,600 | 6,858,600 |
| Restoration, renewal, and maintenance ..... | 4,020,500 | 4,020,500 |
| **GROSS APPROPRIATION ..... | **$ 10,879,200** | **$ 10,879,200** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Private revenues ..... | 474,700 | 474,700 |
| Other state restricted revenues ..... | 4,020,500 | 4,020,500 |
| State general fund/general purpose ..... | $ 6,384,000 | $ 6,384,000 |
| **Sec. 12-107. OFFICE OF THE AUDITOR GENERAL** | | |

| | | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|---|
| 1 | Unclassified salaries ..... | $ 453,200 | $ 453,200 |
| 2 | Field operations ..... | 31,905,600 | 31,905,600 |
| 3 | **GROSS APPROPRIATION ..... | **$ 32,358,800** | **$ 32,358,800** |
| 4 | Appropriated from: | | |
| 5 | Interdepartmental grant revenues: | | |
| 6 | IDG from department of health and human services ..... | 38,700 | 38,700 |
| 7 | IDG from department of labor and economic opportunity | 507,300 | 507,300 |
| 8 | IDG from department of licensing and regulatory | | |
| 9 | affairs ..... | 133,700 | 133,700 |
| 10 | IDG from department of military and veterans affairs . | 106,500 | 106,500 |
| 11 | IDG from department of state police ..... | 60,000 | 60,000 |
| 12 | IDG from department of technology, management and | | |
| 13 | budget ..... | 1,034,900 | 1,034,900 |
| 14 | IDG from department of transportation ..... | 1,375,200 | 1,375,200 |
| 15 | IDG from department of treasury ..... | 314,400 | 314,400 |
| 16 | IDG from other restricted funding ..... | 3,874,300 | 3,874,300 |
| 17 | Special revenue funds: | | |
| 18 | 21st century jobs fund ..... | 118,600 | 118,600 |
| 19 | Other state restricted revenues ..... | 2,394,300 | 2,394,300 |
| 20 | State general fund/general purpose ..... | $ 22,400,900 | $ 22,400,900 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

**GENERAL SECTIONS**

Sec. 12-201. 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 30,2027 is $231,099,700.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is $0.00.

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

Sec. 12-203a. As used in this part and part 1:

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

(b) "IDG" means interdepartmental grant.

**LEGISLATURE**

Sec. 12-600. The senate, the house of representatives, or an agency within the legislative branch may receive, expend, and transfer funds in addition to those authorized in part 1.

Sec. 12-601. (1) Funds appropriated in part 1 to an entity within the legislative branch shall not be expended or transferred to another account without written approval of the authorized agent of the legislative entity. If the authorized agent of the legislative entity notifies the state budget director of its approval of an expenditure or transfer before the year-end book-closing date for that legislative entity, the state budget director shall immediately make the expenditure or transfer. The authorized legislative entity agency shall be designated by the speaker of the house of representatives for house entities, the senate majority leader for senate entities, and the legislative council for legislative council entities.

(2) Funds appropriated within the legislative branch, to a legislative council component, shall not be expended by any agency or other subgroup included in that component without the approval of the legislative council.

Sec. 12-602. The senate may charge rent and assess charges for utility costs. The

amounts received for rent charges and utility assessments are appropriated to the senate for the renovation, operation, and maintenance of the Binsfeld Office Building.

Sec. 12-604. (1) The appropriation in part 1 to the Michigan state capitol historic site includes funds to operate the legislative parking facilities in the capitol area. The Michigan state capitol commission shall establish rules regarding the operation of the legislative parking facilities.

(2) The Michigan state capitol commission may collect a fee from state employees and the general public using certain legislative parking facilities. The revenues received from the parking fees are appropriated on receipt and must be allocated by the Michigan state capitol commission.

(3) As used in this section, "Michigan state capitol commission" means the Michigan state capitol commission established in the Michigan state capitol historic site act, 2013 PA 240, MCL 4.1945.

Sec. 12-605. The unexpended funds appropriated in part 1 for the legislative council are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is publication of the Michigan manual.

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

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

(d) The tentative completion date is September 30, 2031.

Sec. 12-606. The unexpended funds appropriated in part 1 for property management are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to purchase equipment and services for building maintenance in order to ensure a safe and productive work environment.

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

(c) The total estimated cost of the project is $2,000,000.00.

(d) The tentative completion date is September 30, 2031.

Sec. 12-607. The unexpended funds appropriated in part 1 for automated data processing are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to purchase equipment, software, and services in order to support and implement data processing requirements and technology improvements.

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

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

(d) The tentative completion date is September 30, 2031.

Sec. 12-608. In addition to funds appropriated in part 1, the Michigan capitol committee publications save the flags fund account may accept contributions, gifts, bequests, devises, grants, and donations. Those funds that are not expended in the fiscal year ending September 30, 2027 do not lapse at the close of the fiscal year, and must be carried forward for expenditure in the following fiscal years.

Sec. 12-611. (1) From the funds appropriated in part 1 for senate, $250,000.00 must be allocated for an internship program.

(2) From the funds appropriated in part 1 for house of representatives, $250,000.00 must be allocated for an internship program.

Sec. 12-612. It is the intent of the legislature that, from the funds appropriated in part 1, the Michigan state capitol commission established in section 5 of the Michigan state capitol historic site act, 2013 PA 240, MCL 4.1945, ensure that the Capitol Building is open for not less than 3 hours on Saturdays that are not state holidays.

**LEGISLATIVE AUDITOR GENERAL**

Sec. 12-620. In accordance with section 53 of article IV of the state constitution of 1963, the auditor general shall conduct audits of the executive, judicial, and legislative branches.

Sec. 12-621. (1) The auditor general shall take all reasonable steps to ensure that certified minority- and women-owned and operated accounting firms, accounting firms owned and operated by persons with disabilities, and accounting firms that are geographically disadvantaged business enterprises participate in the audits of the books, accounts, and financial affairs of each principal executive department, branch, institution, agency, and office of this state.

(2) If the auditor general contracts with a firm to perform audits of the principal executive departments and state agencies, the auditor general shall strongly encourage the firm to subcontract with certified minority- and women-owned and operated accounting firms, accounting firms owned and operated by persons with disabilities, and accounting firms that are geographically disadvantaged business enterprises.

(3) Not later than November 1, the auditor general shall submit a report to the standard report recipients regarding the number of contracts entered into with certified minority- and women-owned and operated accounting firms, accounting firms owned and operated by persons with disabilities, and accounting firms that are geographically disadvantaged business enterprises.

Sec. 12-622. From the funds appropriated in part 1 to the office of the auditor general, the auditor general's salary and the salaries of the remaining 2.0 FTE unclassified positions shall be set by the speaker of the house of representatives, the senate majority leader, the house of representatives minority leader, and the senate minority leader.

Sec. 12-623. Any audits, reviews, or investigations requested of the auditor general by the legislature or by legislative leadership, legislative committees, or individual legislators must include an estimate of the additional costs involved and, if those costs exceed $50,000.00, must provide supplemental funding. The auditor general shall determine whether to perform those activities in accordance with Operations Manual Policy No. 2-26.

Sec. 12-627. The unexpended funds appropriated in part 1 for field operations are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to conduct the state of Michigan annual

comprehensive financial report.

(b) The project will be accomplished by utilizing state employees and contract audits.

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

(d) The tentative completion date is September 30, 2031.

Sec. 12-628. On a quarterly basis, the auditor general shall submit a report to the standard report recipients, the chairpersons of the senate and house of representatives appropriations committees, and the senate and house of representatives oversight committees that includes all of the following information related to projects initiated during the immediately preceding quarter:

(a) Audit title.

(b) Audit type.

(c) Audit period.

(d) Audit objectives.

(e) Branch of government being audited.

(f) Whether the auditor general or a contracted auditor is conducting the audit and, if a contracted auditor is conducting the audit, the identity of the contracted auditor.

(g) Details regarding the reason for initiating the audit, including whether it was discretionary or required by statute.

(h) Details regarding any similar audit the auditor general has completed in the past.

(i) Estimated time frame for completion of the audit.

(j) Estimated total auditor general resources necessary to complete the audit and release a report.

Sec. 12-629. On a quarterly basis, the auditor general shall submit a report to the standard report recipients, the chairpersons of the senate and house of representatives appropriations committees, and the senate and house of representatives oversight committees that includes all of the following information for each project in progress during the immediately preceding quarter:

(a) Audit title.

(b) Date the audit was initiated.

(c) Audit status.

(d) Estimated time frame for completion of the audit.

(e) Details regarding the resources spent on the audit to date.

(f) Estimated total auditor general resources necessary to complete the audit and release a report.

Sec. 12-630. On a quarterly basis, the auditor general shall submit a report to the standard report recipients, the chairpersons of the senate and house of representatives appropriations committees, and the senate and house of representatives oversight committees that contains all of the following information for each project completed during the immediately preceding quarter:

(a) Audit title.

(b) Date the audit was initiated.

(c) Date the audit report was released.

(d) Results of the audit, including the number and type of findings.

(e) Details regarding total auditor general resources spent on the audit.

(f) To the extent authorized by law, details regarding any inquiry, tip, or request related to the audit that the auditor general received before initiating the audit.

## Article 13

## DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 13-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of licensing and regulatory affairs are appropriated for the fiscal year ending September 30, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 20.0 | 20.0 |
| Full-time equated classified positions..... | 1,801.0 | 1,801.0 |
| **GROSS APPROPRIATION .....** | **$ 627,477,600** | **$ 627,477,600** |
| Total interdepartmental grants and intradepartmental transfers ..... | 30,303,000 | 30,303,000 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 597,174,600 | $ 597,174,600 |
| Total federal revenues ..... | 30,661,000 | 30,661,000 |
| Total local revenues ..... | 0 | 0 |
| Total private revenues ..... | 0 | 0 |
| Total other state restricted revenues ..... | 291,161,800 | 291,161,800 |
| State general fund/general purpose ..... | $ 275,351,800 | $ 275,351,800 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose .....* | *275,351,800* | *275,351,800* |
| *One-time state general fund/general purpose .....* | *0* | *0* |
| **Sec. 13-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT** | | |
| Full-time equated unclassified positions..... | 20.0 | 20.0 |
| Full-time equated classified positions..... | 106.0 | 106.0 |
| Unclassified salaries-20.0 FTE positions ..... | $ 3,176,100 | $ 3,176,100 |
| Executive director programs-23.0 FTE positions ..... | 3,496,200 | 3,496,200 |
| Financial operations-72.0 FTE positions ..... | 8,703,500 | 8,703,500 |
| Property management ..... | 6,887,200 | 6,887,200 |
| Regulatory effectiveness office-11.0 FTE positions ... | 1,716,500 | 1,716,500 |
| Worker's compensation ..... | 42,200 | 42,200 |
| **GROSS APPROPRIATION .....** | **$ 24,021,700** | **$ 24,021,700** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of insurance and financial services ..... | 150,000 | 150,000 |
| Federal revenues: | | |
| Other federal revenues ..... | 1,050,400 | 1,050,400 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Special revenue funds: | | |
| Other state restricted revenues | 22,548,200 | 22,548,200 |
| State general fund/general purpose | $ 273,100 | $ 273,100 |
| **Sec. 13-103. PUBLIC SERVICE COMMISSION** | | |
| Full-time equated classified positions | 222.0 | 222.0 |
| Public service commission-222.0 FTE positions | $ 42,926,700 | $ 42,926,700 |
| **GROSS APPROPRIATION** | **$ 42,926,700** | **$ 42,926,700** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 2,704,600 | 2,704,600 |
| Special revenue funds: | | |
| Other state restricted revenues | 40,222,100 | 40,222,100 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 13-104. LIQUOR CONTROL COMMISSION** | | |
| Full-time equated classified positions | 148.0 | 148.0 |
| Liquor licensing and enforcement-148.0 FTE positions | $ 23,558,300 | $ 23,558,300 |
| **GROSS APPROPRIATION** | **$ 23,558,300** | **$ 23,558,300** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues | 23,558,300 | 23,558,300 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 13-105. OCCUPATIONAL REGULATION** | | |
| Full-time equated classified positions | 928.0 | 928.0 |
| Bureau of community and health systems-162.0 FTE positions | $ 27,808,400 | $ 27,808,400 |
| Bureau of construction codes-197.0 FTE positions | 33,626,700 | 33,626,700 |
| Bureau of fire services-89.0 FTE positions | 15,033,700 | 15,033,700 |
| Bureau of professional licensing-198.0 FTE positions | 41,270,800 | 41,270,800 |
| Bureau of survey and certification-173.0 FTE positions | 30,047,600 | 30,047,600 |
| Corporations, securities, and commercial licensing bureau-109.0 FTE positions | 17,799,000 | 17,799,000 |
| **GROSS APPROPRIATION** | **$ 165,586,200** | **$ 165,586,200** |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 25,726,500 | 25,726,500 |
| Special revenue funds: | | |
| Other state restricted revenues | 106,330,800 | 106,330,800 |
| State general fund/general purpose | $ 33,528,900 | $ 33,528,900 |
| **Sec. 13-106. CANNABIS REGULATORY AGENCY** | | |
| Full-time equated classified positions | 182.0 | 182.0 |
| Cannabis regulatory agency-182.0 FTE positions | $ 31,609,900 | $ 31,609,900 |
| **GROSS APPROPRIATION** | **$ 31,609,900** | **$ 31,609,900** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues | 31,609,900 | 31,609,900 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 13-107. MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES** | | |
| Full-time equated classified positions | 172.0 | 172.0 |
| Michigan office of administrative hearings and rules 172.0 FTE positions | $ 37,214,400 | $ 37,214,400 |
| **GROSS APPROPRIATION** | **$ 37,214,400** | **$ 37,214,400** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from other restricted funding | 28,704,400 | 28,704,400 |
| Special revenue funds: | | |
| Other state restricted revenues | 7,911,600 | 7,911,600 |
| State general fund/general purpose | $ 598,400 | $ 598,400 |
| **Sec. 13-108. COMMISSIONS** | | |
| Full-time equated classified positions | 43.0 | 43.0 |
| Michigan indigent defense commission-21.0 FTE positions | $ 3,424,100 | $ 3,424,100 |
| Michigan tax tribunal-22.0 FTE positions | 4,611,200 | 4,611,200 |
| Michigan unarmed combat commission | 126,200 | 126,200 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **GROSS APPROPRIATION** | **$ 8,161,500** | **$ 8,161,500** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues | 4,737,400 | 4,737,400 |
| State general fund/general purpose | $ 3,424,100 | $ 3,424,100 |
| **Sec. 13-109. GRANTS** | | |
| Firefighter training grants | $ 2,300,000 | $ 2,300,000 |
| Liquor law enforcement grants | 9,900,000 | 9,900,000 |
| Marihuana operation and oversight grants | 3,000,000 | 3,000,000 |
| Michigan indigent defense commission grants | 236,016,800 | 236,016,800 |
| Remonumentation grants | 6,800,000 | 6,800,000 |
| Utility consumer representation | 3,100,000 | 3,100,000 |
| **GROSS APPROPRIATION** | **$ 261,116,800** | **$ 261,116,800** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues | 25,400,000 | 25,400,000 |
| State general fund/general purpose | $ 235,716,800 | $ 235,716,800 |
| **Sec. 13-110. INFORMATION TECHNOLOGY** | | |
| Information technology services and projects | $ 33,282,100 | $ 33,282,100 |
| **GROSS APPROPRIATION** | **$ 33,282,100** | **$ 33,282,100** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from other restricted funding | 1,448,600 | 1,448,600 |
| Federal revenues: | | |
| Other federal revenues | 1,179,500 | 1,179,500 |
| Special revenue funds: | | |
| Other state restricted revenues | 28,843,500 | 28,843,500 |
| State general fund/general purpose | $ 1,810,500 | $ 1,810,500 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

**GENERAL SECTIONS**

Sec. 13-201. 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 30,2027 is $566,513,600.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is $258,016,800.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

| | |
|---|---|
| Firefighter training grants | $ 2,300,000 |
| Liquor law enforcement grants | 9,900,000 |
| Marihuana operation and oversight grants | 3,000,000 |
| Michigan indigent defense commission grants | 236,016,800 |
| Remonumentation grants | 6,800,000 |
| TOTAL | $ 258,016,800 |

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

Sec. 13-203. As used in this part and part 1:

(a) "Department" means the department of licensing and regulatory affairs.

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

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

(d) "IDG" means interdepartmental grant.

(e) "Standard report recipients" means the senate and house of representatives subcommittees on the department, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 13-204. A department or agency shall use the internet to fulfill the reporting requirements of this part and shall make each report readily accessible to the public and conspicuously post each required report in a single archivable location on the department's or agency's Michigan.gov website not later than the due date required for each report. In addition to placing all reports required in the current fiscal year on the department's or

agency's website, the department or agency shall maintain on its website all reports placed on the website from previous fiscal years posted by fiscal year in the same single archivable location. The department or agency shall also transmit all required reports for the current fiscal year to the standard recipients and any other required recipients by email.

Sec. 13-205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds appropriated in part 1:

(a) The funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 13-206. (1) The department shall maximize utilization of its in-person state workforce. The department shall prioritize occupancy utilization of office space for each division within the department. Employees with job responsibilities that require the employees to serve in their capacities outside of an office shall be monitored each pay period to ensure all work hours reported on the timesheet were actually worked.

(2) The department shall comply with requirements set forth by the office of the state employer on in-person work and utilization and occupancy rates of state buildings to ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to market conditions.

(3) The department shall adhere to civil service rules and regulations that state the standard biweekly work period for a full-time employee in the classified service of this state is the equivalent of 80.0 hours of work. The department shall establish policies and processes to ensure all employees are working their jobs during agreed upon business hours.

Sec. 13-207. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall prepare a report on out of state travel expenses not later than January 1. The report must

list all travel by classified and unclassified employees outside this state in the previous fiscal year that was funded in whole or in part with funds appropriated in the department's or agency's budget. The department or agency shall submit the report to the standard report recipients and to the house and senate appropriations committees. The report must include all of the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related expenses of each travel occurrence and the proportions funded with state general fund/general purpose revenues, state restricted revenues, federal revenues, and other revenues.

Sec. 13-208. Not later than 6 months after the state budget office issues work project letters, a department, agency and the legislature shall submit an annual report that summarizes all work project accounts. The report must include all of the following:

(a) A list of all work project accounts.

(b) The status of all work project accounts, including amounts expended, amounts encumbered, and available balances for each account.

(c) The amount of funds that lapsed from any previously designated work project accounts, the name and description of the work project account, and the funds that received the lapsed amounts.

Sec. 13-209. Not later than December 15, the state budget office shall prepare and submit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the previous fiscal year. The report must summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall submit the report to the standard report recipients and the chairpersons of the senate and house appropriations committees.

Sec. 13-210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $1,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $25,000,000.00 for state restricted contingency funds. These funds are not

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

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $200,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

Sec. 13-211. A department or agency shall cooperate with the department of technology, management and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

Sec. 13-212. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of a local health officer.

Sec. 13-213. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving appropriations in part 1 shall take all reasonable steps to ensure geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department or agency contracts to subcontract with certified geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined in Executive Directive No. 2023-1.

Sec. 13-214. The department must provide an annual report to the standard report

recipients detailing significant federal policy changes that do, or are expected to significantly impact the operations of the department, including reductions in federal revenue and/or changes that are likely to lead to a reduction in the department's ability to safeguard the health or welfare of the public.

Sec. 13-215. (1) Within 30 days of enactment of this act, the house and senate fiscal agencies shall provide to the state budget office a jointly agreed upon list of legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33 of 2025. The list must include all information and documents pertaining to the funded items as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

(2) In accordance with section 364(4) of the Management and Budget Act, the department or agency administering the grant shall post a report in a publicly accessible location on its website beginning March 15 of the current fiscal year. The department or agency shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

Sec. 13-216. On a quarterly basis, a department or agency receiving appropriations in part 1 shall report on the number of FTEs in pay status by type of staff and civil service classification, including comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTE positions employed by the department or agency at the end of the reporting period. The report must be submitted to the senate and house appropriations committees and to the standard report recipients.

Sec. 13-217. The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal recovery funds that would otherwise lapse after September 30, 2026, are automatically reappropriated for the same purpose as originally authorized and available for expenditure through December 31, 2026, and any subsequent financial close out period.

Sec. 13-218. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal

recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

(a) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of corrections.

(b) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of state police.

(2) All applicable guidance, implementation, and reporting provisions of Public Law 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under subsection (1).

(3) The state budget director shall notify the senate and house appropriations committees not later than 10 business days after making any reallocations under subsection (1). The notification must include the authorized program under which funds were originally appropriated, the amount of the reallocation, the program, or programs, or purpose, and the department to which the funds are being reallocated under subsection (1), and the amount reallocated to each program or purpose.

Sec. 13-252. (1) The department may charge registration fees to attendees of informational, training, or special events that are sponsored by the department and related to activities under the department's purview.

(2) The registration fees must reflect the costs for the department to sponsor the informational, training, or special events.

(3) Revenue generated by the registration fees is appropriated on receipt and may be expended by the department to cover the department's costs of sponsoring informational, training, or special events.

(4) Revenue generated by registration fees in excess of the department's costs of sponsoring informational, training, or special events carries forward to the subsequent fiscal year and does not lapse to the general fund.

Sec. 13-253. The department may provide to interested entities otherwise unavailable customized listings of nonconfidential information, such as the names and addresses of

licensees, in the department's possession. The department may establish and collect a reasonable fee to provide this service. Revenue generated from this service is appropriated on receipt and must be used to offset the expenses of the service. Any balance of this revenue collected and unexpended at the end of the fiscal year lapses to the appropriate restricted fund.

Sec. 13-254. (1) The department shall sell documents at a price not to exceed the cost of production and distribution. Money received from the sale of these documents reverts to the department. In addition to the funds appropriated in part 1, funds received by the department under this subsection may be expended by the department upon receipt by the department of treasury. This subsection applies for only the following:

(a) Corporation and securities division documents, reports, and papers required or permitted by law in accordance with section 1060(6) of the business corporation act, 1972 PA 284, MCL 450.2060.

(b) The Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1101 to 436.2303.

(c) The mobile home commission act, 1987 PA 96, MCL 125.2301 to 125.2350; the business corporation act, 1972 PA 284, MCL 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162, MCL 450.2101 to 450.3192; and the uniform securities act (2002), 2008 PA 551, MCL 451.2101 to 451.2703.

(d) Construction code manuals.

(e) Copies of transcripts from administrative law hearings.

(2) In addition to the funds appropriated in part 1, funds appropriated for the department under sections 57, 58, and 59 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.257, 24.258, and 24.259, and section 203 of the legislative council act, 1986 PA 268, MCL 4.1203, are appropriated for all expenses necessary to provide for the cost of publication and distribution.

(3) Unexpended funds at the end of the fiscal year carry forward to the subsequent fiscal year and do not lapse to the general fund.

Sec. 13-255. (1) Grants supported with private revenues received by the department are appropriated on receipt and may be expended by the department for the purposes specified within the grant agreement and as permitted under state and federal law.

(2) Not later than 10 days after the receipt of a private grant appropriated in subsection (1), the department shall notify the chairpersons of the subcommittees, the

senate and house fiscal agencies, and the state budget office of the receipt of the grant, including the fund source, purpose, and amount of the grant.

Sec. 13-256. Unless prohibited by law, the department may accept credit card or other electronic means of payment for licenses, fees, or permits.

Sec. 13-257. The department may carry into the succeeding fiscal year unexpended federal pass-through funds to local institutions and governments that do not require additional state matching funds. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 and that do not require additional state matching funds are appropriated for the purposes intended for the federal pass-through funds. Not later than 14 days after the receipt of federal pass-through funds, the department shall notify the chairpersons of the subcommittees, the senate and house fiscal agencies, and the state budget office of pass-through funds appropriated under this section.

Sec. 13-258. (1) Not later than December 31, the department shall submit a report that pertains to licensing and regulatory programs overseen by the following agencies:

(a) Liquor control commission.

(b) Bureau of fire services.

(c) Corporations, securities, and commercial licensing bureau.

(d) Bureau of professional licensing.

(2) The report under subsection (1) must be in a format that is consistent between the agencies listed in subsection (1) and must provide, but is not limited to, the following information for the previous fiscal year, as applicable, for each agency:

(a) Revenue generated by and expenditures disbursed for each regulatory fund.

(b) The renewal cycle and amount of each fee charged.

(c) Number of initial applications.

(d) Number of initial applications denied.

(e) Number of license renewals.

(f) Average amount of time to approve or deny completed applications.

(g) Number of examinations proctored for initial applications.

(h) A description of the types of complaints received.

(i) A description of the process used to resolve complaints.

(j) Number of complaints received.

(k) Number of complaints investigated.

(l) Number of complaints closed with no action.

(m) Number of complaints resulting in administrative actions or citations.

(n) Average amount of time to complete investigations.

(o) Number of enforcement actions, including license revocations, suspensions, and fines.

(p) A description of the types of enforcement actions taken against licensees.

(q) Number of administrative hearing adjudications.

(3) An agency listed in subsection (1)(a) or (b) shall report by regulated activity and an agency listed in subsection (1)(c) or (d) shall report by regulatory product or regulated activity, or both.

(4) As used in this section:

(a) Regulated activity means the particular activities, entities, facilities, and industries regulated by the agencies specified in subsection (1).

(b) Regulatory product means each occupation, profession, trade, or program, which includes licensure, certification, registration, inspection, review, permitting, approval, or any other regulatory service provided by the agencies specified in subsection (1) for each regulated activity.

Sec. 13-280. (1) The attorney general support fund is created within the department of treasury.

(2) Any unexpended funds in the attorney general support fund created in this section shall be carried forward and are available for expenditure under this section.

(3) Funds may be spent from the attorney general support fund only on appropriation, or legislative transfer pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) The state treasurer may receive money or other assets from any source for deposit into the attorney general support fund. The state treasurer shall direct the investment of the attorney general support fund. The state treasurer shall credit to the attorney general support fund interest and earnings from the attorney general support fund.

(5) Funds in the attorney general support fund at the close of the fiscal year remain in the attorney general support fund and do not lapse to the general fund.

(6) The department is the administrator of the fund for auditing purposes.

(7) From fees authorized under section 1060 of the business corporation act, 1972 PA 284, MCL 450.2060, $8,112,200.00 is appropriated to the attorney general support fund.

(8) From the attorney general support fund created in subsection (1), $8,112,200.00 is appropriated.

**PUBLIC SERVICE COMMISSION**

Sec. 13-301. The public service commission administers the low-income energy assistance grant program on behalf of the Michigan department of health and human services via an interagency agreement. Funds supporting the grant program are appropriated to the department upon the awarding of grants and may be expended for grant payments and administrative-related expenses incurred in the operation of the grant program.

**LIQUOR CONTROL COMMISSION**

Sec. 13-401. (1) From the funds appropriated in part 1 from the direct shipper enforcement revolving fund, the liquor control commission shall expend the funds as required under section 203(11) of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1203, to investigate and audit unlawful direct shipments of wine by unlicensed wineries and retailers, with priority directed toward unlicensed out-of-state retailers and third-party marketers. In addition to other investigative methods, the commission shall use shipping records available to the commission under section 203(21) of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1203, to assist with the effort to investigate and audit unlawful direct shipments of wine by unlicensed wineries and retailers. The liquor control commission shall refer all identified unlicensed out-of-state retailers and third-party marketers to the attorney general.

(2) Not later than February 1, the liquor control commission shall provide a report to the legislature and the standard report recipients that details the commission's activities to investigate and audit the illegal shipping of wine and the results of the activities. The report must include all of the following:

(a) Work hours spent, specific actions performed, and the number of full-time equated positions dedicated to identifying and stopping unlicensed out-of-state retailers, third-party marketers, and wineries that ship illegally in Michigan.

(b) General overview of expenditures associated with efforts to identify and stop

unlicensed out-of-state retailers, third-party marketers, and wineries that ship illegally in this state.

(c) Number of out-of-state entities found to have illegally shipped wine into this state and total number of 750 ml bottles, number of cases with 750 ml bottles, number of liters, number of gallons, or weight of illegally shipped wine. These items must be itemized by total number of retailers and total number of wineries.

(d) Suggested areas of focus on how to address direct shipper enforcement and illegal importation in the future.

(e) Number of unlicensed out-of-state entities found to have illegally shipped wine into this state that were identified with the shipping records described in subsection (1).

(f) Number of notices sent under subsection (3).

(3) From the funds appropriated in part 1 from the direct shipper enforcement revolving fund, the liquor control commission shall send a notice to each unlicensed out-of-state entity found to have illegally shipped wine into this state. The notice must include all of the following statements:

(a) That shipping wine into this state by unlicensed out-of-state retailers and third-party marketers is illegal, and wineries shipping into this state must obtain a direct shipper license.

(b) That under section 909 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1909, making unlawful shipments of wine into this state may be a felony punishable by imprisonment for not more than 4 years or a fine of not more than $5,000.00, or both.

(c) That the matter has been referred to the attorney general.

**OCCUPATIONAL REGULATION**

Sec. 13-501. The department shall not expend the funds appropriated under this part and part 1 for the bureau of fire services unless, in accordance with section 2c of the fire prevention code, 1941 PA 207, MCL 29.2c, inspection and plan review fees are charged according to the following fee schedule:

Operation and maintenance inspection fee

| Facility type | Facility size | Fee |
|---|---|---|
| Hospitals | Any | $8.00 per bed |
| Facility type | Facility size | Fee |

| | | |
|---|---|---|
| Nursing homes | Any | $5.00 per bed |

| Facility type | Facility size | Fee |
|---|---|---|
| Homes for the Aged | Any | $5.00 per bed |

| Facility type | Facility size | Fee |
|---|---|---|
| Adult Foster Care | Any | $5.00 per bed |

Plan review and construction inspection fees for hospitals and schools

| Project cost range | Fee |
|---|---|
| $101,000.00 or less | minimum fee of $155.00 |
| $101,001.00 to $1,500,000.00 | $1.60 per $1,000.00 |
| $1,500,001.00 to $10,000,000.00 | $1.30 per $1,000.00 |
| $10,000,001.00 or more | $1.10 per $1,000.00 or a maximum fee of $60,000.00 |

Sec. 13-502. The funds collected by the department for licenses, permits, and other elevator regulation fees under the Michigan Administrative Code and as determined under section 8 of 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL 408.816, that are unexpended at the end of the fiscal year carry forward to the subsequent fiscal year.

Sec. 13-503. Not later than February 15, the department shall submit a report to the standard report recipients that provides all of the following information:

(a) The number of veterans who were separated from service in the Armed Forces of the United States with an honorable character of service or under honorable conditions (general) character of service, individually or if the veteran holds a majority interest of a corporation or limited liability company, that were exempted from paying licensure, registration, filing, or any other fees collected under each licensure or regulatory program administered by the bureau of construction codes, the bureau of professional licensing, and the corporations, securities, and commercial licensing bureau during the previous fiscal year.

(b) The specific fees and total amount of revenue exempted under each licensure or regulatory program administered by the bureau of construction codes, the bureau of professional licensing, and the corporations, securities, and commercial licensing bureau during the previous fiscal year.

(c) The actual costs of providing licensing and other regulatory services to veterans exempted from paying licensure, registration, filing, or any other fees during the previous fiscal year and a description of how the actual costs were calculated.

(d) The estimated amount of revenue that will be exempted under each licensure or regulatory program administered by the bureau of construction codes, the bureau of professional licensing, and the corporations, securities, and commercial licensing bureau in both the current and subsequent fiscal years and a description of how the exempted revenue was estimated.

Sec. 13-504. Revenue collected by the department for the bureau of community and health systems from fees and collections that exceeds the amount appropriated in part 1, the revenue must be carried forward into the subsequent fiscal year. The revenue carried forward under this section must be used as the first source of funds in the subsequent fiscal year.

Sec. 13-505. (1) To defray the costs associated with responding to false final inspection appointments and to discourage the practice of calling for final inspections when a project is incomplete or noncompliant with a plan of correction previously provided by the bureau of fire services, the bureau of fire services may assess a fee of not more than $500.00 for responding to a second or subsequent confirmed false inspection appointment. Fees collected under this section must be deposited into the restricted account described in section 2c of the fire prevention code, 1941 PA 207, MCL 29.2c, and explicitly identified within the statewide integrated governmental management applications system.

(2) Not later than September 30, the department shall submit a report to the standard report recipients that provides all of the following:

(a) The amount of the fee assessed under subsection (1).

(b) The number of fees assessed and issued per region.

(c) The cost allocation for the work performed and reduced as a result of this section.

(d) Any recommendations for consideration by the legislature.

Sec. 13-506. Not later than November 30, the department shall submit a report to the standard report recipients on the Michigan automated prescription system. The report must include, but is not limited to, all of the following:

(a) The total number of licensed health professionals registered to the Michigan automated prescription system.

(b) The total number of dispensers registered to the Michigan automated prescription system.

(c) The total number of prescribers using the Michigan automated prescription system.

(d) The total number of dispensers using the Michigan automated prescription system.

(e) The total number of cases related to overprescribing, overdispensing, and drug diversion where the department took administrative action because of information and data generated from the Michigan automated prescription system.

(f) The total number of hospitals, doctor's offices, pharmacies, and other health facilities that have integrated the Michigan automated prescription system into the facility's electronic health records systems.

(g) The total number of delegate users registered to the Michigan automated prescription system.

Sec. 13-507. (1) From the funds appropriated in part 1 for bureau of construction codes, resources must be allocated for inspections and enforcement activities related to the carnival-amusement safety act of 1966, 1966 PA 225, MCL 408.651 to 408.670, and the ski area safety act of 1962, 1962 PA 199, MCL 408.321 to 408.344.

(2) Not later than March 30, the department shall submit a report to the standard report recipients that details the allocation of funds under this section. The report must include an itemized listing of how the funds were used.

Sec. 13-508. (1) Funds remaining in the homeowner construction lien recovery fund are appropriated to the department for payment of court-ordered homeowner construction lien recovery fund judgments entered before August 23, 2010. Subject to available funds, the payment of final judgments must be made in the order in which the final judgments were entered and began accruing interest.

(2) No later than September 30, the department shall transmit a report to the standard report recipients that details the revenue sources for the fund.

Sec. 13-509. From the funds appropriated in part 1 for the bureau of fire services, in accordance with the requirements under section 21c of the fire prevention code, 1941 PA 207, MCL 29.21c, the bureau shall perform or work in cooperation with local units of government to perform inspections at places of public assembly that pose the highest risk

to occupants for injury or fatality based on the size, density, or the nature of activities performed within the facility.

Sec. 13-510. From the funds appropriated in part 1 for bureau of survey and certification, the department shall submit a report pertaining to bureau activities, including surveys and investigations of nursing homes, hospitals, and acute continuing care providers to the standard report recipients not later than March 30.

**CANNABIS REGULATORY AGENCY**

Sec. 13-601. Not later than January 31, the department shall submit a comprehensive report to the standard report recipients for all marihuana programs administered by the cannabis regulatory agency. This report must include, but is not limited to, all of the following information for the previous fiscal year regarding the marihuana programs under the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430, the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27101 to 333.27801, and the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967:

(a) The number of initial applications received, by license category.

(b) The number of initial applications approved and the number of initial applications denied, by license category.

(c) The average amount of time, from receipt to approval or denial, to process an initial application, by license category.

(d) The number of renewal applications approved, by license category and by county.

(e) The number of renewal applications received, by license category and by county, if applicable.

(f) The number of renewal applications denied, by license category and by county.

(g) The average amount of time, from receipt to approval or denial, to process a renewal application, by license category, if applicable.

(h) The percentage of initial applications not approved or denied within the time requirements established in the respective act, by license category, if applicable.

(i) The percentage of renewal applications not approved or denied within the time requirements established in the respective act, by license category, if applicable.

(j) The total amount collected from application fees or established regulatory assessment and the specific fund the amount is deposited into, by license category.

(k) The registered names and addresses of all facilities licensed under each act, by license category and by county.

(l) The number of complaints received pertaining to each act, by license type or regulatory activity.

(m) A description of the types of complaints received.

(n) A description of the process used to resolve complaints.

(o) The number of investigations opened pertaining to each license category.

(p) The number of investigations closed pertaining to each license category.

(q) The average amount of time to complete investigations pertaining to each license category.

(r) The number of enforcement actions pertaining to each license category.

(s) A description of the types of enforcement actions taken against licensees.

(t) The number of administrative-hearing adjudications pertaining to each license type.

(u) A list of the fees charged for license applications, license renewals, and registry cards.

(v) The costs of administering the licensing program under each act.

Sec. 13-602. From the funds appropriated in part 1, the cannabis regulatory agency shall post on a publicly accessible website a list of all of the following:

(a) The number of investigative reports that identify violations of the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430, the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27101 to 333.27801, or the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967, or violations of administrative rules promulgated under the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430, the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27101 to 333.27801, or the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967.

(b) The number of investigative reports that identify suspected marihuana product that does not have the tracking numbers assigned by the statewide monitoring system affixed, tagged, or labeled as required by law.

(c) The number of complaints filed by the public with the agency that concern either of the following:

(i) Marihuana product that does not have the tracking numbers assigned by the statewide monitoring system affixed, tagged, or labeled as required by law.

(ii) Unlicensed commercial production or sale of delta-8 THC.

(d) The number and outcome of all agency disciplinary proceedings initiated against any licensee subject to the reports or complaints in subdivisions (a), (b), and (c).

(e) The number of reports the agency referred to the department of state police or other appropriate law enforcement agency.

(f) For any licensee subject to disciplinary proceedings initiated by the agency:

(i) Description of the allegation.

(ii) Complaint type.

(iii) Process used to resolve the allegation.

(iv) Name of the law enforcement agency the allegation was referred to, including the date of the referral.

(v) Current license status on the day of this report and whether or not the license was suspended, surrendered, or revoked.

(vi) Fines or other penalties issued.

Sec. 13-603. Not later than January 31, the department shall submit a comprehensive report to the standard report recipients for all hemp programs administered by the cannabis regulatory agency. The report must include, but is not limited to, all of the following:

(a) The total amount of fees collected by the cannabis regulatory agency from regulatory and licensing activities related to hemp and hemp processor-handlers.

(b) The total cost of administering hemp regulatory and licensing programs.

(c) The total number of hemp processor-handlers and any other hemp licensees licensed in this state, by county.

(d) A list and description of any fees that the cannabis regulatory agency assesses on hemp processor-handler licensees.

(e) The number of inspections conducted per year and the result of each inspection.

(f) The number of hemp license applications and hemp license approvals per year.

**COMMISSIONS**

Sec. 13-801. If Byrne formula grant funding is awarded to the Michigan indigent defense commission created under section 5 of the Michigan indigent defense commission act,

2013 PA 93, MCL 780.985, the Michigan indigent defense commission may receive and expend Byrne formula grant funds as an interdepartmental grant from the department of state police. The Michigan indigent defense commission may receive and expend federal grant funds from the United States Department of Justice.

Sec. 13-802. From the funds appropriated in part 1, not later than March 1, the Michigan indigent defense commission shall submit a report to the standard report recipients on all of the following information:

(a) A detailed list of the total amount approved for each funding unit for the previous fiscal year to implement all approved indigent defense standards. The list must include the amount of state funding and local share for each system.

(b) A listing of expenditures by category for the previous fiscal year for each funding unit.

(c) A comparison of the total system cost for the previous two fiscal years organized by Michigan indigent defense commission region.

Sec. 13-803. Upon enactment of Senate Bill No. 81 of the 103rd Legislature or House Bill 4070 of the 103rd Legislature, the Michigan indigent defense commission shall utilize available funding to begin the development and implementation of minimum standards for youth defense services in accordance with the Michigan indigent defense commission act, 2013 PA 93, MCL 780.981 to 780.1003.

Sec. 13-804. From the funds appropriated in part 1, the Michigan indigent defense commission shall notify the standard report recipients not more than 60 days after the adoption of any new indigent defense standard. The notification must include an estimated cost projection to fund the adopted indigent defense standard for the initial and subsequent fiscal years.

**GRANTS**

Sec. 13-901. (1) From the funds appropriated in part 1 for marihuana operation and oversight grants, the department shall expend the funds for grants to counties for education and outreach programs that relate to the Michigan medical marihuana program and the adult-use marihuana program, in accordance with section 6(l) of the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26426, and section 14 of the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27964. The grant funds may be generated from

application and license fees authorized under section 8(1)(b) of the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27958. The grants must be distributed proportionately based on the number of registry identification cards issued to or renewed for the residents of each county that applied for a grant under subsection (2). For the purposes of this subsection, operation and oversight grants are for education, communication, and outreach regarding the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430, and the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967. Grants provided under this section must not be used for law enforcement purposes.

(2) Not later than December 1, the department shall post a listing of potential grant funds available to each county on the department's website. In addition, the department shall work collaboratively with counties regarding the availability of the grant funds. A county that requests grant funds shall apply on a form developed by the department and available on the department's website. The form must contain the county's specific projected plan for use of the grant funds and its agreement to maintain all records and to submit documentation to the department to support the use of the grant funds.

(3) To be eligible to receive a grant under subsection (1), a county shall apply not later than January 1 and submit a report to the department not later than September 15 on how the grant was expended. The department shall submit a report to the standard report recipients not later than October 15 of the subsequent fiscal year that details the grant amounts by recipient and the reported uses of the grants in the previous fiscal year and details the calculation for the amount for which each county was eligible.

Sec. 13-902. (1) The funds appropriated in part 1 for firefighter training grants must be expended only for payments to counties to reimburse organized fire departments for firefighter training and other activities required under the firefighters training council act, 1966 PA 291, MCL 29.361 to 29.377.

(2) If the funds appropriated in part 1 for firefighter training grants are expended by the firefighters training council created under section 3 of the firefighters training council act, 1966 PA 291, MCL 29.363, for payments to counties under section 14 of the firefighters training council act, 1966 PA 291, MCL 29.374, all of the following apply to the extent otherwise permissible by law:

(a) The funds appropriated in part 1 for firefighter training grants must be

allocated in accordance with section 14(2) of the firefighters training council act, 1966 PA 291, MCL 29.374.

(b) If the funds allocated to any county under subdivision (a) are less than $5,000.00, the funds allocated to each county under subdivision (a) must be adjusted to provide for a minimum payment of $5,000.00 to each county.

(3) Not later than February 1, the department shall submit a financial report to the standard report recipients that identifies all of the following information for the previous fiscal year:

(a) The amount of the payments that would be made to each county if the distribution formula described in section 14(2) of the firefighters training council act, 1966 PA 291, MCL 29.374, would have been utilized to allocate the total amount appropriated in part 1 for firefighter training grants.

(b) The amount of the payments approved by the firefighters training council for allocation to each county.

(c) The amount of the payments actually expended or encumbered within each county.

(d) A description of any other payments or expenditures made under the authority of the firefighters training council.

(e) The amount of payments approved for allocations to counties that was not expended or encumbered and lapsed back to the fireworks safety fund.

## Article 14

## DEPARTMENT OF LIFELONG EDUCATION, ADVANCEMENT, AND POTENTIAL

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 14-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of lifelong education, advancement, and potential are appropriated for the fiscal year ending September 30, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **DEPARTMENT OF LIFELONG EDUCATION, ADVANCEMENT, AND POTENTIAL** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 342.0 | 342.0 |
| **GROSS APPROPRIATION ..... $** | **652,672,900 $** | **652,672,900** |
| Total interdepartmental grants and intradepartmental transfers ..... | 0 | 0 |
| ADJUSTED GROSS APPROPRIATION ..... $ | 652,672,900 $ | 652,672,900 |
| Total federal revenues ..... | 418,323,900 | 418,323,900 |
| Total local revenues ..... | 0 | 0 |
| Total private revenues ..... | 1,000,000 | 1,000,000 |
| Total other state restricted revenues ..... | 1,897,300 | 1,897,300 |
| State general fund/general purpose ..... $ | 231,451,700 $ | 231,451,700 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose .....* | *231,451,700* | *231,451,700* |
| *One-time state general fund/general purpose .....* | *0* | *0* |
| **Sec. 14-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 37.0 | 37.0 |
| Executive direction and operations-37.0 FTE positions $ | 7,458,100 $ | 7,458,100 |
| Property management ..... | 165,500 | 165,500 |
| Unclassified salaries-6.0 FTE positions ..... | 1,029,500 | 1,029,500 |
| Worker's compensation ..... | 3,700 | 3,700 |
| **GROSS APPROPRIATION ..... $** | **8,656,800 $** | **8,656,800** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 1,174,400 | 1,174,400 |
| Special revenue funds: | | |
| State general fund/general purpose ..... $ | 7,482,400 $ | 7,482,400 |
| **Sec. 14-103. INFORMATION TECHNOLOGY** | | |
| Information technology services and projects ..... $ | 1,021,700 $ | 1,021,700 |
| **GROSS APPROPRIATION ..... $** | **1,021,700 $** | **1,021,700** |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 227,600 | 227,600 |
| Special revenue funds: | | |
| State general fund/general purpose | $ 794,100 | $ 794,100 |
| **Sec. 14-104. OFFICE OF EARLY CHILDHOOD EDUCATION** | | |
| Full-time equated classified positions | 233.0 | 233.0 |
| Child development and care contracted services | $ 22,900,000 | $ 22,900,000 |
| Child development and care external support | 11,074,100 | 11,074,100 |
| Child development and care public assistance | 543,312,000 | 543,312,000 |
| Childcare licensing and regulation-167.0 FTE positions | 30,457,600 | 30,457,600 |
| Head start collaboration office-1.0 FTE position | 427,700 | 427,700 |
| Office of great start operations-65.0 FTE positions | 17,984,700 | 17,984,700 |
| Tri-share child care program | 3,400,000 | 3,400,000 |
| **GROSS APPROPRIATION** | **$ 629,556,100** | **$ 629,556,100** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 415,586,400 | 415,586,400 |
| Special revenue funds: | | |
| Private revenues | 1,000,000 | 1,000,000 |
| Other state restricted revenues | 566,300 | 566,300 |
| State general fund/general purpose | $ 212,403,400 | $ 212,403,400 |
| **Sec. 14-105. OFFICE OF EDUCATION PARTNERSHIPS** | | |
| Full-time equated classified positions | 21.0 | 21.0 |
| Before-and after-school administration-2.0 FTE positions | $ 372,300 | $ 372,300 |
| Camp licensing unit-7.0 FTE positions | 719,500 | 719,500 |
| Family and community engagement-12.0 FTE positions | 2,410,000 | 2,410,000 |
| **GROSS APPROPRIATION** | **$ 3,501,800** | **$ 3,501,800** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 1,335,500 | 1,335,500 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Special revenue funds: | | |
| Other state restricted revenues | 44,200 | 44,200 |
| State general fund/general purpose | $ 2,122,100 | $ 2,122,100 |
| **Sec. 14-106. OFFICE OF HIGHER EDUCATION** | | |
| Full-time equated classified positions | 51.0 | 51.0 |
| Student financial assistance programs-51.0 FTE positions | $ 9,936,500 | $ 9,936,500 |
| **GROSS APPROPRIATION** | **$ 9,936,500** | **$ 9,936,500** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Michigan merit award trust fund | 1,286,800 | 1,286,800 |
| State general fund/general purpose | $ 8,649,700 | $ 8,649,700 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

**GENERAL SECTIONS**

Sec. 14-201. 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 30,2027 is $233,349,000.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is $0.00.

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

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

(a) "Department" means the department of lifelong education, advancement, and potential.

(b) "DHHS" means the Michigan department of health and human services.

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

(d) "FTE" means full-time equated position in the classified service of this state.

(e) "IDG" means interdepartmental grant.

(f) "Standard report recipients" means the senate and house appropriations subcommittee on the department, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 14-204. A department or agency shall use the internet to fulfill the reporting requirements of this part and shall make each report readily accessible to the public and conspicuously post each required report in a single archivable location on the department's or agency's Michigan.gov website not later than the due date required for each report. In addition to placing all reports required in the current fiscal year on the department's or agency's website, the department or agency shall maintain on its website all reports placed on the website from previous fiscal years posted by fiscal year in the same single archivable location. The department or agency shall also transmit all required reports for the current fiscal year to the standard recipients and any other required recipients by email.

Sec. 14-205. To the extent permissible under section 261 of the management and budget

act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds appropriated in part 1:

(a) The funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 14-206. (1) The department shall maximize utilization of its in-person state workforce. The department shall prioritize occupancy utilization of office space for each division within the department. Employees with job responsibilities that require the employees to serve in their capacities outside of an office shall be monitored each pay period to ensure all work hours reported on the timesheet were actually worked.

(2) The department shall comply with requirements set forth by the office of the state employer on in-person work and utilization and occupancy rates of state buildings to ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to market conditions.

(3) The department shall adhere to civil service rules and regulations that state the standard biweekly work period for a full-time employee in the classified service of this state is the equivalent of 80.0 hours of work. The department shall establish policies and processes to ensure all employees are working their jobs during agreed upon business hours.

Sec. 14-207. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall prepare a report on out of state travel expenses not later than January 1. The report must list all travel by classified and unclassified employees outside this state in the previous fiscal year that was funded in whole or in part with funds appropriated in the department's or agency's budget. The department or agency shall submit the report to the standard report recipients and to the house and senate appropriations committees. The report must include all of the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related expenses of each travel occurrence and the proportions funded with state general fund/general purpose revenues, state restricted revenues, federal revenues, and other revenues.

Sec. 14-208. Not later than 6 months after the state budget office issues work project letters, a department, agency and the legislature shall submit an annual report that summarizes all work project accounts. The report must include all of the following:

(a) A list of all work project accounts.

(b) The status of all work project accounts, including amounts expended, amounts encumbered, and available balances for each account.

(c) The amount of funds that lapsed from any previously designated work project accounts, the name and description of the work project account, and the funds that received the lapsed amounts.

Sec. 14-209. Not later than December 15, the state budget office shall prepare and submit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the previous fiscal year. The report must summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall submit the report to the standard report recipients and the chairpersons of the senate and house appropriations committees.

Sec. 14-210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $10,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $500,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $350,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

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

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

Sec. 14-212. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of a local health officer.

Sec. 14-213. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving appropriations in part 1 shall take all reasonable steps to ensure geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department or agency contracts to subcontract with certified geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined in Executive Directive No. 2023-1.

Sec. 14-214. The department must provide an annual report to the standard report recipients detailing significant federal policy changes that do, or are expected to significantly impact the operations of the department, including reductions in federal revenue and/or changes that are likely to lead to a reduction in the department's ability to safeguard the health or welfare of the public.

Sec. 14-215. (1) Within 30 days of enactment of this act, the house and senate fiscal agencies shall provide to the state budget office a jointly agreed upon list of

legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33 of 2025. The list must include all information and documents pertaining to the funded items as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

(2) In accordance with section 364(4) of the Management and Budget Act, the department or agency administering the grant shall post a report in a publicly accessible location on its website beginning March 15 of the current fiscal year. The department or agency shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

Sec. 14-216. On a quarterly basis, a department or agency receiving appropriations in part 1 shall report on the number of FTEs in pay status by type of staff and civil service classification, including comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTE positions employed by the department or agency at the end of the reporting period. The report must be submitted to the senate and house appropriations committees and to the standard report recipients.

Sec. 14-217. The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal recovery funds that would otherwise lapse after September 30, 2026, are automatically reappropriated for the same purpose as originally authorized and available for expenditure through December 31, 2026, and any subsequent financial close out period.

Sec. 14-218. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

(a) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of corrections.

(b) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of state police.

(2) All applicable guidance, implementation, and reporting provisions of Public Law 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under subsection (1).

(3) The state budget director shall notify the senate and house appropriations committees not later than 10 business days after making any reallocations under subsection (1). The notification must include the authorized program under which funds were originally appropriated, the amount of the reallocation, the program, or programs, or purpose, and the department to which the funds are being reallocated under subsection (1), and the amount reallocated to each program or purpose.

**OFFICE OF EDUCATION PARTNERSHIPS**

Sec. 14-401. From the funds appropriated in part 1 for family and community engagement, the department shall, at a minimum, do all of the following:

(a) Establish or partner with family engagement centers across this state to increase parent and guardian involvement in their child's education.

(b) Ensure translation and interpretation services are available and implemented pursuant to department guidance.

(c) Partner with intermediate school districts to assist in getting information and resources to their constituent districts.

(d) Develop an early literacy engagement plan to help parents or guardians become involved in their child's education.

**OFFICE OF HIGHER EDUCATION**

Sec. 14-701. (1) From the funds appropriated in part 1, in addition to other statutorily required duties, the department shall do all of the following:

(a) Review and evaluate all state financial aid programs. The department shall prioritize improving postsecondary educational outcomes, including student completion rates, and improving affordability of postsecondary programs in this state.

(b) Serve as the coordinating office for all agencies of the executive branch of government that are responsible for financial aid programs administered by this state.

(c) Survey stakeholders, including public, tribal, and private not-for-profit colleges and universities, state departments and agencies, and statewide postsecondary education associations on student financial aid policy to improve this state's administration of programs.

(d) Collaborate with the center for educational performance and information and individual colleges and universities to ensure streamlined and coordinated collection of data analyzing the following:

(i) Postsecondary education costs, including a comparison to national and regional averages.

(ii) Student enrollment.

(iii) Degree completion.

(e) Provide access to higher education institutional data inventory on an accessible, public facing dashboard to assist students, prospective students, and their families in making decisions on postsecondary education.

(f) Coordinate with other state agencies and school districts to increase utilization and awareness of postsecondary opportunities, including, but not limited to, early and middle college, dual enrollment, and private skills training scholarships.

(g) Promote, track, and provide resources to increase completion of the free application for federal student aid.

(2) From the funds appropriated in part 1, the department shall meet, at a minimum, the following transparency requirements:

(a) Collect data necessary to complete all statutory reporting requirements. The department shall notify the chairs of the house and senate appropriations committees within 10 days if an entity receiving funds from part 1 fails to comply with data collection requirements.

(b) Maintain a link on the department's website to find data submitted by postsecondary institutions through higher education institutional data inventory.

(c) Maintain a link on the department's website to the center for educational performance and information's MI School Data page on postsecondary enrollment and completion tracking.

(3) As used in this section, "center for educational performance and information" means the center for educational performance and information created in section 94a of the state school aid act of 1979, 1979 PA 94, MCL 388.1694a.

**OFFICE OF EARLY CHILDHOOD EDUCATION**

Sec. 14-1002. (1) From the funds appropriated in part 1, the department shall ensure that the final child development and care provider reimbursement rates are published on the department and Great Start to Quality webpages.

(2) In addition to the funds appropriated in part 1, upon receiving approval from the state budget director, the department may receive and expend federal child care development block grant funds that are at risk of lapsing back to the federal government. The department may do this only if all of the following criteria are met:

(a) The funds are at risk of lapsing back to the federal government by the end of the current fiscal year.

(b) The department plans to expend the funds through a 1-time rate increase to providers.

(c) The department makes the request to receive and expend the grant funds to the state budget director not less than 30 days before the expenditure of the funds.

(3) If the average cases over a 3-month period in the child development and care program result in the current projected fiscal year caseloads falling below the caseload agreement from the May consensus revenue estimating conference, the department may increase the hourly reimbursement rate to child care providers if the following conditions are met:

(a) The level of expenditures for the remainder of the year is estimated to be significantly below the level estimated from the May consensus revenue estimating conference.

(b) The department plans to expend the funds through an ongoing rate increase to providers for the remainder of the fiscal year.

(c) The department makes this request to the state budget director not less than 30 days before the expenditure of the funds that includes the rate increase.

(4) Upon receiving approval from the state budget director under subsection (2) or (3), the department must notify the senate and house fiscal agencies of the amount being appropriated, the estimated rate increase to providers, and if the rate increase to

providers is 1-time or ongoing in nature.

(5) The department may withdraw the intent to expend the funds under subsection (2) or (3) by notifying the state budget director in writing.

Sec. 14-1003. (1) From the funds appropriated in part 1 for child development and care contracted services, the department shall create a report on all funding appropriated to contracts for the early childhood comprehensive systems planning by this state during the previous fiscal year. The report required under this section is due by April 1 and must contain at least all of the following information:

(a) Total funding appropriated to contracts for the early childhood comprehensive systems planning by this state during the previous fiscal year.

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

(c) The grant recipients.

(d) The activities funded by each grant.

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

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

Sec. 14-1007. (1) From the funds appropriated in part 1 for child development and care - external support, child development and care contracted services, and child care licensing and regulation, the department shall create a joint report that includes, but is not limited to, the following:

(a) The affordability of child care in this state, including, but not limited to, the number of children eligible for and participating in the child development and care program, the number of children eligible for and participating in the child development and care program for the last 5 years, and key takeaways from the most recent market rate survey.

(b) The availability of child care in this state by county, including, but not limited to, the number of licensed child care providers, the change in the number of licensed child care providers and slots over time, and the estimated demand for care.

(c) The health and safety of child care, including, but not limited to, the 10 most common rule violations, the number of licenses revoked and summarily suspended, and the number of license violations for incomplete health and safety training and safe sleep

training.

(d) Any actions taken to strengthen health and safety of care, including, but not limited to, the number of licensing consultants, their average caseload, the number of on-site visits they complete by provider type and region, the types of activities that are intended to improve health and safety in licensed care, and the number of times those activities are performed by licensing consultants.

(e) Information on the child care licensing process, including, but not limited to, all of the following:

(i) The number of initial applications, initial applications denied, license renewals, and licenses allowed to expire, aggregated by license type.

(ii) The average amount of time to approve or deny completed applications and a description of the most common reasons applications are denied.

(iii) A description of the types of complaints received, a description of the process used to resolve complaints, the average amount of time to complete investigations, and the percentage of investigations completed on time.

(iv) The number of complaints received, investigated, determined to be unsubstantiated, and that result in disciplinary action or rule violations.

(v) The number of administrative hearing adjudications.

(f) The quality of child care, including, but not limited to, the number of licensed providers participating in the Great Start to Quality program and the workforce registry, the number of new participants and how participation has changed over the last 5 years, and the number of children participating in the child development and care program enrolled in an enhancing quality level or higher program.

(g) Any actions taken to improve child care quality, including, but not limited to, the number of quality consultants, the average caseload, the number of on-site visits completed by region, the types of activities that are intended to improve quality and the number of times those activities are performed, and the number of providers that have improved the provider's quality rating since the start of the current fiscal year compared to the same time period in the preceding fiscal year, reported as the number of providers in each region.

(h) The child care workforce, including, but not limited to, the number of child care professionals, average wages by role, the number of individuals participating in the TEACH

scholarship and earning a credential, and the level of demand for staff.

(2) The department must post the joint report on the department website and send the joint report to the state budget director, the house and senate subcommittees that oversee the department budget, and the house and senate fiscal agencies by April 1 of the current fiscal year reflecting data for the previous fiscal year.

Sec. 14-1008. From the funds appropriated in part 1 for office of early childhood education, the department shall ensure efficient service provision to coordinate services provided to families for home visits, reduce duplication of state services and spending, increase efficiencies including the home visits funded under section 32p of the state school aid act of 1979, 1979 PA 94, MCL 388.1632p, and work with the DHHS as necessary.

Sec. 14-1009. From the funds appropriated in part 1 for child development and care public assistance, the income entrance eligibility threshold for the child development and care program is set to not more than 200% of the federal poverty guidelines.

Sec. 14-1011. From the funds appropriated in part 1 for child development and care public assistance, for eligible children in the child development and care program, the department shall implement payments to providers based on enrollment rather than based on attendance. This shall be done in a manner determined by the department.

Sec. 14-1012. From the funds appropriated in part 1 for child development and care contracted services, $1,500,000.00 must be for the department to work in collaboration with DHHS to continue the network of infant and early childhood mental health consultation, which provides mental health consultation to child care providers.

Sec. 14-1025. (1) Private revenues received by the department are appropriated upon receipt and are available for expenditure by the department as permitted under state and federal law.

(2) Not later than 10 days after the receipt of a private revenues appropriated in subsection (1), the department shall notify the standard report recipients of the receipt of the funds, including source, purpose, and amount.

(3) The amount appropriated under subsection (1) must not exceed $3,000,000.00.

Sec. 14-1030. (1) The funds appropriated in part 1 for the tri-share child care program must be awarded for the continuation of the child care facilitator program originally initiated and funded as a pilot project in section 1047(31) of article 5 of 2020 PA 166, and as continued and modified in successive appropriations.

(2) The department shall establish and support tri-share regional facilitator hubs and statewide services.

(3) The department must create benchmarks for regional facilitator hubs receiving appropriated funding.

(4) Any child care facilitator receiving funds under this section must be a nonprofit, limited liability company, C-corporation, S-corporation, or a sole proprietor.

(5) Child care facilitator hubs may use funds to enroll in the tri-share child care program families living in Wisconsin but who have a parent or caregiver who are employed in Michigan. A child care provider providing care for a family described in this subsection must be licensed in Michigan.

(6) The department shall award funds to ensure employer recruitment by regional facilitator hubs and statewide program administration. In addition, the department may provide quarterly advances for timely provider payments. Upon conclusion of the program or upon termination of any grant agreement, any unspent award funds held by any program partner shall either be spent down toward the state's share of child care payments or returned to the state at the discretion of the department.

(7) The department shall innovate program and administration options to attract Michigan employer program participation.

## Article 15

## DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 15-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of military and veterans affairs are appropriated for the fiscal year ending September 30, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **DEPARTMENT OF MILITARY AND VETERANS AFFAIRS** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 9.0 | 9.0 |
| Full-time equated classified positions..... | 967.0 | 967.0 |
| **GROSS APPROPRIATION ..... | **$ 263,938,000** | **$ 263,938,000** |
| Total interdepartmental grants and intradepartmental transfers ..... | 101,800 | 101,800 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 263,836,200 | $ 263,836,200 |
| Total federal revenues ..... | 154,412,200 | 154,412,200 |
| Total local revenues ..... | 0 | 0 |
| Total private revenues ..... | 100,000 | 100,000 |
| Total other state restricted revenues ..... | 12,973,100 | 12,973,100 |
| State general fund/general purpose ..... | $ 96,350,900 | $ 96,350,900 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose ..... | *96,350,900* | *96,350,900* |
| *One-time state general fund/general purpose ..... | *0* | *0* |
| **Sec. 15-102. MILITARY** | | |
| Full-time equated unclassified positions..... | 9.0 | 9.0 |
| Full-time equated classified positions..... | 422.5 | 422.5 |
| Unclassified salaries-9.0 FTE positions ..... | $ 1,934,400 | $ 1,934,400 |
| Headquarters and armories-103.0 FTE positions ..... | 24,312,800 | 24,312,800 |
| Michigan National Guard member benefit fund-11.5 FTE positions ..... | 11,278,600 | 11,278,600 |
| Michigan youth challeNGe academy-68.0 FTE positions .. | 10,974,700 | 10,974,700 |
| Military family relief fund ..... | 150,000 | 150,000 |
| Military retirement ..... | 2,585,600 | 2,585,600 |
| Military training sites and support facilities-240.0 FTE positions ..... | 47,066,500 | 47,066,500 |
| National guard operations ..... | 600,500 | 600,500 |
| Starbase grant ..... | 2,322,000 | 2,322,000 |
| **GROSS APPROPRIATION ..... | **$ 101,225,100** | **$ 101,225,100** |
| Appropriated from: | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Interdepartmental grant revenues: | | |
| IDG from department of state police | 101,800 | 101,800 |
| Federal revenues: | | |
| Other federal revenues | 66,708,700 | 66,708,700 |
| Special revenue funds: | | |
| Private revenues | 90,000 | 90,000 |
| Other state restricted revenues | 1,916,200 | 1,916,200 |
| State general fund/general purpose | $ 32,408,400 | $ 32,408,400 |
| **Sec. 15-103. MICHIGAN VETERANS AFFAIRS AGENCY** | | |
| Full-time equated classified positions | 61.0 | 61.0 |
| County veteran service grants-2.0 FTE positions | $ 4,255,500 | $ 4,255,500 |
| Michigan veterans affairs agency administration-49.0 FTE positions | 8,491,000 | 8,491,000 |
| Veterans' trust fund administration-8.0 FTE positions | 1,197,000 | 1,197,000 |
| Veterans' trust fund grants | 2,500,000 | 2,500,000 |
| Veterans service grants-2.0 FTE positions | 4,255,500 | 4,255,500 |
| **GROSS APPROPRIATION** | **$ 20,699,000** | **$ 20,699,000** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 758,800 | 758,800 |
| Special revenue funds: | | |
| Private revenues | 10,000 | 10,000 |
| Other state restricted revenues | 3,747,000 | 3,747,000 |
| State general fund/general purpose | $ 16,183,200 | $ 16,183,200 |
| **Sec. 15-104. MICHIGAN VETERANS' FACILITY AUTHORITY** | | |
| Full-time equated classified positions | 483.5 | 483.5 |
| Chesterfield Township home for veterans-110.0 FTE positions | $ 34,948,800 | $ 34,948,800 |
| D.J. Jacobetti home for veterans-179.0 FTE positions | 26,759,200 | 26,759,200 |
| Grand Rapids home for veterans-176.0 FTE positions | 40,244,700 | 40,244,700 |
| Information technology services and projects | 1,749,600 | 1,749,600 |
| Michigan veteran homes administration-18.0 FTE | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| positions | 4,972,000 | 4,972,000 |
| Veterans cemetery-0.5 FTE position | 134,500 | 134,500 |
| **GROSS APPROPRIATION** | **$ 108,808,800** | **$ 108,808,800** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 56,780,400 | 56,780,400 |
| Special revenue funds: | | |
| Other state restricted revenues | 6,309,900 | 6,309,900 |
| State general fund/general purpose | $ 45,718,500 | $ 45,718,500 |
| **Sec. 15-105. CAPITAL OUTLAY** | | |
| Armory maintenance | $ 1,000,000 | $ 1,000,000 |
| Land and acquisitions | 1,000,000 | 1,000,000 |
| Special maintenance - National Guard | 30,000,000 | 30,000,000 |
| Special maintenance - veterans' facilities | 500,000 | 500,000 |
| **GROSS APPROPRIATION** | **$ 32,500,000** | **$ 32,500,000** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 30,000,000 | 30,000,000 |
| Special revenue funds: | | |
| Other state restricted revenues | 1,000,000 | 1,000,000 |
| State general fund/general purpose | $ 1,500,000 | $ 1,500,000 |
| **Sec. 15-106. INFORMATION TECHNOLOGY** | | |
| Information technology services and projects | $ 705,100 | $ 705,100 |
| **GROSS APPROPRIATION** | **$ 705,100** | **$ 705,100** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 164,300 | 164,300 |
| Special revenue funds: | | |
| State general fund/general purpose | $ 540,800 | $ 540,800 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

**GENERAL SECTIONS**

Sec. 15-201. 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 30,2027 is $109,324,000.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is $4,088,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

| | |
|---|---|
| Military training sites and support facilities | $ 46,500 |
| County veteran service grants | 4,041,500 |
| TOTAL | $ 4,088,000 |

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

Sec. 15-203. As used in this part and part 1:

(a) "CMS" means the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services.

(b) "Department" means the department of military and veterans affairs.

(c) "DHHS" means the department of health and human services.

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

(e) "FTE" means full-time equated position in the classified service of this state.

(f) "IDG" means interdepartmental grant.

(g) "MVAA" means the Michigan veterans affairs agency created by Executive Reorganization Order No. 2013-2, MCL 32.92.

(h) "MVFA" means the Michigan veterans' facility authority created under section 3 of the Michigan veterans' facility authority act, 2016 PA 560, MCL 36.103.

(i) "MVH" means the Michigan veteran homes as that term is defined in the Michigan veterans' facility authority act, 2016 PA 560, MCL 36.102.

(j) "MYCA" means the Michigan youth challeNGe academy.

(k) "Standard report recipients" means the senate and house appropriations

subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

(l) "USDVA" means the United States Department of Veterans Affairs.

(m) "VSO" means veterans service organization.

(n) "Veterans' facility" means that term as defined in section 2 of the Michigan veterans' facility authority act, 2016 PA 560, MCL 36.102.

Sec. 15-204. A department or agency shall use the internet to fulfill the reporting requirements of this part and shall make each report readily accessible to the public and conspicuously post each required report in a single archivable location on the department's or agency's Michigan.gov website not later than the due date required for each report. In addition to placing all reports required in the current fiscal year on the department's or agency's website, the department or agency shall maintain on its website all reports placed on the website from previous fiscal years posted by fiscal year in the same single archivable location. The department or agency shall also transmit all required reports for the current fiscal year to the standard recipients and any other required recipients by email.

Sec. 15-205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds appropriated in part 1:

(a) The funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 15-206. (1) The department shall maximize utilization of its in-person state workforce. The department shall prioritize occupancy utilization of office space for each division within the department. Employees with job responsibilities that require the employees to serve in their capacities outside of an office shall be monitored each pay period to ensure all work hours reported on the timesheet were actually worked.

(2) The department shall comply with requirements set forth by the office of the state employer on in-person work and utilization and occupancy rates of state buildings to ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to market conditions.

(3) The department shall adhere to civil service rules and regulations that state the standard biweekly work period for a full-time employee in the classified service of this state is the equivalent of 80.0 hours of work. The department shall establish policies and processes to ensure all employees are working their jobs during agreed upon business hours.

Sec. 15-207. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall prepare a report on out of state travel expenses not later than January 1. The report must list all travel by classified and unclassified employees outside this state in the previous fiscal year that was funded in whole or in part with funds appropriated in the department's or agency's budget. The department or agency shall submit the report to the standard report recipients and to the house and senate appropriations committees. The report must include all of the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related expenses of each travel occurrence and the proportions funded with state general fund/general purpose revenues, state restricted revenues, federal revenues, and other revenues.

Sec. 15-208. Not later than 6 months after the state budget office issues work project letters, a department, agency and the legislature shall submit an annual report that summarizes all work project accounts. The report must include all of the following:

(a) A list of all work project accounts.

(b) The status of all work project accounts, including amounts expended, amounts encumbered, and available balances for each account.

(c) The amount of funds that lapsed from any previously designated work project accounts, the name and description of the work project account, and the funds that received the lapsed amounts.

Sec. 15-209. Not later than December 15, the state budget office shall prepare and submit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the previous fiscal year. The report must summarize

the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall submit the report to the standard report recipients and the chairpersons of the senate and house appropriations committees.

Sec. 15-210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $8,600,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

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

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

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

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

Sec. 15-212. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action

or policy that attempts to restrict or interfere with the duties of a local health officer.

Sec. 15-213. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving appropriations in part 1 shall take all reasonable steps to ensure geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department or agency contracts to subcontract with certified geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined in Executive Directive No. 2023-1.

Sec. 15-214. The department must provide an annual report to the standard report recipients detailing significant federal policy changes that do, or are expected to significantly impact the operations of the department, including reductions in federal revenue and/or changes that are likely to lead to a reduction in the department's ability to safeguard the health or welfare of the public.

Sec. 15-215. (1) Within 30 days of enactment of this act, the house and senate fiscal agencies shall provide to the state budget office a jointly agreed upon list of legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33 of 2025. The list must include all information and documents pertaining to the funded items as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

(2) In accordance with section 364(4) of the Management and Budget Act, the department or agency administering the grant shall post a report in a publicly accessible location on its website beginning March 15 of the current fiscal year. The department or agency shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

Sec. 15-216. On a quarterly basis, a department or agency receiving appropriations in part 1 shall report on the number of FTEs in pay status by type of staff and civil service classification, including comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTE positions employed by the department or agency at the end of the reporting period. The report must be submitted to

the senate and house appropriations committees and to the standard report recipients.

Sec. 15-217. The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal recovery funds that would otherwise lapse after September 30, 2026, are automatically reappropriated for the same purpose as originally authorized and available for expenditure through December 31, 2026, and any subsequent financial close out period.

Sec. 15-218. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

(a) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of corrections.

(b) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of state police.

(2) All applicable guidance, implementation, and reporting provisions of Public Law 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under subsection (1).

(3) The state budget director shall notify the senate and house appropriations committees not later than 10 business days after making any reallocations under subsection (1). The notification must include the authorized program under which funds were originally appropriated, the amount of the reallocation, the program, or programs, or purpose, and the department to which the funds are being reallocated under subsection (1), and the amount reallocated to each program or purpose.

Sec. 15-223. Funds appropriated in part 1 for capital outlay must be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act,

1984 PA 431, MCL 18.1248.

Sec. 15-224. (1) Money privately donated to the department in excess of the appropriation in part 1 is appropriated and available for expenditure departmental operations and for the purpose designated by the private source, if specified.

(2) Any unexpended and unencumbered private donations to support the department at the close of this fiscal year do not lapse to the general fund and must be carried forward to the subsequent fiscal year.

**MILITARY**

Sec. 15-301. (1) Not later than October 30, the department shall report a list of the current unclassified positions, which shall include the official titles and responsibilities of each position.

Sec. 15-302. (1) The department shall operate and maintain National Guard armories and implement a system to measure the condition and adequacy of those armories.

(2) Not later than January 15, the department shall report on the status of the armories that includes the following information:

(a) An assessment of the grounds and facilities of each armory to objectively measure and determine the current facility condition and capability to support authorized manpower, unit training, and operations.

(b) Recommendations for the placement of new armories, the relocation or consolidation of existing armories, or a change in the mission of units assigned to armories to ideally position the National Guard in current or projected population centers.

(c) Recommendations for the enhanced use of armories to facilitate family support programs during deployments.

(d) An analysis of the feasibility, potential costs, and benefits of use of armories shared with other local, state, or federal agencies to improve responses to local emergencies as well as the community support provided to armories.

(e) An investment strategy and proposed funding amounts in a prioritized project list to correct the most critical facility shortfalls across the inventory of armories in this state.

(f) A review of the status of construction activities and expenditures of the armory modernization project funded in section 107 of article 10 of 2022 PA 166 and section 104 of

2022 PA 194.

Sec. 15-303. (1) The department shall maintain the MYCA to provide values, skills, education, and self-discipline instruction for at-risk youth as provided under 32 USC 509.

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

(3) The department shall partner with the DHHS to identify youth who may be eligible for MYCA from those youth served by DHHS services programs. The department shall give these eligible youth priority for enrollment.

(4) The department shall maintain the MYCA to graduate at least the target number of graduates consistent with the state's cooperative agreement with the National Guard Bureau regarding program operations.

(5) The department shall monitor individual academic success as measured by the number of individuals who have received a general equivalency diploma, high school diploma, or high school credit recovery or by the improvement of tests of adult basic education scores, or both.

Sec. 15-304. (1) Not later than January 15, the department shall provide a report on the revenues, expenditures, and fund balance of the military family relief fund created in section 3 of the military family relief fund act, 2004 PA 363, MCL. 35.1213. The report shall itemize expenditures by purpose, including, but not limited to, for advertising and assistance and include information on the number of applications for assistance received, approved, and denied for the previous fiscal year.

(2) From the funds appropriated in part 1, the department shall provide outreach to the Michigan families of members of the reserve component of the Armed Forces of the United States called into active duty on the availability of assistance through the military family relief fund.

Sec. 15-305. (1) The department shall do all of the following:

(a) Provide Army and Air National Guard forces, when directed, for state and local emergencies and in support of national military requirements.

(b) Operate and maintain Army National Guard training facilities, including Fort Custer and Camp Grayling.

(c) Maintain a system that measures the condition and adequacy of air facilities

using both quality and functionality criteria.

(d) Operate and maintain Air National Guard air bases, including Selfridge Air National Guard base, Battle Creek Air National Guard base, and Alpena combat readiness training center.

(2) Not later than March 1, the department shall report the following information for the previous calendar year:

(a) The apportioned and assigned strength of the Michigan Army National Guard.

(b) The apportioned and assigned strength of the Michigan Air National Guard.

(c) Recruiting, retention, and attrition data, including measurement against stated performance goals, for the Michigan Army National Guard.

(d) Recruiting, retention, and attrition data, including measurement against stated performance goals, for the Michigan Air National Guard.

Sec. 15-306. (1) The billeting fund is created within the state treasury.

(2) The state treasurer shall deposit money and other assets received from any source into the fund. The state treasurer shall direct the investment of money in the fund and credit interest and earnings from the investments to the fund.

(3) All of the fees and other revenues generated from the operation of the chargeable transient quarters program must be deposited in the fund.

(4) Money in the fund at the close of the fiscal year remains in the fund and does not lapse to the general fund.

(5) The department is the administrator of the fund for auditing purposes.

(6) The department shall expend money from the fund to support program operations and the maintenance and operations of the chargeable transient quarters program as appropriated in part 1.

(7) Not later than January 15, the department shall submit a report of operations and expenditures regarding the fund for the previous fiscal year.

Sec. 15-307. (1) From the funds appropriated in part 1 for Michigan National Guard member benefit fund, the department shall maintain a Michigan National Guard tuition assistance program as provided under the Michigan National Guard tuition assistance act, 2014 PA 259, MCL 32.431 to 32.434. The Michigan National Guard tuition assistance program must do all of the following:

(a) Bolster military readiness by increasing recruitment and retention of Michigan

Army and Air National Guard members.

(b) Fill federally authorized strength levels for the state.

(c) Improve the Michigan Army and Air National Guard's competitive draw from other military enlistment options in the state.

(d) Enhance the ability of the Michigan Army and Air National Guard to compete for guard members and federal dollars with surrounding states.

(e) Increase the pool of eligible candidates within the Michigan Army and Air National Guard to become commissioned officers.

(2) The department shall make efforts to increase the number of National Guard members who have received a credential or are still enrolled in the Michigan National Guard tuition assistance program after their initial term of enlistment. To evaluate the effectiveness of the program, the department shall monitor the number of new recruits and new reenlistments and the percentage of those who become participants in the program to determine whether the percentage of authorized Michigan Army and Air National Guard strength obtained and retained is competitive in comparison with the neighboring army and air national guards from Illinois, Indiana, Ohio, and Wisconsin.

(3) Not later than March 1, the department shall provide a report on the Michigan National Guard tuition assistance program. The report must include, but is not limited to, the following information for the previous fiscal year:

(a) The number of guard members, spouses, children, and dependents that received tuition assistance, broken down by the number of each type of recipient.

(b) The educational institutions from which those guard members, spouses, children, and dependents received education or training under the program, broken down by the number of each type of recipient and each type of educational or training program for which tuition assistance was received.

(c) The total amount of financial assistance received by each educational institution.

(d) The total funds expended on the program for financial assistance for each type of recipient and each type of educational or training program.

(e) The total funds expended on the program for administrative costs of the department.

(f) The total number of applications for tuition assistance approved and denied.

(g) The number of guard members, spouses, children, and dependents receiving tuition assistance who successfully completed an educational or training program for which tuition assistance was received.

(h) A description of each educational or training program offered through the Michigan National Guard tuition assistance program.

(i) A list of any educational institutions and training programs removed from eligibility and the rationale for that removal.

(j) An explanation of any identified barriers to the successful utilization of the program, or other unmet needs of the program and applicable proposals for legislative action to address those barriers and needs.

Sec. 15-308. The department shall maintain the starbase program at Air National Guard facilities, as provided under 10 USC 2193b, to improve the knowledge, skills, and interest of students, primarily in the fifth grade, in math, science, and technology. The starbase program is to specifically target minority and at-risk students for participation.

Sec. 15-309. (1) The National Guard test projects fund is created within the state treasury.

(2) The state treasurer shall deposit money and other assets received from any source into the fund. The state treasurer shall direct the investment of money in the fund and credit interest and earnings from the investments to the fund.

(3) All of the fees and other revenues generated from the operation of the test projects program shall be deposited in the fund.

(4) Money in the fund at the close of the fiscal year remains in the fund and does not lapse to the general fund.

(5) The department is the administrator of the fund for auditing purposes.

(6) Money in the fund shall be available for expenditure for the support of program operations as appropriated in part 1.

Sec. 15-310. (1) The morale, welfare, and recreation fund is created within the state treasury.

(2) The state treasurer shall deposit money and other assets received from any source into the fund. The state treasurer shall direct the investment of money in the fund and shall credit interest and earnings from the investments to the fund.

(3) The department is the administrator of the fund for auditing purposes.

(4) All of the fees and other revenues generated from the operation of the morale, welfare, and recreation program must be deposited in the morale, welfare, and recreation fund. Money in the fund is available for expenditure for the support of program operations as appropriated in part 1.

(5) Money remaining in the fund at the close of the fiscal year remains in the fund and does not lapse to the general fund.

Sec. 15-311. (1) The National Guard facilities rental fund is created in the state treasury.

(2) The state treasurer shall deposit money and other assets received from any source into the fund. The state treasurer shall direct the investment of money in the fund and shall credit interest and earnings from the investments to the fund.

(3) All of the fees and other revenues generated from the operation of the National Guard facilities rental program must be deposited in the fund.

(4) Money in the fund at the close of the fiscal year remains in the fund and does not lapse to the general fund.

(5) The department is the administrator of the fund for auditing purposes.

(6) Money in the fund is available for expenditure for the support of program operations as appropriated in part 1.

Sec. 15-312. Not later than February 1, the department shall provide the report required under section 251(7) of the Michigan military act, 1967 PA 150, MCL 32.651.

Sec. 15-313. The Michigan Army National Guard and Air National Guard shall work to provide a culture that is free of sexual assault, through an environment of prevention, education and training, response capability, victim support, reporting procedures, and appropriate accountability that enhances the safety and well-being of all guard members.

Sec. 15-314. (1) From the funds appropriated in part 1 for Michigan National Guard member benefit fund, the department shall create and administer a Tricare premium reimbursement program, as provided under the Tricare premium reimbursement program act, 2025 PA 36, MCL 32.471 to 32.475.

(2) Not later than March 1, the department shall provide a report on the Tricare reimbursement program. The report must include, but is not limited to, the following information:

(a) The number of eligible members receiving assistance under the program, broken

down by service branch and including the amount of the assistance issued, and the total number of National Guard members by service branch.

(b) The total funds expended on Tricare reimbursements.

(c) The total funds expended on the program for administrative costs of the department.

(d) Any other pertinent information, as determined by the department, on the program's operations and administration.

Sec. 15-315. (1) From the funds appropriated in part 1 for Michigan National Guard member benefit fund, the department shall create and administer a child care assistance program as provided under the Michigan National Guard child care assistance act, 2025 PA 37, MCL 32.451 to 32.455.

(2) Not later than March 1, the department shall provide a report on the child care assistance program. The report must include, but is not limited to, the following information:

(a) The number of eligible members receiving child care assistance under the program, broken down by service branch and including the amount of the stipend issued, and the total number of National Guard members by service branch.

(b) The number of children for whom a stipend was paid and the associated number of hours paid broken down by service branch.

(c) The hourly rate paid.

(d) The total funds expended on the program for child care stipends.

(e) The total funds expended on the program for administrative costs of the department.

(f) Any other pertinent information, as determined by the department, on the program's operations and administration.

Sec. 15-316. (1) The general fund/general purpose funds appropriated in part 1 for the Michigan National Guard member benefit fund must be deposited into the restricted Michigan National Guard member benefit fund. All funds in the restricted Michigan National Guard member benefit fund are appropriated and available for expenditure to support the Michigan National Guard's tuition assistance program, Tricare premium reimbursement program, and childcare assistance program.

(2) As used in this section, "Michigan National Guard member benefit fund" means the

Michigan National Guard member benefit fund created in section 3 of the Michigan National Guard member benefit fund act, 2025 PA 31, MCL 32.493.

**MICHIGAN VETERANS AFFAIRS AGENCY**

Sec. 15-405. Not later than January 15, the MVAA shall provide a report of the Michigan veterans' trust fund that includes, for the previous fiscal year, the following information:

(a) A description of the methodology of allocations and the selection of emergency grant program authorized agents.

(b) A description of how the emergency grant program is administered in each county.

(c) Expenditures for state operating costs and administrative costs.

(d) The number of approved emergency grant applications, by category of assistance, and the number of denied applications, by reason of denial.

(e) A description of the MVAA's efforts to reduce program administrative costs and maintain the Michigan veterans' trust fund corpus at or above its original amount of $50,000,000.00.

(f) The financial status of the Michigan veterans' trust fund, including revenues, beginning and year-end balances, and a breakdown of expenditures for state and local administrative purposes, grants, and other program partnerships and initiatives, including details by county and organization.

(g) Expenditures for program partnerships, delineated by organization, and expenditures for any other program initiatives.

Sec. 15-406. The MVAA shall do all of the following:

(a) Provide outreach services to Michigan veterans to advise them on the benefits and assistance to which they are entitled, or eligible, including the Michigan military family relief fund, Michigan veterans' trust fund, and USDVA health, financial, and memorial benefits.

(b) Fulfill requests for military discharge certificates (DD-214) upon request.

(c) Not later than March 1, submit a report on the activities and outcomes of its outreach services, included the percentage of Michigan veterans contacted through its outreach programs.

Sec. 15-408. From the funds appropriated in part 1, the MVAA shall provide for the

regional coordination of services and do all of the following:

(a) Coordinate with veteran benefit counselors throughout a specified region.

(b) Coordinate services with all state departments and agencies.

(c) Coordinate with regional workforce and economic development agencies.

(d) Coordinate activities among local foundations, nonprofit organizations, and community groups to improve accessibility, enrollment, and utilization of the array of health care, education, employment assistance, and quality of life services provided at the local level.

(e) Work with MVAA service officers, county veteran counselors, VSO service officers, and other service providers to increase awareness of available mental health care resources and support services veterans may be eligible to receive.

(f) Coordinate with the DHHS to identify Medicaid recipients who are veterans and who may be eligible for federal veterans health care benefits or other benefits, to the extent that the identification does not violate applicable confidentiality requirements.

(g) Collaborate with the department of corrections to create and maintain a process by which prisoners can obtain a copy of their DD-214 form or other military discharge documentation if necessary.

(h) Ensure that all MVAA service officers and VSO service officers receive appropriate training in processing applications for benefits payable to veterans due to military sexual trauma, post-traumatic stress disorder, depression, anxiety, substance use disorder, or other mental health issues.

Sec. 15-410. (1) The MVAA shall do the following:

(a) Provide claims processing services to Michigan veterans in support of benefit claims submitted to the USDVA for the health, financial, and memorial benefits for which they are eligible, and report annually on the number of benefit claims, by type, submitted to the USDVA by MVAA.

(b) Develop and implement a process to ensure that all county veterans counselors receive the training and accreditation necessary to provide quality services to veterans. Not later than March 1 the MVAA shall provide a report for the previous fiscal that includes the number and percentage of county veterans counselors trained by the MVAA, and the number and percentage who received funding from the MVAA to attend training and a description of the training provided.

(2) From the funds appropriated in part 1 for MVAA, the MVAA is authorized to expend up to $100,000.00 to hire legal services to represent veterans benefit cases before federal court to maintain accreditation under 38 CFR 14.628(d)(1)(iv).

Sec. 15-411. (1) The funds appropriated in part 1 for veterans service grants must be deposited into the veterans service fund created in this part. All funds available in the veterans service fund are appropriated and available for expenditure as provided under this section.

(2) The MVAA shall establish, administer, and award competitive grants to 1 or more congressionally chartered VSOs or a coalition of VSOs. The MVAA shall award grants to support efforts to connect veterans and their dependents with federal compensation and pension benefits and state veterans' benefits, including emergency grants through the Michigan veterans' trust fund and other local or nonprofit assistance that may be available to veterans and their dependents. The MVAA shall establish a competitive grant process that satisfies the following:

(a) Utilizes a service provision model to provide services across the state and can be tracked regionally to ensure that veterans and their dependents in this state, including those within tribal communities, are provided with services, advocacy, and outreach as close to the communities in which they live as possible.

(b) Ensures that grantees are providing adequate veteran services and advocacy, through in-person and virtual meetings, that enables the organization to meet performance goals established in the grant agreement.

(c) Fosters innovative and transformative approaches and techniques for the grantee to use when providing services, advocacy, and outreach for veterans and their dependents.

(d) Requires grantees to use an MVAA-designated internet-based claims data system to manage caseloads. License fees associated with the claims data system described in this subdivision are considered an allowable expenditure and may be reimbursed with grant funds.

(e) Requires grantees, in coordination with the MVAA, to provide services to incarcerated veterans who are within 1 year of their earliest release date.

(f) Ensures that each grantee is issued performance goals.

(g) Ensures that each grantee expends grant awards as prescribed in the grant agreement.

(h) Requires each grantee to report not less than quarterly on all of the following:

(i) An accounting for all grant fund expenditures.

(ii) The number and type of claims originated and submitted by the grantee to the USDVA.

(iii) The number and type of claims originated by an organization other than the grantee and submitted by the grantee to the USDVA.

(iv) The services provided to veterans and their dependents.

(v) Progress in achieving performance benchmark goals.

(vi) Ensures that each grantee is issued performance benchmark goals that each grantee must aim to achieve and require each grantee to report to the MVAA, in order to ensure that benchmark goals are being achieved, or on target to be achieved, in the fiscal year.

(3) The MVAA shall do the following regarding the veterans service grant program:

(a) Follow all generally accepted accounting principles in accordance with sections 141 and 485 of the management and budget act, 1984 PA 431, MCL 18.1141 and 18.1485.

(b) When establishing, modifying, or amending the competitive grant process described in subsection (1), consult and collaborate with congressionally chartered VSOs in the state, or a coalition of VSOs, and other stakeholders to ensure a comprehensive approach to providing services, advocacy, and outreach to veterans and their dependents.

(c) Provide notice to current grantees of any MVAA-proposed modifications or amendments to the competitive grant process and provide those grantees with an opportunity to respond through written communication.

(d) Assess the accuracy rate of claims reported by grantees.

(e) Review and audit grantees' expenditure of grant funds to ensure compliance with the grant agreement, as provided under section 470 of the management and budget act, 1984 PA 431, MCL 18.1470.

(4) Not later than January 15, the MVAA shall provide a report summarizing grant activities for the previous fiscal year, including the amount of expenditures, number of service and advocacy hours, number of claims for benefits submitted by type of claim, and other information deemed appropriate by the MVAA.

(5) From the funds appropriated in part 1 for veterans service grants, $214,000.00 must be allocated to cover necessary administrative and implementation costs incurred by the MVAA.

Sec. 15-412. (1) The veterans service fund is created in the state treasury.

(2) The state treasurer shall deposit money and other assets received from any source for deposit into the fund. The state treasurer shall direct earnings the investment of the fund and credit interest and from fund investments to the fund.

(3) Money in the fund at the close of the fiscal year remains in the fund and does not lapse to the general fund.

(4) The department is the administrator of the fund for auditing purposes.

(5) The department shall expend money in the fund, as provided by law.

Sec. 15-413. (1) The funds appropriated in part 1 for county veteran service grants must be deposited into the restricted county veteran service fund created in section 3a of 1953 PA 192, MCL 35.623a. All available funds in the restricted county veteran service fund are appropriated and available for expenditure as provided by law.

(2) From the restricted county veteran service fund created in section 3a of 1953 PA 192, MCL 35.623a, $214,000.00 must be allocated to the MVAA to cover necessary administrative and implementation costs incurred by the MVAA.

(3) The MVAA shall provide a report not later than January 15 that includes the following information for the previous fiscal year:

(a) A list of counties that received a grant under this section and details concerning the methodology of allocations, including, but not limited to, all program information distributed by the MVAA to counties and any applicable timelines and deadlines imposed by the MVAA.

(b) The base, per capita, and total amounts of grant funding each county received under section 3a(6) of 1953 PA 192, MCL 35.623a, including any amount of funding provided under the emergent need relief program pursuant to section 3a(10) of 1953 PA 192, MCL 35.623a.

(c) A summary of each county's expenditures of grant funding.

(d) The amount of any unexpended grant funding disbursed to the counties that has been recovered and returned to the county veteran service fund.

(e) The amount of any funds recovered by the MVAA through a funding that grant funds were misused by a county.

(f) The amount expended by the MVAA for grant administration and implementation costs.

(g) The balance of the county veteran service fund at the close of the fiscal year.

(4) The report required under subsection (3) must also include the following:

(a) A list of counties that have requested funds in the current fiscal year, the amount requested by each county, and the total of these amounts.

(b) A list of counties that did not request funds in the current fiscal year.

(c) An explanation of any obstacles or reasons for counties not applying for or spending their eligible amount of grant funding.

Sec. 15-415. Not later than January 15, the MVAA shall submit a report that includes all of the following:

(a) An analysis on the scope of homelessness among the state's veteran population, including the estimated number of homeless veterans, by county.

(b) Challenges to securing housing for homeless veterans.

(c) Recommendations for future long-term partnerships between the Michigan state housing development authority, the MVAA, local government, and nonprofit organizations that could assist in eliminating homelessness among veterans in this state. Recommendations under this subdivision must minimize additional costs to local units of government.

(d) Activities of the MVAA in the previous fiscal year to support homeless veterans or eliminate homelessness among veterans.

**MICHIGAN VETERANS' FACILITY AUTHORITY**

Sec. 15-502. (1) From the funds appropriated in part 1, the MVH and the MVFA shall provide compassionate and quality nursing care services at each veterans' facility in this state so that resident members can achieve their highest potential of wellness, independence, self-worth, and dignity. The MVFA and the MVH shall provide nursing care services to veterans in accordance with federal standards and report the results of the annual USDVA and CMS surveys and certification as proof of compliance.

(2) Appropriations in part 1 for a veterans' facility shall not be used for any purpose other than expenses related to the operations of the veterans' facility.

Sec. 15-503. All contractors providing health care services at a veterans' facility shall provide services in a manner that complies with applicable USDVA and CMS regulations for state veterans' homes and skilled nursing facilities, any rules governing the operation of nursing homes licensed in this state, and any training and education requirements

associated with staff licensure or certification.

Sec. 15-504. (1) The MVFA shall report and investigate all complaints of abuse or neglect at a veterans' facility in compliance with USDVA and CMS regulations for state veterans' homes and skilled nursing facilities. The MVFA shall report on a bimonthly basis the following information:

(a) A description of the process by which resident members and others may file complaints of alleged abuse or neglect at a veterans' facility.

(b) Summary statistics on the number and general nature of complaints of abuse or neglect.

(c) Summary statistics on the final disposition of complaints of abuse or neglect received.

(2) The MVFA shall display in high-traffic areas throughout the veterans' facility the process by which visitors, resident members, and staff of the veterans' facility may register complaints.

Sec. 15-506. The MVH shall establish and implement internal controls regarding all of the following:

(a) The use and management of food, maintenance, and pharmaceutical and medical supply inventories.

(b) Calculating resident member maintenance assessments in order to accurately calculate resident member maintenance assessments for each billing cycle and ensure that all past due resident member maintenance assessments are addressed within 30 days.

(c) Monetary donations and donated goods.

(d) The handling of resident member funds to ensure the release of funds within 15 calendar days upon the resident member leaving the home and to ensure that a representative of a resident member is provided a full accounting of that resident member's funds within 30 calendar days after the death of that resident member.

(e) Financial reporting and accounting.

Sec. 15-507. (1) The MVH shall post on its website the following:

(a) All policies adopted by the MVFA and the veterans' facility related to the administrative operations of the veterans' facility.

(b) The agenda and minutes of public meetings of the MVFA board.

(2) The MVH shall provide a report that includes statistics and information that

demonstrates the performance of MVH compared to available state and national veterans' homes or nursing homes.

(3) Not later than January 15, the MVH shall provide a report on the following:

(a) Census data for each veterans' facility, including information on level of care, service era of its resident members, payer source, and average income and assessment rate.

(b) Per patient daily care hours provided by each veterans' facility, by level of care.

(4) The MVH shall provide a bimonthly report on the financial status of each veterans' facility and central MVFA/MVH administration. Information shall include, but not be limited to, actual year-to-date and projected year-end revenues and expenditures, by fund source.

(5) The MVH shall provide a report on the results of any annual or for-cause survey conducted by any entity with oversight over the veterans' facility and any corresponding corrective action plan. This information shall also be made available publicly through the MVH website.

(6) In addition to the information required under section 12(1) of the Michigan veterans' facility authority act, 2016 PA 560, MCL 36.112, not later than January 31, the MVFA shall provide a report detailing the strategies and actions taken to maximize revenues from non-general fund sources and cost savings strategies.

Sec. 15-508. In addition to the funds appropriated in part 1, private revenues held by the MVH on a nonfiduciary basis for a resident member of a veterans' facility are appropriated to pay medical expenses, member assessments, and other expenses incurred by that resident member. Any unexpended or unencumbered private revenues held on a nonfiduciary basis by the MVH at the close of the fiscal year do not lapse to the general fund and must be carried forward into the subsequent fiscal year.

Sec. 15-509. Not later than January 15, the MVFA shall provide a report on the construction, operation, and finances of the new Marquette veterans home funded in article 14 of 2022 PA 166.

Sec. 15-510. Except as otherwise provided by law, any unexpended and unencumbered federal revenues received by the MVFA do not lapse to the state general fund and must be carried forward into the subsequent fiscal year.

Sec. 15-511. The department, with the approval of the state budget office, is

authorized to realign federal revenues sources of the MVFA. This realignment of federal fund sourcing must not produce a gross increase or decrease in the total authorization for the individual MVFA line-item appropriations. The department shall provide a quarterly report to the standard report recipients on actions taken under this section.

**CAPITAL OUTLAY**

Sec. 15-601. (1) The department shall provide for the acquisition and disposition of National Guard armories, facilities, and lands as provided under sections 368, 382, and 382a of the Michigan military act, 1967 PA 150, MCL 32.768, 32.782, and 32.782a.

(2) The department shall provide a listing of property sales and acquisitions annually.

Sec. 15-602. (1) The appropriations for armory maintenance and special maintenance - National Guard must be expended in accordance with the requirements of sections 302 and 305 and must be expended according to the maintenance priorities of the department to repair and modernize military training sites and support facilities, including armories.

(2) Not later than January 15, the department shall provide a report providing information on the status, projected costs, and projected completion date of current and planned special maintenance projects at the armories and other National Guard facilities funded from capital outlay appropriations made in part 1 and in previous fiscal years.

Sec. 15-603. (1) The appropriations for special maintenance - veterans' facility must be expended in accordance with the requirements of section 502 and must be expended according to the maintenance priorities of the MVFA to repair and modernize the state's veterans' facility, which may include physical plant expansions, renovations, or enhancements, and other projects designed to enhance the quality of life and medical care of resident members.

(2) Not later than January 15, the MVH shall provide a report providing information on the status, projected costs, and projected completion date of current and planned special maintenance projects at each veterans' facility funded from capital outlay appropriations made in part 1 and in previous fiscal years.

## Article 16

## DEPARTMENT OF NATURAL RESOURCES

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 16-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of natural resources are appropriated for the fiscal year ending September 30, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **DEPARTMENT OF NATURAL RESOURCES** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 2,513.9 | 2,499.9 |
| **GROSS APPROPRIATION .....** | **$ 606,716,900** | **$ 605,280,700** |
| Total interdepartmental grants and intradepartmental transfers ..... | 208,300 | 208,300 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 606,508,600 | $ 605,072,400 |
| Total federal revenues ..... | 102,198,400 | 102,198,400 |
| Total local revenues ..... | 0 | 0 |
| Total private revenues ..... | 8,330,900 | 8,330,900 |
| Total other state restricted revenues ..... | 432,856,300 | 432,856,300 |
| State general fund/general purpose ..... | $ 63,123,000 | $ 61,686,800 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose .....* | *61,686,800* | *61,686,800* |
| *One-time state general fund/general purpose .....* | *1,436,200* | *0* |
| **Sec. 16-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 149.1 | 149.1 |
| Unclassified salaries-6.0 FTE positions ..... | $ 1,023,100 | $ 1,023,100 |
| Accounting service center ..... | 1,751,800 | 1,751,800 |
| Executive direction-11.6 FTE positions ..... | 2,380,000 | 2,380,000 |
| Finance and operations-112.5 FTE positions ..... | 20,060,100 | 20,060,100 |
| Gifts and pass-through transactions ..... | 5,003,600 | 5,003,600 |
| Legal services-4.0 FTE positions ..... | 725,700 | 725,700 |
| Minerals management-17.0 FTE positions ..... | 3,006,800 | 3,006,800 |
| Natural resources commission ..... | 77,100 | 77,100 |
| Office of public lands-4.0 FTE positions ..... | 1,501,600 | 1,501,600 |
| Property management ..... | 3,611,400 | 3,611,400 |
| **GROSS APPROPRIATION .....** | **$ 39,141,200** | **$ 39,141,200** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| IDG from other restricted funding ..... | 208,300 | 208,300 |
| Federal revenues: | | |
| Other federal revenues ..... | 836,900 | 836,900 |
| Special revenue funds: | | |
| Private revenues ..... | 5,003,600 | 5,003,600 |
| Other state restricted revenues ..... | 29,737,200 | 29,737,200 |
| State general fund/general purpose ..... | $ 3,355,200 | $ 3,355,200 |
| **Sec. 16-103. DEPARTMENT INITIATIVES** | | |
| Full-time equated classified positions..... | 21.0 | 21.0 |
| Great Lakes restoration initiative ..... | $ 2,904,500 | $ 2,904,500 |
| Invasive species prevention and control-21.0 FTE positions ..... | 5,997,200 | 5,997,200 |
| **GROSS APPROPRIATION ..... | **$ 8,901,700** | **$ 8,901,700** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 2,904,500 | 2,904,500 |
| Special revenue funds: | | |
| State general fund/general purpose ..... | $ 5,997,200 | $ 5,997,200 |
| **Sec. 16-104. COMMUNICATION AND CUSTOMER SERVICES** | | |
| Full-time equated classified positions..... | 144.3 | 144.3 |
| Cultural resource management-5.5 FTE positions ..... | $ 1,037,700 | $ 1,037,700 |
| Marketing and outreach-95.3 FTE positions ..... | 24,204,500 | 24,204,500 |
| Michigan historical center-43.5 FTE positions ..... | 7,328,300 | 7,328,300 |
| Michigan wildlife council ..... | 2,803,400 | 2,803,400 |
| **GROSS APPROPRIATION ..... | **$ 35,373,900** | **$ 35,373,900** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 3,741,800 | 3,741,800 |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 26,312,300 | 26,312,300 |
| State general fund/general purpose ..... | $ 5,319,800 | $ 5,319,800 |
| **Sec. 16-105. WILDLIFE MANAGEMENT** | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Full-time equated classified positions..... | 210.5 | 210.5 |
| Natural resources heritage-9.0 FTE positions ..... | $ 842,600 | $ 842,600 |
| Wildlife management-201.5 FTE positions ..... | 56,179,300 | 56,179,300 |
| **GROSS APPROPRIATION ..... | **$ 57,021,900** | **$ 57,021,900** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 26,845,400 | 26,845,400 |
| Special revenue funds: | | |
| Private revenues ..... | 465,700 | 465,700 |
| Other state restricted revenues ..... | 25,179,000 | 25,179,000 |
| State general fund/general purpose ..... | $ 4,531,800 | $ 4,531,800 |
| **Sec. 16-106. FISHERIES MANAGEMENT** | | |
| Full-time equated classified positions..... | 208.5 | 208.5 |
| Aquatic resource mitigation-2.0 FTE positions ..... | $ 739,200 | $ 739,200 |
| Fish production-59.0 FTE positions ..... | 12,870,600 | 12,870,600 |
| Fisheries resource management-147.5 FTE positions .... | 35,394,700 | 35,394,700 |
| **GROSS APPROPRIATION ..... | **$ 49,004,500** | **$ 49,004,500** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 12,521,800 | 12,521,800 |
| Special revenue funds: | | |
| Private revenues ..... | 136,700 | 136,700 |
| Other state restricted revenues ..... | 35,098,500 | 35,098,500 |
| State general fund/general purpose ..... | $ 1,247,500 | $ 1,247,500 |
| **Sec. 16-107. LAW ENFORCEMENT** | | |
| Full-time equated classified positions..... | 298.0 | 298.0 |
| Body cameras for conservation officers-5.0 FTE positions ..... | $ 872,300 | $ 872,300 |
| General law enforcement-293.0 FTE positions ..... | 58,939,200 | 58,939,200 |
| **GROSS APPROPRIATION ..... | **$ 59,811,500** | **$ 59,811,500** |
| Appropriated from: | | |
| Federal revenues: | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Other federal revenues | 8,482,000 | 8,482,000 |
| Special revenue funds: | | |
| Other state restricted revenues | 31,133,800 | 31,133,800 |
| State general fund/general purpose | $ 20,195,700 | $ 20,195,700 |
| **Sec. 16-108. PARKS AND RECREATION DIVISION** | | |
| Full-time equated classified positions | 1,095.0 | 1,095.0 |
| Forest recreation and trails-87.4 FTE positions | $ 11,697,400 | $ 11,697,400 |
| MacMullan conference center-15.0 FTE positions | 1,380,300 | 1,380,300 |
| Michigan conservation corps | 500,000 | 500,000 |
| Recreational boating-182.5 FTE positions | 25,689,200 | 25,689,200 |
| State parks-810.1 FTE positions | 105,777,300 | 105,777,300 |
| **GROSS APPROPRIATION** | **$ 145,044,200** | **$ 145,044,200** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 2,316,500 | 2,316,500 |
| Special revenue funds: | | |
| Private revenues | 1,000,000 | 1,000,000 |
| Other state restricted revenues | 137,791,600 | 137,791,600 |
| State general fund/general purpose | $ 3,936,100 | $ 3,936,100 |
| **Sec. 16-109. MACKINAC ISLAND STATE PARK COMMISSION** | | |
| Full-time equated classified positions | 17.0 | 17.0 |
| Historical facilities system-13.0 FTE positions | $ 1,746,700 | $ 1,746,700 |
| Mackinac Island State Park operations-4.0 FTE positions | 139,300 | 139,300 |
| **GROSS APPROPRIATION** | **$ 1,886,000** | **$ 1,886,000** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues | 1,880,200 | 1,880,200 |
| State general fund/general purpose | $ 5,800 | $ 5,800 |
| **Sec. 16-110. FOREST RESOURCES DIVISION** | | |
| Full-time equated classified positions | 356.5 | 356.5 |
| Forest management and timber market development-219.5 | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| FTE positions | $ 51,175,500 | $ 51,175,500 |
| Wildfire protection-137.0 FTE positions | 23,547,600 | 23,547,600 |
| **GROSS APPROPRIATION** | **$ 74,723,100** | **$ 74,723,100** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 15,276,200 | 15,276,200 |
| Special revenue funds: | | |
| Private revenues | 1,624,900 | 1,624,900 |
| Other state restricted revenues | 45,054,500 | 45,054,500 |
| State general fund/general purpose | $ 12,767,500 | $ 12,767,500 |
| **Sec. 16-111. GRANTS** | | |
| Dam management grant program | $ 350,000 | $ 350,000 |
| Deer habitat improvement partnership initiative | 200,000 | 200,000 |
| Federal - clean vessel act grants | 400,000 | 400,000 |
| Federal - forest stewardship grants | 2,000,000 | 2,000,000 |
| Federal - rural community fire protection | 1,050,000 | 1,050,000 |
| Federal - urban forestry grants | 900,000 | 900,000 |
| Grants to communities - federal oil, gas, and timber payments | 3,450,000 | 3,450,000 |
| Grants to counties - marine safety | 4,724,700 | 4,724,700 |
| National recreational trails | 3,913,500 | 3,913,500 |
| Nonmotorized trail development and maintenance grants | 200,000 | 200,000 |
| Off-road vehicle safety training grants | 60,000 | 60,000 |
| Off-road vehicle trail improvement grants | 6,216,800 | 6,216,800 |
| Recreation improvement fund grants | 916,800 | 916,800 |
| Recreation passport local grants | 4,000,000 | 4,000,000 |
| Snowmobile law enforcement grants | 380,100 | 380,100 |
| Snowmobile local grants program | 9,590,400 | 9,590,400 |
| Trail easements | 700,000 | 700,000 |
| **GROSS APPROPRIATION** | **$ 39,052,300** | **$ 39,052,300** |
| Appropriated from: | | |
| Federal revenues: | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Other federal revenues | 13,280,900 | 13,280,900 |
| Special revenue funds: | | |
| Private revenues | 100,000 | 100,000 |
| Other state restricted revenues | 25,121,400 | 25,121,400 |
| State general fund/general purpose | $ 550,000 | $ 550,000 |
| **Sec. 16-112. INFORMATION TECHNOLOGY** | | |
| Information technology services and projects | $ 10,877,900 | $ 10,877,900 |
| **GROSS APPROPRIATION** | **$ 10,877,900** | **$ 10,877,900** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues | 9,597,700 | 9,597,700 |
| State general fund/general purpose | $ 1,280,200 | $ 1,280,200 |
| **Sec. 16-113. CAPITAL OUTLAY** | | |
| **(1) RECREATIONAL LANDS AND INFRASTRUCTURE** | | |
| Federal - land and water conservation fund payments | $ 12,900,000 | $ 12,900,000 |
| Fisheries infrastructure | 1,326,900 | 1,326,900 |
| Off-road vehicle trail development and maintenance | 1,000,000 | 1,000,000 |
| Recreational trail repairs and improvements | 1,100,000 | 1,100,000 |
| Snowmobile trail development and maintenance | 2,800,000 | 2,800,000 |
| State game and wildlife area infrastructure | 3,864,500 | 3,864,500 |
| State parks repair and maintenance | 30,450,000 | 30,450,000 |
| Wetlands restoration, enhancement and acquisition | 2,433,700 | 2,433,700 |
| **GROSS APPROPRIATION** | **$ 55,875,100** | **$ 55,875,100** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 14,025,000 | 14,025,000 |
| Special revenue funds: | | |
| Other state restricted revenues | 39,350,100 | 39,350,100 |
| State general fund/general purpose | $ 2,500,000 | $ 2,500,000 |
| **(2) WATERWAYS BOATING PROGRAM** | | |
| Local boating infrastructure maintenance and improvements | $ 6,050,000 | $ 6,050,000 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| State boating infrastructure maintenance ..... | 22,517,400 | 22,517,400 |
| **GROSS APPROPRIATION ..... | **$ 28,567,400** | **$ 28,567,400** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 1,967,400 | 1,967,400 |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 26,600,000 | 26,600,000 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 16-114. ONE-TIME APPROPRIATIONS** | | |
| Full-time equated classified positions..... | 14.0 | 0.0 |
| Nature awaits-14.0 FTE positions ..... | $ 1,436,200 | $ 0 |
| **GROSS APPROPRIATION ..... | **$ 1,436,200** | **$ 0** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State general fund/general purpose ..... | $ 1,436,200 | $ 0 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

**GENERAL SECTIONS**

Sec. 16-201. 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 30,2027 is $495,979,300.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is $17,962,100.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF NATURAL RESOURCES

| | |
|---|---|
| Invasive species prevention and control | $ 2,179,200 |
| Wildlife management | 150,300 |
| Fisheries resource management | 125,000 |
| Dam management grant program | 175,000 |
| Grants to counties - marine safety | 3,057,300 |
| Nonmotorized trail development and maintenance grants | 100,000 |
| Off-road vehicle safety training grants | 60,000 |
| Off-road vehicle trail improvement grants | 1,067,600 |
| Recreation improvement fund grants | 91,700 |
| Recreation passport local grants | 4,525,900 |
| Snowmobile law enforcement grants | 380,100 |
| Local boating infrastructure maintenance and improvements | 6,050,000 |
| TOTAL | $ 17,962,100 |

Sec. 16-202. The appropriations under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

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

(a) "Department" means the department of natural resources.

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

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

(d) "IDG" means interdepartmental grant.

(e) "Standard report recipients" means the senate appropriations subcommittee on

agriculture and natural resources, the house appropriations subcommittee on agriculture and rural development and natural resources, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 16-204. A department or agency shall use the internet to fulfill the reporting requirements of this part and shall make each report readily accessible to the public and conspicuously post each required report in a single archivable location on the department's or agency's Michigan.gov website not later than the due date required for each report. In addition to placing all reports required in the current fiscal year on the department's or agency's website, the department or agency shall maintain on its website all reports placed on the website from previous fiscal years posted by fiscal year in the same single archivable location. The department or agency shall also transmit all required reports for the current fiscal year to the standard recipients and any other required recipients by email.

Sec. 16-205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds appropriated in part 1:

(a) The funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 16-206. (1) The department shall maximize utilization of its in-person state workforce. The department shall prioritize occupancy utilization of office space for each division within the department. Employees with job responsibilities that require the employees to serve in their capacities outside of an office shall be monitored each pay period to ensure all work hours reported on the timesheet were actually worked.

(2) The department shall comply with requirements set forth by the office of the state employer on in-person work and utilization and occupancy rates of state buildings to ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to

market conditions.

(3) The department shall adhere to civil service rules and regulations that state the standard biweekly work period for a full-time employee in the classified service of this state is the equivalent of 80.0 hours of work. The department shall establish policies and processes to ensure all employees are working their jobs during agreed upon business hours.

Sec. 16-207. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall prepare a report on out of state travel expenses not later than January 1. The report must list all travel by classified and unclassified employees outside this state in the previous fiscal year that was funded in whole or in part with funds appropriated in the department's or agency's budget. The department or agency shall submit the report to the standard report recipients and to the house and senate appropriations committees. The report must include all of the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related expenses of each travel occurrence and the proportions funded with state general fund/general purpose revenues, state restricted revenues, federal revenues, and other revenues.

Sec. 16-208. Not later than 6 months after the state budget office issues work project letters, a department, agency and the legislature shall submit an annual report that summarizes all work project accounts. The report must include all of the following:

(a) A list of all work project accounts.

(b) The status of all work project accounts, including amounts expended, amounts encumbered, and available balances for each account.

(c) The amount of funds that lapsed from any previously designated work project accounts, the name and description of the work project account, and the funds that received the lapsed amounts.

Sec. 16-209. Not later than December 15, the state budget office shall prepare and submit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the previous fiscal year. The report must summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall submit the report to the standard report recipients and the chairpersons of the senate and house appropriations

committees.

Sec. 16-210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $3,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

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

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

Sec. 16-212. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of a local health officer.

Sec. 16-213. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving appropriations in part 1 shall take all reasonable steps to ensure geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department or agency contracts to subcontract with certified geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined in Executive Directive No. 2023-1.

Sec. 16-214. The department must provide an annual report to the standard report

recipients detailing significant federal policy changes that do, or are expected to significantly impact the operations of the department, including reductions in federal revenue and/or changes that are likely to lead to a reduction in the department's ability to safeguard the health or welfare of the public.

Sec. 16-215. (1) Within 30 days of enactment of this act, the house and senate fiscal agencies shall provide to the state budget office a jointly agreed upon list of legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33 of 2025. The list must include all information and documents pertaining to the funded items as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

(2) In accordance with section 364(4) of the Management and Budget Act, the department or agency administering the grant shall post a report in a publicly accessible location on its website beginning March 15 of the current fiscal year. The department or agency shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

Sec. 16-216. On a quarterly basis, a department or agency receiving appropriations in part 1 shall report on the number of FTEs in pay status by type of staff and civil service classification, including comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTE positions employed by the department or agency at the end of the reporting period. The report must be submitted to the senate and house appropriations committees and to the standard report recipients.

Sec. 16-217. The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal recovery funds that would otherwise lapse after September 30, 2026, are automatically reappropriated for the same purpose as originally authorized and available for expenditure through December 31, 2026, and any subsequent financial close out period.

Sec. 16-218. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal

recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

(a) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of corrections.

(b) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of state police.

(2) All applicable guidance, implementation, and reporting provisions of Public Law 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under subsection (1).

(3) The state budget director shall notify the senate and house appropriations committees not later than 10 business days after making any reallocations under subsection (1). The notification must include the authorized program under which funds were originally appropriated, the amount of the reallocation, the program, or programs, or purpose, and the department to which the funds are being reallocated under subsection (1), and the amount reallocated to each program or purpose.

Sec. 16-230. (1) In addition to the money appropriated in part 1, there is appropriated, from the following state restricted funds and accounts of the Michigan conservation and recreation legacy fund, the following amounts to the following departments and officers:

(a) Department of technology, management, and budget:

Game and fish protection account .....$659,600

Waterways account .....$177,200

State park improvement account .....$158,300

Forest development fund .....$354,600

(b) Department of attorney general:

Game and fish protection account .....$693,300

Waterways account .....$156,300

(c) Legislative auditor general:

Game and fish protection account.....$39,100

Waterways account .....$14,100

(d) Department of treasury:

Game and fish protection account .....$4,812,400

Waterways account .....$495,000

Michigan natural resources trust fund.....$3,289,700

(2) In addition to the money appropriated in part 1, there is appropriated from the following state restricted funds to the civil service commission the amount calculated for each fund pursuant to section 5 of article XI of the state constitution of 1963:

(a) Michigan conservation and recreation legacy fund.

(b) Forest development fund.

(c) Michigan natural resources trust fund.

(d) Michigan state parks endowment fund.

(e) Michigan nongame fish and wildlife trust fund.

Sec. 16-231. Pursuant to section 43703(3) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.43703, there is appropriated from the Michigan game and fish protection trust fund to the game and fish protection account of the Michigan conservation and recreation legacy fund, $6,000,000.00 for the fiscal year ending September 30, 2027.

Sec. 16-232. The department may contract with or provide grants to local units of government, institutions of higher education, or nonprofit organizations to support activities authorized by appropriations in part 1. As used in this section, contracts and grants include, but are not limited to, contracts and grants for research, wildlife and fisheries management, forest management, invasive species monitoring and control, and natural-resource-related programs.

Sec. 16-233. (1) The department may accept monetary and nonmonetary gifts, bequests, donations, contributions, or grants from any private or public source to support, in whole or in part, a departmental function or program. The department shall expend or use such gifts, bequests, donations, contributions, or grants for the purposes designated by the private or public source, if the purpose is specified.

(2) Amounts remaining from revenue collected by the department under this section that are unexpended and unencumbered must not lapse to the general fund but must be carried

forward to the subsequent fiscal year.

Sec. 16-240. (1) In addition to supporting the existing archeological responsibilities of the department within the Michigan History Center, the funds appropriated in part 1 for cultural resource management shall be utilized to continue the ongoing process of consultation with known lineal descendants and officials of Native American tribes on whose aboriginal lands a planned archeological activity will occur or an inadvertent discovery has been made. The consultation shall address the identification, treatment, and disposition of Native American cultural items.

**DEPARTMENT INITIATIVES**

Sec. 16-251. From the amounts appropriated in part 1 for invasive species prevention and control, the department shall allocate not less than $2,400,000.00 for grants for the prevention, detection, eradication, and control of invasive species.

Sec. 16-252. (1) In addition to the funds appropriated in part 1, revenue deposited in the invasive species fund created in section 41311 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.41311, is appropriated and may be expended for invasive species immediate response efforts.

(2) The department shall annually notify the house and senate appropriations subcommittees on natural resources and the house and senate fiscal agencies of any expenditure of funds appropriated under subsection (1).

Sec. 16-257. The department shall prioritize right-of-way permits or easements for construction or maintenance of broadband facilities on state land and shall not require a centerline survey as a condition of the road right-of-way permit or easement if the applicant can provide detailed engineering plans and if the broadband facilities are contained completely in the right-of-way. If the broadband provider secures a road right-of-way permit to construct or maintain broadband facilities required by the municipal, county, or state entity that owns or controls the public road, the department shall not require the broadband provider to obtain a permit or easement if the broadband facility is contained completely within the road right-of-way. If installation of broadband facilities cannot be contained completely within the right-of-way and requires placement of the infrastructure on public lands, an easement will be required, and a certified survey may be required. If installation of broadband facilities being placed in the road right-of-way

requires utilization of public lands, a permit may be required.

**DEPARTMENTAL ADMINISTRATION AND SUPPORT**

Sec. 16-302. The department may charge land acquisition projects appropriated for the fiscal year ending September 30, 2027, and for prior fiscal years, a standard percentage fee to recover actual costs, and may use the revenue derived to fund the land acquisition service charges provided for in part 1.

Sec. 16-303. As appropriated in part 1, the department may charge both application fees and transaction fees related to the exchange or sale of state-owned land or rights in land authorized by part 21 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2101 to 324.2165. To the extent consistent with part 21, fees shall be set by the director at a rate that allows the department to recover its costs for providing these services.

Sec. 16-304. In addition to the funds appropriated in part 1, the department may receive and expend money from state restricted sources to pay vendor costs associated with administering sales of carbon offset credits.

**COMMUNICATION AND CUSTOMER SERVICES**

Sec. 16-408. By December 1, the department shall submit to the senate and house appropriations subcommittees on natural resources a report on all land transactions completed by the department in the prior fiscal year. for each land transaction, the report shall include the size of the parcel (or for subdivided parcels, the number of parcels), the county and municipality in which the parcel is located, the dollar amount of the transaction, the fund source(s) affected by the transaction, and the transaction type.

**FOREST RESOURCES DIVISION**

Sec. 16-802. From the funds appropriated in part 1, the department shall, by January 1, prepare and submit to the senate appropriations subcommittee on agriculture and natural resources, the house appropriations subcommittee on agriculture and rural development and natural resources, and the standing committees of the senate and house with primary responsibility for natural resources issues a report on all of the following:

(a) The number of acres of state forestland prepared for timber harvest in the prior

fiscal year.

(b) The number of acres of state forestland timber sold for harvest in the prior fiscal year.

(c) The amount of revenue generated from state forest timber sale receipts in the prior fiscal year.

Sec. 16-803. In addition to the money appropriated in part 1, the department may receive and expend money from federal sources to provide response to wildfires and hazard incidents as required by a compact with the federal government. If additional expenditure authorization is required, the department shall so notify the state budget office. The department shall notify the senate appropriations subcommittee on agriculture and natural resources, the house appropriations subcommittees subcommittee on agriculture and rural development and natural resources, and the house and senate fiscal agencies by November 15 of the expenditures under this section during the prior fiscal year.

Sec. 16-807. (1) In addition to the funds appropriated in part 1, there is appropriated from the disaster and emergency contingency fund up to $800,000.00 to cover department costs related to any disaster as defined in section 2 of the emergency management act, 1976 PA 390, MCL 30.402.

(2) Funds appropriated under subsection (1) shall not be expended unless the state budget director recommends the expenditure and the department notifies the house and senate committees on appropriations. By December 1 each year, the department shall provide a report to the senate and house fiscal agencies and the state budget office on the use of the disaster and emergency contingency fund during the prior fiscal year.

(3) If Federal Emergency Management Agency (FEMA) reimbursement is approved for costs paid from the disaster and emergency contingency fund, the federal revenue shall be deposited into the disaster and emergency contingency fund.

**GRANTS**

Sec. 16-1001. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 for grants to communities - federal oil, gas, and timber payments and that do not require additional state matching funds are appropriated for the purposes intended. By November 30, the department shall report to the senate appropriations subcommittee on agriculture and natural resources, the

house appropriations subcommittee on agriculture and rural development and natural resources, the senate and house fiscal agencies, and the state budget director on all amounts appropriated under this section during the prior fiscal year.

**CAPITAL OUTLAY**

Sec. 16-1103. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

## Article 17

## DEPARTMENT OF STATE

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 17-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of state are appropriated for the fiscal year ending September 30, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **DEPARTMENT OF STATE** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 1,601.0 | 1,601.0 |
| **GROSS APPROPRIATION .....** | **$ 299,487,300** | **$ 299,487,300** |
| Total interdepartmental grants and intradepartmental transfers ..... | 20,000,000 | 20,000,000 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 279,487,300 | $ 279,487,300 |
| Total federal revenues ..... | 1,460,000 | 1,460,000 |
| Total local revenues ..... | 0 | 0 |
| Total private revenues ..... | 50,100 | 50,100 |
| Total other state restricted revenues ..... | 266,798,000 | 266,798,000 |
| State general fund/general purpose ..... | $ 11,179,200 | $ 11,179,200 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose .....* | *11,179,200* | *11,179,200* |
| *One-time state general fund/general purpose .....* | *0* | *0* |
| **Sec. 17-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 126.0 | 126.0 |
| Secretary of state-1.0 FTE position ..... | $ 112,500 | $ 112,500 |
| Unclassified salaries-5.0 FTE positions ..... | 853,100 | 853,100 |
| Executive direction-28.0 FTE positions ..... | 5,246,600 | 5,246,600 |
| Operations-98.0 FTE positions ..... | 27,404,800 | 27,404,800 |
| Property management ..... | 11,668,900 | 11,668,900 |
| Worker's compensation ..... | 125,400 | 125,400 |
| **GROSS APPROPRIATION .....** | **$ 45,411,300** | **$ 45,411,300** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 44,126,900 | 44,126,900 |
| State general fund/general purpose ..... | $ 1,284,400 | $ 1,284,400 |
| **Sec. 17-103. LEGAL SERVICES** | | |
| Full-time equated classified positions..... | 179.0 | 179.0 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Operations-179.0 FTE positions ..... | $ 26,008,500 | $ 26,008,500 |
| **GROSS APPROPRIATION ..... ** | **$ 26,008,500** | **$ 26,008,500** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 25,802,700 | 25,802,700 |
| State general fund/general purpose ..... | $ 205,800 | $ 205,800 |
| **Sec. 17-104. CUSTOMER DELIVERY SERVICES** | | |
| Full-time equated classified positions..... | 1,216.0 | 1,216.0 |
| Branch operations-888.0 FTE positions ..... | $ 102,019,600 | $ 102,019,600 |
| Central operations-326.0 FTE positions ..... | 54,862,100 | 54,862,100 |
| Digital ID ..... | 100,000 | 100,000 |
| Motorcycle safety education administration-2.0 FTE positions ..... | 657,600 | 657,600 |
| Motorcycle safety education grants ..... | 2,100,000 | 2,100,000 |
| Organ donor program ..... | 129,100 | 129,100 |
| **GROSS APPROPRIATION ..... ** | **$ 159,868,400** | **$ 159,868,400** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of transportation ..... | 20,000,000 | 20,000,000 |
| Federal revenues: | | |
| Other federal revenues ..... | 1,460,000 | 1,460,000 |
| Special revenue funds: | | |
| Private revenues ..... | 50,100 | 50,100 |
| Other state restricted revenues ..... | 137,270,900 | 137,270,900 |
| State general fund/general purpose ..... | $ 1,087,400 | $ 1,087,400 |
| **Sec. 17-105. ELECTION REGULATION** | | |
| Full-time equated classified positions..... | 80.0 | 80.0 |
| County clerk education and training fund ..... | $ 100,000 | $ 100,000 |
| Election administration and services-80.0 FTE positions ..... | 28,820,800 | 28,820,800 |
| Fees to local units ..... | 109,800 | 109,800 |
| **GROSS APPROPRIATION ..... ** | **$ 29,030,600** | **$ 29,030,600** |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 20,555,500 | 20,555,500 |
| State general fund/general purpose ..... | $ 8,475,100 | $ 8,475,100 |
| **Sec. 17-106. INFORMATION TECHNOLOGY** | | |
| Information technology services and projects ..... | $ 39,168,500 | $ 39,168,500 |
| **GROSS APPROPRIATION ..... | **$ 39,168,500** | **$ 39,168,500** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 39,042,000 | 39,042,000 |
| State general fund/general purpose ..... | $ 126,500 | $ 126,500 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

**GENERAL SECTIONS**

Sec. 17-201. 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 30,2027 is $277,977,200.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is $11,416,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE

| | |
|---|---|
| Motorcycle safety education grants | $ 1,415,900 |
| Election administration and services | 10,000,000 |
| Fees to local units | 500 |
| TOTAL | $ 11,416,400 |

Sec. 17-202. The appropriations under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 17-203. As used in this article:

(a) "Department" means the department of state.

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

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

(d) "IDG" means interdepartmental grant.

(e) "Standard report recipients" means the senate and house appropriations subcommittees on the department, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 17-204. A department or agency shall use the internet to fulfill the reporting requirements of this part and shall make each report readily accessible to the public and conspicuously post each required report in a single archivable location on the department's or agency's Michigan.gov website not later than the due date required for each report. In addition to placing all reports required in the current fiscal year on the department's or agency's website, the department or agency shall maintain on its website all reports placed on the website from previous fiscal years posted by fiscal year in the same single

archivable location. The department or agency shall also transmit all required reports for the current fiscal year to the standard recipients and any other required recipients by email.

Sec. 17-205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds appropriated in part 1:

(a) The funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 17-206. (1) The department shall maximize utilization of its in-person state workforce. The department shall prioritize occupancy utilization of office space for each division within the department. Employees with job responsibilities that require the employees to serve in their capacities outside of an office shall be monitored each pay period to ensure all work hours reported on the timesheet were actually worked.

(2) The department shall comply with requirements set forth by the office of the state employer on in-person work and utilization and occupancy rates of state buildings to ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to market conditions.

(3) The department shall adhere to civil service rules and regulations that state the standard biweekly work period for a full-time employee in the classified service of this state is the equivalent of 80.0 hours of work. The department shall establish policies and processes to ensure all employees are working their jobs during agreed upon business hours.

Sec. 17-207. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall prepare a report on out of state travel expenses not later than January 1. The report must list all travel by classified and unclassified employees outside this state in the previous fiscal year that was funded in whole or in part with funds appropriated in the department's

or agency's budget. The department or agency shall submit the report to the standard report recipients and to the house and senate appropriations committees. The report must include all of the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related expenses of each travel occurrence and the proportions funded with state general fund/general purpose revenues, state restricted revenues, federal revenues, and other revenues.

Sec. 17-208. Not later than 6 months after the state budget office issues work project letters, a department, agency and the legislature shall submit an annual report that summarizes all work project accounts. The report must include all of the following:

(a) A list of all work project accounts.

(b) The status of all work project accounts, including amounts expended, amounts encumbered, and available balances for each account.

(c) The amount of funds that lapsed from any previously designated work project accounts, the name and description of the work project account, and the funds that received the lapsed amounts.

Sec. 17-209. Not later than December 15, the state budget office shall prepare and submit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the previous fiscal year. The report must summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall submit the report to the standard report recipients and the chairpersons of the senate and house appropriations committees.

Sec. 17-210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $1,500,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $1,500,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $50,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

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

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

Sec. 17-212. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of a local health officer.

Sec. 17-213. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving appropriations in part 1 shall take all reasonable steps to ensure geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department or agency contracts to subcontract with certified geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined in Executive Directive No. 2023-1.

Sec. 17-214. The department must provide an annual report to the standard report recipients detailing significant federal policy changes that do, or are expected to significantly impact the operations of the department, including reductions in federal

revenue and/or changes that are likely to lead to a reduction in the department's ability to safeguard the health or welfare of the public.

Sec. 17-215. (1) Within 30 days of enactment of this act, the house and senate fiscal agencies shall provide to the state budget office a jointly agreed upon list of legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33 of 2025. The list must include all information and documents pertaining to the funded items as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

(2) In accordance with section 364(4) of the Management and Budget Act, the department or agency administering the grant shall post a report in a publicly accessible location on its website beginning March 15 of the current fiscal year. The department or agency shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

Sec. 17-216. On a quarterly basis, a department or agency receiving appropriations in part 1 shall report on the number of FTEs in pay status by type of staff and civil service classification, including comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTE positions employed by the department or agency at the end of the reporting period. The report must be submitted to the senate and house appropriations committees and to the standard report recipients.

Sec. 17-217. The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal recovery funds that would otherwise lapse after September 30, 2026, are automatically reappropriated for the same purpose as originally authorized and available for expenditure through December 31, 2026, and any subsequent financial close out period.

Sec. 17-218. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or

funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

(a) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of corrections.

(b) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of state police.

(2) All applicable guidance, implementation, and reporting provisions of Public Law 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under subsection (1).

(3) The state budget director shall notify the senate and house appropriations committees not later than 10 business days after making any reallocations under subsection (1). The notification must include the authorized program under which funds were originally appropriated, the amount of the reallocation, the program, or programs, or purpose, and the department to which the funds are being reallocated under subsection (1), and the amount reallocated to each program or purpose.

**DEPARTMENT OF STATE**

Sec. 17-705. (1) The department may accept gifts, donations, contributions, and grants of money and other property from any private or public source to underwrite, in whole or in part, the cost of a departmental publication that is prepared and disseminated under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923. A private or public funding source may receive written recognition in the publication and may furnish a traffic safety message, subject to approval of the department, for inclusion in the publication. The department may reject a gift, donation, contribution, or grant. The department may furnish copies of a publication underwritten, in whole or in part, by a private source to the underwriter at no charge.

(2) The department may sell and accept paid advertising for placement in a departmental publication that is prepared and disseminated under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923. The department may charge and receive a fee for any advertisement appearing in a departmental publication and shall review and approve the

content of each advertisement. The department may refuse to accept advertising from any person or organization. The department may furnish a reasonable number of copies of a publication to an advertiser at no charge.

(3) Pending expenditure, the funds received under this section must be deposited in the Michigan department of state publications fund created in section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211. Funds given, donated, or contributed to the department from a private source are appropriated and allocated for the purpose for which the revenue is furnished. Funds granted to the department from a public source are allocated and may be expended on receipt by the department. The department shall not accept a gift, donation, contribution, or grant if receipt is conditioned on a commitment of state funding at a future date. Revenue received from the sale of advertising is appropriated and may be expended on receipt by the department.

(4) Any unexpended revenues received under this section must be carried over into subsequent fiscal years and are available for appropriation for the purposes described in this section.

(5) If the department receives a gift, contribution, donation, or grant of money as authorized under section 705 of article 5 of 2025 PA 22, not later than March 1, the department shall submit a report to the standard report recipients that includes all of the following information for the immediately preceding fiscal year:

(a) The amount of gifts, contributions, donations, and grants of money received by the department under section 705 of article 5 of 2025 PA 22.

(b) A list of the expenditures made from the amounts received by the department as reported in subdivision (a).

(c) A list of any gift, donation, contribution, or grant of property other than funding received by the department under section 705 of article 5 of 2025 PA 22.

(d) The total revenue received from the sale of paid advertising accepted under this section and a statement of the total number of advertising transactions.

(6) In addition to copies delivered without charge as the secretary of state considers necessary, the department may sell copies of manuals and other publications regarding the sale, ownership, or operation or regulation of motor vehicles, with amendments, at prices to be established by the secretary of state. As used in this subsection, the term "manuals and other publications" includes videos and proprietary

electronic publications. All funds received from sales of these manuals and other publications must be credited to the Michigan department of state publications fund created in section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211.

Sec. 17-707. Funds collected by the department under section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211, are appropriated for all expenses necessary to provide for the costs of the publication described in section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211. Funds are allocated for expenditure when they are received by the department of treasury and do not lapse to the general fund at the end of the fiscal year.

Sec. 17-708. From the funds appropriated in part 1, the department shall use available balances at the end of the state fiscal year to provide payment to the department of state police in the amount of $332,000.00 for the services provided by the traffic accident records program as first appropriated in 1990 PA 196 and 1990 PA 208.

Sec. 17-709. From the funds appropriated in part 1, the department may restrict funds from miscellaneous revenue to cover cash shortages created from normal branch office operations. The restricted amount must not exceed $50,000.00 of the total funds available in miscellaneous revenue.

Sec. 17-710. The department shall delegate all responsibility for the procurement, development, and maintenance of all information technology services and products to the department of technology, management and budget unless otherwise delegated the responsibility by law in an effort to streamline the procurement process and to ensure compliance with the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 17-711. Collector plate and fund-raising registration plate revenues collected by the department are appropriated and allotted for distribution to the recipient university or public or private agency overseeing a state-sponsored goal when received. Distributions must occur on a quarterly basis or as otherwise authorized by law. Any revenues remaining at the end of the fiscal year do not lapse to the general fund and remain available for distribution to the university or agency in the next fiscal year.

Sec. 17-713. (1) The department, in collaboration with the Gift of Life Michigan or its successor federally designated organ procurement organization, may develop and administer a public information campaign concerning the Michigan organ donor program.

(2) The department may solicit funds from any private or public source to underwrite,

in whole or in part, the public information campaign authorized by this section. The department may accept gifts, donations, contributions, and grants of money and other property from private and public sources for this purpose. A private or public funding source underwriting the public information campaign, in whole or in substantial part, shall receive sponsorship credit for its financial backing.

(3) Funds received under this section, including grants from state and federal agencies, do not lapse to the general fund at the end of the fiscal year and remain available for expenditure for the purposes described in this section.

(4) Funding appropriated in part 1 for the organ donor program must be used to produce a pamphlet regarding organ donations and to distribute the pamphlet with driver licenses and personal identification cards. The pamphlet must do both of the following:

(a) Explain the organ donor program and encourage people to become donors by marking a checkoff on driver license and personal identification card applications.

(b) Include a return reply form addressed to the gift of life organization.

(5) Funding appropriated in part 1 for the organ donor program must be used to pay for return postage costs of the return reply form described in subsection (4)(b).

(6) In addition to the appropriations in part 1, the department may receive and expend funds from the organ and tissue donation education fund for administrative expenses.

Sec. 17-715. (1) Any service assessment collected by the department from the user of a credit or debit card under section 3 of 1995 PA 144, MCL 11.23, may be used by the department for necessary expenses related to that service and may be remitted to a credit or debit card company, bank, or other financial institution.

(2) The service assessment imposed by the department for credit and debit card services may be based on a percentage of each individual credit or debit card transaction or a flat rate per transaction, or both, scaled to the amount of the transaction. However, the department shall not charge any amount for a service assessment that exceeds the costs billable to the department for the service assessment.

(3) If there is a balance of service assessments received from credit and debit card services remaining on September 30, the balance may be carried forward to the following fiscal year and appropriated for the same purpose.

(4) As used in this section, "service assessment" means costs associated with service fees imposed by credit and debit card companies and processing fees imposed by banks and

other financial institutions.

Sec. 17-717. (1) The department may accept gifts, donations, or contributions of property from any private or public source to support, in whole or in part, the operation of a departmental function relating to licensing, regulation, or safety. The department may recognize a private or public contributor for making the contribution. The department may reject a gift, donation, or contribution. Any revenues received under this subsection may be expended for the departmental functions relating to licensing, regulation, or safety.

(2) The department shall not accept a gift, donation, or contribution under subsection (1) if receipt of the gift, donation, or contribution is conditioned on a commitment of future state funding.

(3) If the department receives a gift, donation, or contribution of property as authorized under this section, not later than March 1, the department shall submit a report to the standard report recipients. The report must include a list of each gift, donation, or contribution received by the department under subsection (1) for the immediately preceding calendar year.

Sec. 17-718. From the funds appropriated in part 1 for election regulation, all money must be spent in accordance with the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992, and the instructions, orders, and guidance of the secretary of state regarding the proper method for the conduct and administration of elections.

Sec. 17-719. Not later than February 1, the department shall submit a report to the standard report recipients on all funding allocated to counties, cities, and townships from funds appropriated in part 1 for election administration and services. The report must include the amount and purpose of each payment provided to a county, city, or township.

## Article 18

## DEPARTMENT OF STATE POLICE

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 18-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of state police are appropriated for the fiscal year ending September 30, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **DEPARTMENT OF STATE POLICE** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 7.0 | 7.0 |
| Full-time equated classified positions..... | 3,568.0 | 3,568.0 |
| **GROSS APPROPRIATION .....** | **$ 969,683,600** | **$ 969,683,600** |
| Total interdepartmental grants and intradepartmental transfers ..... | 29,521,800 | 29,521,800 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 940,161,800 | $ 940,161,800 |
| Total federal revenues ..... | 100,351,800 | 100,351,800 |
| Total local revenues ..... | 5,088,800 | 5,088,800 |
| Total private revenues ..... | 35,000 | 35,000 |
| Total other state restricted revenues ..... | 200,908,000 | 200,908,000 |
| State general fund/general purpose ..... | $ 633,778,200 | $ 633,778,200 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose .....* | *633,778,200* | *633,778,200* |
| *One-time state general fund/general purpose .....* | *0* | *0* |
| **Sec. 18-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT** | | |
| Full-time equated unclassified positions..... | 7.0 | 7.0 |
| Full-time equated classified positions..... | 139.0 | 139.0 |
| Unclassified salaries-7.0 FTE positions ..... | $ 1,473,900 | $ 1,473,900 |
| Department services-39.0 FTE positions ..... | 10,679,700 | 10,679,700 |
| Departmentwide ..... | 49,120,900 | 49,120,900 |
| Executive direction-61.0 FTE positions ..... | 11,225,500 | 11,225,500 |
| Mobile office and system support-39.0 FTE positions .. | 7,522,500 | 7,522,500 |
| **GROSS APPROPRIATION .....** | **$ 80,022,500** | **$ 80,022,500** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of transportation ..... | 86,700 | 86,700 |
| IDG from department of treasury ..... | 434,700 | 434,700 |
| IDG from other restricted funding ..... | 229,100 | 229,100 |
| Interdepartmental transfers ..... | 76,900 | 76,900 |
| Federal revenues: | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Other federal revenues | 3,145,500 | 3,145,500 |
| Special revenue funds: | | |
| Local revenues | 10,100 | 10,100 |
| Michigan merit award trust fund | 16,600 | 16,600 |
| Other state restricted revenues | 5,842,800 | 5,842,800 |
| State general fund/general purpose | $ 70,180,100 | $ 70,180,100 |
| **Sec. 18-103. LAW ENFORCEMENT SERVICES** | | |
| Full-time equated classified positions | 607.0 | 607.0 |
| Biometrics and identification-60.0 FTE positions | $ 13,055,900 | $ 13,055,900 |
| Criminal justice information center-154.0 FTE positions | 34,884,500 | 34,884,500 |
| Forensic science-281.0 FTE positions | 50,114,200 | 50,114,200 |
| Grants and community services-31.0 FTE positions | 22,889,800 | 22,889,800 |
| Office of school safety-6.0 FTE positions | 1,410,900 | 1,410,900 |
| State 9-1-1 administration-5.0 FTE positions | 1,165,700 | 1,165,700 |
| Training operations-70.0 FTE positions | 16,447,300 | 16,447,300 |
| **GROSS APPROPRIATION** | **$ 139,968,300** | **$ 139,968,300** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of state | 428,700 | 428,700 |
| IDG from department of transportation | 791,100 | 791,100 |
| IDG from other restricted funding | 3,081,200 | 3,081,200 |
| Interdepartmental transfers | 1,100,000 | 1,100,000 |
| Federal revenues: | | |
| Other federal revenues | 20,349,200 | 20,349,200 |
| Special revenue funds: | | |
| Local revenues | 919,200 | 919,200 |
| Private revenues | 20,000 | 20,000 |
| Other state restricted revenues | 54,245,700 | 54,245,700 |
| State general fund/general purpose | $ 59,033,200 | $ 59,033,200 |
| **Sec. 18-104. MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS** | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Full-time equated classified positions..... | 27.0 | 27.0 |
| In-service training-7.0 FTE positions ..... | $ 13,280,300 | $ 13,280,300 |
| Justice training grants-3.0 FTE positions ..... | 10,000,000 | 10,000,000 |
| Public safety officers benefit fund-1.0 FTE position . | 303,300 | 303,300 |
| Standards and training-16.0 FTE positions ..... | 4,115,000 | 4,115,000 |
| Training only to local units ..... | 855,000 | 855,000 |
| **GROSS APPROPRIATION ..... | **$ 28,553,600** | **$ 28,553,600** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 280,900 | 280,900 |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 14,350,700 | 14,350,700 |
| State general fund/general purpose ..... | $ 13,922,000 | $ 13,922,000 |
| **Sec. 18-105. FIELD SERVICES** | | |
| Full-time equated classified positions..... | 2,153.0 | 2,153.0 |
| Investigative services-148.5 FTE positions ..... | $ 44,212,400 | $ 44,212,400 |
| Post operations-2,004.5 FTE positions ..... | 465,457,600 | 465,457,600 |
| **GROSS APPROPRIATION ..... | **$ 509,670,000** | **$ 509,670,000** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of treasury ..... | 6,890,500 | 6,890,500 |
| Interdepartmental transfers ..... | 1,159,800 | 1,159,800 |
| Federal revenues: | | |
| Other federal revenues ..... | 11,380,300 | 11,380,300 |
| Special revenue funds: | | |
| Local revenues ..... | 1,259,000 | 1,259,000 |
| Michigan merit award trust fund ..... | 872,900 | 872,900 |
| Other state restricted revenues ..... | 72,889,300 | 72,889,300 |
| State general fund/general purpose ..... | $ 415,218,200 | $ 415,218,200 |
| **Sec. 18-106. SPECIALIZED SERVICES** | | |
| Full-time equated classified positions..... | 642.0 | 642.0 |
| Commercial vehicle enforcement-211.0 FTE positions ... | $ 40,920,600 | $ 40,920,600 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Emergency management and homeland security-64.0 | | |
| FTE positions | 17,605,900 | 17,605,900 |
| Hazardous materials programs-25.0 FTE positions | 23,717,300 | 23,717,300 |
| Highway safety planning-25.0 FTE positions | 22,288,500 | 22,288,500 |
| Intelligence operations-228.0 FTE positions | 36,975,000 | 36,975,000 |
| Secondary road patrol program-1.0 FTE position | 18,003,200 | 18,003,200 |
| Special operations-88.0 FTE positions | 21,900,900 | 21,900,900 |
| **GROSS APPROPRIATION** | **$ 181,411,400** | **$ 181,411,400** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of transportation | 12,805,700 | 12,805,700 |
| IDG from department of treasury | 100,000 | 100,000 |
| Interdepartmental transfers | 2,100,000 | 2,100,000 |
| Federal revenues: | | |
| Other federal revenues | 64,995,900 | 64,995,900 |
| Special revenue funds: | | |
| Local revenues | 1,948,800 | 1,948,800 |
| Private revenues | 15,000 | 15,000 |
| Other state restricted revenues | 39,300,300 | 39,300,300 |
| State general fund/general purpose | $ 60,145,700 | $ 60,145,700 |
| **Sec. 18-107. INFORMATION TECHNOLOGY** | | |
| Information technology services and projects | $ 30,057,800 | $ 30,057,800 |
| **GROSS APPROPRIATION** | **$ 30,057,800** | **$ 30,057,800** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of transportation | 124,200 | 124,200 |
| IDG from department of treasury | 80,000 | 80,000 |
| IDG from other restricted funding | 11,500 | 11,500 |
| Interdepartmental transfers | 21,700 | 21,700 |
| Federal revenues: | | |
| Other federal revenues | 200,000 | 200,000 |
| Special revenue funds: | | |

| | | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|---|
| 1 | Local revenues ..... | 951,700 | 951,700 |
| 2 | Michigan merit award trust fund ..... | 3,400 | 3,400 |
| 3 | Other state restricted revenues ..... | 13,386,300 | 13,386,300 |
| 4 | State general fund/general purpose ..... | $ 15,279,000 | $ 15,279,000 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

**GENERAL SECTIONS**

Sec. 18-201. 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 30,2027 is $834,686,200.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is $40,441,500.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE POLICE

| | |
|---|---|
| In-service training | $ 14,586,000 |
| Justice training grants | 10,000,000 |
| Training only to local units | 855,500 |
| Secondary road patrol program | 15,000,000 |
| TOTAL | $ 40,441,500 |

Sec. 18-202. The appropriations under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 18-203. As used in this part and part 1:

(a) "CJIS" means Criminal Justice Information Systems.

(b) "Department" means the department of state police.

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

(d) "DNA" means deoxyribonucleic acid.

(e) "FTE" means full-time equated position in the classified service of this state.

(f) "IDG" means interdepartmental grant.

(g) "MCOLES" means the Michigan commission on law enforcement standards created in section 3 of the Michigan commission on law enforcement standards act, 1965 PA 203, MCL 28.603.

(h) "SIGMA" means the statewide integrated governmental management application.

(i) "Standard report recipients" means the senate and house appropriations subcommittees on state police, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 18-204. A department or agency shall use the internet to fulfill the reporting requirements of this part and shall make each report readily accessible to the public and conspicuously post each required report in a single archivable location on the department's or agency's Michigan.gov website not later than the due date required for each report. In addition to placing all reports required in the current fiscal year on the department's or agency's website, the department or agency shall maintain on its website all reports placed on the website from previous fiscal years posted by fiscal year in the same single archivable location. The department or agency shall also transmit all required reports for the current fiscal year to the standard recipients and any other required recipients by email.

Sec. 18-205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds appropriated in part 1:

(a) The funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 18-206. (1) The department shall maximize utilization of its in-person state workforce. The department shall prioritize occupancy utilization of office space for each division within the department. Employees with job responsibilities that require the employees to serve in their capacities outside of an office shall be monitored each pay period to ensure all work hours reported on the timesheet were actually worked.

(2) The department shall comply with requirements set forth by the office of the state employer on in-person work and utilization and occupancy rates of state buildings to ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to market conditions.

(3) The department shall adhere to civil service rules and regulations that state the standard biweekly work period for a full-time employee in the classified service of this

state is the equivalent of 80.0 hours of work. The department shall establish policies and processes to ensure all employees are working their jobs during agreed upon business hours.

Sec. 18-207. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall prepare a report on out of state travel expenses not later than January 1. The report must list all travel by classified and unclassified employees outside this state in the previous fiscal year that was funded in whole or in part with funds appropriated in the department's or agency's budget. The department or agency shall submit the report to the standard report recipients and to the house and senate appropriations committees. The report must include all of the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related expenses of each travel occurrence and the proportions funded with state general fund/general purpose revenues, state restricted revenues, federal revenues, and other revenues.

Sec. 18-208. Not later than 6 months after the state budget office issues work project letters, a department, agency and the legislature shall submit an annual report that summarizes all work project accounts. The report must include all of the following:

(a) A list of all work project accounts.

(b) The status of all work project accounts, including amounts expended, amounts encumbered, and available balances for each account.

(c) The amount of funds that lapsed from any previously designated work project accounts, the name and description of the work project account, and the funds that received the lapsed amounts.

Sec. 18-209. Not later than December 15, the state budget office shall prepare and submit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the previous fiscal year. The report must summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall submit the report to the standard report recipients and the chairpersons of the senate and house appropriations committees.

Sec. 18-210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $15,000,000.00 for state restricted contingency funds.

These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 18-211. A department or agency shall cooperate with the department of technology, management and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

Sec. 18-212. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of a local health officer.

Sec. 18-213. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving appropriations in part 1 shall take all reasonable steps to ensure geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department or agency contracts to subcontract with certified geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined in Executive Directive No. 2023-1.

Sec. 18-214. The department must provide an annual report to the standard report recipients detailing significant federal policy changes that do, or are expected to significantly impact the operations of the department, including reductions in federal revenue and/or changes that are likely to lead to a reduction in the department's ability to safeguard the health or welfare of the public.

Sec. 18-215. (1) Within 30 days of enactment of this act, the house and senate fiscal agencies shall provide to the state budget office a jointly agreed upon list of legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33

of 2025. The list must include all information and documents pertaining to the funded items as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

(2) In accordance with section 364(4) of the Management and Budget Act, the department or agency administering the grant shall post a report in a publicly accessible location on its website beginning March 15 of the current fiscal year. The department or agency shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

Sec. 18-216. On a quarterly basis, a department or agency receiving appropriations in part 1 shall report on the number of FTEs in pay status by type of staff and civil service classification, including comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTE positions employed by the department or agency at the end of the reporting period. The report must be submitted to the senate and house appropriations committees and to the standard report recipients.

Sec. 18-217. The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal recovery funds that would otherwise lapse after September 30, 2026, are automatically reappropriated for the same purpose as originally authorized and available for expenditure through December 31, 2026, and any subsequent financial close out period.

Sec. 18-218. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

(a) To reclassify general fund/general purpose appropriations for payroll and covered

benefits for eligible public health and safety employees at the department of corrections.

(b) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of state police.

(2) All applicable guidance, implementation, and reporting provisions of Public Law 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under subsection (1).

(3) The state budget director shall notify the senate and house appropriations committees not later than 10 business days after making any reallocations under subsection (1). The notification must include the authorized program under which funds were originally appropriated, the amount of the reallocation, the program, or programs, or purpose, and the department to which the funds are being reallocated under subsection (1), and the amount reallocated to each program or purpose.

Sec. 18-228. The department shall submit a biannual report on the performance metrics cited or information required to be reported in this part, reasons for nonachievement of metric targets, and proposed corrective actions.

Sec. 18-231. (1) The department may accept monetary and nonmonetary gifts, bequests, donations, contributions, or grants from any private or public source to support, in whole or in part, a departmental function or program. The department shall expend or use the gifts, bequests, donations, contributions, or grants accepted under this subsection for the purposes designated by the private or public source, if the purpose is specified.

(2) Revenue collected by the department under this section that is unexpended and unencumbered must not lapse to the general fund but must be carried forward to the subsequent fiscal year.

(3) Private revenues received under this section that exceed the appropriations in part 1 are appropriated and may be received and expended by the department for the purposes for which the funds are received.

(4) If additional authorization is approved in SIGMA by the state budget office under this section, the department shall notify the senate and house appropriations subcommittees on state police and the senate and house fiscal agencies within 10 days after the approval. The notification must include the amount and funding source of the additional authorization, the date of the approval, and the projected use of the funds to be expended.

Sec. 18-232. (1) Federal revenues authorized by and available from the federal

government in excess of the appropriations in part 1 are appropriated and may be received and expended by the department for purposes authorized under state law and subject to federal requirements. The total amount of federal revenues that may be received and expended under this section and section 704(3) must not exceed $750,000,000.00.

(2) The department shall notify the standard report recipients before expending federal revenues received and appropriated under subsection (1).

(3) If additional authorization is approved in SIGMA by the state budget office under this section, the department shall notify the senate and house appropriations subcommittees on state police and the senate and house fiscal agencies within 10 days after the approval. The notification must include the amount and funding source of the additional authorization, the date of its approval, and the projected use of the funds to be expended.

**DEPARTMENTAL ADMINISTRATION AND SUPPORT**

Sec. 18-303. (1) When the department provides contractual services to a local unit of government, the department shall be reimbursed for all costs incurred in providing the services.

(2) The department shall define service cost models for those services requiring reimbursement.

(3) Contractual services provided to an entity other than a local unit of government may be provided by department personnel, but only on an overtime basis outside the normal work schedule of the personnel. All costs incurred in providing the services are eligible for reimbursement.

(4) This section does not apply to services provided to state agencies.

(5) Revenues received for contractual or reimbursed services in excess of the appropriations in part 1 are appropriated and may be received and expended by the department for the purposes for which the funds are received.

(6) If additional authorization is approved in SIGMA by the state budget office under this section, the department shall notify the senate and house appropriations subcommittees on state police and the senate and house fiscal agencies within 10 days after the approval. The notification must include the amount and funding source of the additional authorization, the date of its approval, and the projected use of the funds to be expended.

Sec. 18-304. The department may establish and collect fees for publications, videos,

conferences, workshops, and related materials. Fees collected under this section must be used to offset expenditures for costs of the publications, videos, workshops, conferences, and related materials. The department shall not collect fees under this section that exceed the cost of the expenditures.

Sec. 18-306. From the funds appropriated in part 1, the department may purchase real property.

**LAW ENFORCEMENT SERVICES**

Sec. 18-401. (1) The department shall develop and deliver professional, innovative, and quality training that supports the enforcement and public safety efforts of the criminal justice community.

(2) The department shall provide performance data, as provided under section 228, for days of training being conducted by the academy.

(3) From the funds appropriated in part 1 for training operations, the department may provide or obtain the following training:

(a) Training that directly relates to the individual's job description and role within the department.

(b) Professional development training.

(c) Training that provides the individual with the ability to seek expanded opportunities within the department.

(d) Advanced education training.

(4) Not later than January 1, the department shall submit a report to the standard report recipients and to the senate and house appropriations committees that includes the following information about the funds appropriated in part 1 for training operations:

(a) The training courses that the department's employees completed.

(b) If a training course is developed by the department, a description of that course's curriculum and its purpose.

(c) The number of the department's employees who have received and completed training pursuant to this section.

(5) The department shall distribute and review course evaluations to ensure that quality training is provided.

Sec. 18-402. (1) In accordance with applicable state and federal laws and

regulations, the department shall maintain and ensure compliance with CJIS databases and applications in the support of public safety and law enforcement communities.

(2) The department shall improve the accuracy, timeliness, and completeness of criminal history information by conducting a minimum of 30 outreach activities targeted to criminal justice agencies. The department shall report the number of these outreach activities conducted, as provided under section 228.

(3) The department shall provide for the compilation of crime statistics consistent with the uniform crime reporting (UCR) program and the national incident-based report system (NIBRS).

(4) The department shall provide for the compilation and evaluation of traffic crash reports and the maintenance of the state accident data collection system.

(5) The department shall make individual traffic crash reports available for a fee of $15.00 per incident. The department may also sell an extract of electronic traffic crash data for a fee of $0.25 per incident, provided that the name, address, and any other personal identifying information have been excluded.

(6) By March 1, the department shall submit a report to the standard report recipients detailing the number of traffic crash reports provided, the amount of revenue collected, and all expenditures incurred for activities under subsection (5) in the preceding fiscal year. The report must include an analysis of whether revenue from department activities under subsection (5) is sufficient to offset all costs incurred for those activities and must provide information regarding any deficit or surplus of revenue.

(7) In accordance with applicable state and federal laws and regulations, the department shall provide for the maintenance and dissemination of criminal history records and juvenile records, including to the extent necessary to exchange criminal history records information with the Federal Bureau of Investigation and other states through the interstate identification index, the National Crime Information Center, and other federal CJIS databases and indices.

(8) The department shall, in accordance with applicable state and federal laws, provide for the maintenance of records, including criminal history records regarding firearms licensure, as provided under 1927 PA 372, MCL 28.421 to 28.435.

(9) The department shall provide information on the number of background checks processed through the internet criminal history access tool (ICHAT), as provided in section

228.

(10) The following unexpended and unencumbered revenues deposited into the criminal justice information center service fees must not lapse to the general fund, but must be carried forward into the subsequent fiscal year: (a) Fees for fingerprinting and criminal record checks and name-based criminal record checks under 1935 PA 120, MCL 28.271 to 28.274.

(b) Fees for application and licensing for initial and renewal concealed pistol licenses under 1927 PA 372, MCL 28.421 to 28.435.

(c) Fees for searching, copying, and providing public records under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(d) Revenue from other sources, including, but not limited to, investment and interest earnings.

(11) Unexpended and unencumbered revenue generated by state records management system fees must not lapse to the general fund, but must be carried forward into the subsequent fiscal year.

Sec. 18-403. (1) The department shall provide forensic testing and analysis/profiling of DNA evidence to aid in law enforcement investigations in this state.

(2) The department shall ensure its ability to maintain accreditation by a federally designated accrediting agency, as provided under 34 USC 12592.

(3) The department shall provide forensic science services with an average turnaround time of 55 days, assuming an annual caseload volume commensurate with the average annual caseload received by the forensic science division during the preceding 5 fiscal years, and shall work to achieve a goal of a 30-day average turnaround time across all forensic science disciplines.

(4) The department shall provide the following data as provided in section 228:

(a) The average turnaround time for processing forensic evidence across all disciplines.

(b) Forensic laboratory staffing levels, including scientists in training, and vacancies.

(c) The number of backlogged cases in each discipline.

Sec. 18-404. (1) The biometrics and identification division shall maintain and manage the automated biometric identification system, statewide network of agency photographs, and

combined offender DNA index system biometric databases.

(2) The department shall provide data on the number of 10-print and palm-print submissions to the database, as provided in section 228.

(3) If changes are made to the department's protocol for retaining and purging DNA analysis samples and records, the department shall post a copy of the protocol changes on the department's website.

Sec. 18-405. Not later than December 1, the department shall submit a report to the standard report recipients that includes, but is not limited to, all of the following information:

(a) Sexual assault kit analysis backlog at the beginning of the previous fiscal year.

(b) The number of sexual assault kits collected or submitted for analysis during the previous fiscal year.

(c) The number of sexual assault kits analyzed and the number of associated DNA profiles created and uploaded during the previous fiscal year.

(d) Sexual assault kit analysis backlog at the end of the previous fiscal year.

(e) The average turnaround time to analyze sexual assault kits and to create and upload associated DNA profiles for the previous fiscal year.

Sec. 18-406. The department shall provide administrative support for the following grant and community service programs:

(a) The operations of the automobile theft prevention authority.

(b) Administration of the Edward Byrne memorial justice assistance program and other grant programs, including the department's community policing efforts.

(c) Administration of the office of school safety.

(d) Administration and outreach of the OK2SAY program.

Sec. 18-407. Not later than March 30, the office of school safety shall provide a school safety report to the legislature and the senate and house fiscal agencies that must include reports of all of the following:

(a) The incidents of school violence or threats reported to the state police by local law enforcement or local school districts, or received through the Michigan incident crime report (MICR).

(b) OK2SAY-based incidences and activities.

(c) Based upon an evaluation of school safety incidents, recommendations on best

practices and other safety measures to ensure school safety in this state.

Sec. 18-408. (1) The department shall make an organized, strategic effort to recruit, onboard, train, and outfit trooper school candidates and other new employees using the funds appropriated in part 1.

(2) The department shall submit a report to the standard report recipients within 60 days of the conclusion of any trooper, motor carrier, or state properties security recruit school. The report must include all of the following:

(a) The number of veterans and the number of MCOLES-certified police officers who were admitted to and the number who graduated from the recruit school.

(b) The total number of recruits who were admitted to the recruit school, the number of recruits who graduated from the recruit school, and the location at which each of these recruits is assigned.

(3) The department may use the funds appropriated in part 1 that represent attrition savings to offset the cost of recruiting efforts described under subsection (1).

(4) The unexpended and unencumbered general fund/general purpose funds appropriated in part 1 for training operations must not lapse to the general fund at the end of the fiscal year but must be deposited into the trooper recruit school fund created under section 819b of the Michigan vehicle code, 1949 PA 300, MCL 257.819b.

Sec. 18-409. (1) From the funds appropriated in part 1, the department shall, in collaboration with the department of civil rights and MCOLES, provide the following training to local police departments or officers free of charge:

(a) Diversity and cultural awareness and competency.

(b) Conflict management.

(c) Use of force on vulnerable individuals, including children, individuals with disabilities, individuals with unmet mental health needs, individuals under the influence of substances, and pregnant individuals.

(d) Mental health and wellness for law enforcement officers.

(2) The training provided under subsection (1) may be offered online in order to facilitate easy access and may be given by department staff, contractors, or external vendors.

(3) On a quarterly basis, the department shall submit a report to the standard report recipients on the number of officers, by police department, that received training under

this section.

Sec. 18-410. The department, in collaboration with the department of health and human services and the department of education, shall advise on initiatives in schools and other educational organizations that include, but are not limited to, training for educators, teachers, and other personnel in school settings for all of the following: (a) Utilization of trauma-informed practices.

(b) Age-appropriate education and information on human trafficking.

(c) Age-appropriate education and information on sexual abuse prevention.

Sec. 18-411. Based on the availability of federal funding and demonstrated need, as indicated by applications submitted to the state court administrative office, the department shall provide $1,500,000.00 in Byrne justice assistance grant program funding to the judiciary by interdepartmental grant.

**COMMISSION ON LAW ENFORCEMENT STANDARDS**

Sec. 18-501. (1) MCOLES shall establish standards for the selection, employment, training, education, licensing, and licensure revocation of all law enforcement officers and provide the basic law enforcement training curriculum for law enforcement training academy programs statewide.

(2) From the funds appropriated in part 1, MCOLES, by March 1, shall submit a report to the standard report recipients that includes a summary of MCOLES activities during the prior calendar year. The report required under this subsection must include, but is not limited to, both of the following:

(a) An account of the distribution of training funds administered by MCOLES.

(b) A list of recipients that received training funds under subdivision (a) and the amount received by each recipient and for what purpose it was used.

Sec. 18-502. The general fund/general purpose funds appropriated in part 1 for public safety officers benefit fund must be deposited into the public safety officers benefit fund created in section 3 of the public safety officers benefit act, 2004 PA 46, MCL 28.633. The general fund/general purpose funds appropriated in part 1 for public safety officers benefit fund and deposited into the public safety officers benefit fund in accordance with section 3 of the public safety officers benefit act, 2004 PA 46, MCL 28.633, and this section must be used to increase the $25,000.00 benefit payment made to a recipient who

dies or is permanently and totally disabled during the fiscal year under section 4 of the public safety officers benefit act, 2004 PA 46, MCL 28.634, to $50,000.00. All funds in the public safety officers benefit fund are appropriated and available for expenditure in accordance with section 3 of the public safety officers benefit act, 2004 PA 46, MCL 28.633.

Sec. 18-503. Funds appropriated in part 1 for in-service training must be deposited into the law enforcement officers training fund created in section 11(7) of the Michigan commission on law enforcement standards act, 1965 PA 203, MCL 28.611. All funds in the law enforcement officers training fund are appropriated and available for expenditure to support the implementation of required annual in-service training standards for all licensed law enforcement officers, in accordance with rules promulgated under section 11(2) of the Michigan commission on law enforcement standards act, 1965 PA 203, MCL 28.611.

**FIELD SERVICES**

Sec. 18-601. (1) Department enlisted personnel who are employed to enforce traffic laws as provided in section 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e, are not prohibited from responding to crimes in progress or other emergency situations and are responsible for making every effort to protect all residents of this state.

(2) The department shall report on the number of residence checks of registered sex offenders conducted, as provided under section 228.

Sec. 18-602. The department shall identify and apprehend criminals through criminal investigations in this state.

Sec. 18-603. (1) The department shall provide protection to this state, its economy, welfare, and vital state-sponsored programs through the prevention and suppression of organized smuggling of untaxed tobacco products in this state, through enforcement of the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, and other laws pertaining to combating criminal activity in this state, and by maintaining a tobacco tax enforcement unit.

(2) The department shall submit an annual report on December 1 to the standard report recipients and to the senate and house appropriations subcommittees on general government that details expenditures and activities related to tobacco tax enforcement for the previous fiscal year.

Sec. 18-604. The department shall provide fire investigation training and investigative assistance to public safety agencies in this state.

Sec. 18-605. From the funds appropriated in part 1, the department shall make an organized, strategic effort to recruit trooper school candidates and other new employees that mirror the diverse racial, religious, and cultural backgrounds that make up the communities in this state.

**SPECIALIZED SERVICES**

Sec. 18-701. (1) The department shall operate the Michigan intelligence operations center for homeland security as this state's primary federally designated fusion center to receive, analyze, gather, and disseminate threat-related information among federal, state, local, tribal, and private sector partners.

(2) The department shall ensure public safety by providing public and private sector partners with timely and accurate information regarding critical information key resource threats, as reported to or discovered by the Michigan intelligence operations center for homeland security, and shall increase public awareness on how to report suspicious activity through website or telephone communications.

Sec. 18-702. (1) The department shall provide specialized services in support of, and to enhance, local, state, and federal law enforcement operations within this state, in accordance with all applicable state and federal laws and regulations.

Sec. 18-703. (1) The department shall maintain commercial vehicle regulation, school bus inspections, and enforcement activities, including enforcement of requirements concerning size, weight, and load restrictions; operating authority; registration; fuel taxes; transportation of hazardous materials; new entrant operations; commercial driver licenses; and inspections pursuant to the federal motor carrier assistance program.

(2) The department shall maintain the staffing and resources necessary to meet inspection goals consistent with the department's federal motor carrier assistance program activities.

(3) Revenue collected under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.42, must be expended in accordance with that act. Unexpended and unencumbered revenues must not lapse to the general fund but must be carried forward into the subsequent fiscal year.

Sec. 18-704. (1) The department shall coordinate the mitigation, preparation,

response, and recovery activities of municipal, county, state, and federal governments, and other governmental entities, for all hazards, disasters, and emergencies.

(2) The state director of emergency management may expend money appropriated under part 1 to call on any agency or department of this state or any resource of this state to protect life or property or to provide for the health or safety of the population in any area of this state in which the governor proclaims a state of emergency or state of disaster under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. The state director of emergency management may expend the amounts the director considers necessary to accomplish these purposes. The director shall submit to the state budget director, as soon as possible, a complete report of all actions taken under the authority of this section. The report must contain, as a separate item, a statement of all money expended that is not reimbursable from federal funding. The state budget director shall review the expenditures and submit recommendations to the legislature in regard to any possible need for a supplemental appropriation.

(3) In addition to the funds appropriated in part 1, the department may receive and expend money from local, private, federal, or state sources for the purpose of providing emergency management training to local or private interests and for the purpose of supporting emergency preparedness, response, recovery, and mitigation activity. If additional expenditure authorization in SIGMA is approved by the state budget office under this section, the department and the state budget office shall notify the senate and house appropriations subcommittees on state police and the senate and house fiscal agencies within 10 days after the approval. The notification must include the amount and source of the additional authorization, the date of its approval, and the projected use of the funds to be expended under the authorization. The total amount of federal revenues that may be received and expended under this section and section 232 must not exceed $750,000,000.00.

(4) The department shall foster, promote, and maintain partnerships to protect this state and homeland from all hazards.

(5) The department shall maintain the staffing and resources necessary to do all of the following:

(a) Serve approximately 105 local emergency management preparedness programs and 88 local emergency planning committees in this state.

(b) Operate and maintain the state's emergency operations center and provide command

and control in support of emergency response services.

(c) Maintain readiness, including training and equipment to respond to civil disorders and natural disasters commensurate with the capabilities of fiscal year 2010-2011.

(d) Perform hazardous materials response training.

(6) The department shall conduct a minimum of 3 training sessions to enhance safe response in the event of natural or manmade incidents, emergencies, or disasters.

(7) In addition to the funds appropriated in part 1, there is appropriated from the disaster and emergency contingency fund an amount necessary to cover costs related to any disaster or emergency as defined in the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. Funds must be expended as provided under sections 18 and 19 of the emergency management act, 1976 PA 390, MCL 30.418 and 30.419, and R 30.51 to R 30.61 of the Michigan Administrative Code.

(8) Revenue collected by the department under this section for the emergency management and homeland security training center that is unexpended and unencumbered at the end of the fiscal year must not lapse to the general fund, but must be carried forward into the subsequent fiscal year.

Sec. 18-705. The department shall provide for the planning, administration, and implementation of highway traffic safety programs to save lives and reduce injuries on roads in this state, in partnership with other public and private organizations.

Sec. 18-706. (1) Funds appropriated in part 1 for the secondary road patrol program must be used to provide grants to sheriffs under the secondary road patrol program described under section 76 of 1846 RS 14, MCL 51.76.

(2) The sheriffs' duties under the secondary road patrol program, as outlined in section 76(2) of 1846 RS 14, MCL 51.76, are to do all of the following:

(a) Patrol and monitor traffic violations.

(b) Enforce the criminal laws of this state, violations of which are observed by or brought to the attention of the sheriff's department while patrolling and monitoring secondary roads.

(c) Investigate accidents involving motor vehicles.

(d) Provide emergency assistance to persons on or near a highway or road the sheriff is patrolling and monitoring.

Sec. 18-707. The department shall serve as an active liaison between the department of technology, management, and budget and state, local, regional, and federal public safety agencies on matters pertaining to the Michigan public safety communications system and shall report user issues to the department of technology, management, and budget.

## Article 19

## DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 19-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of technology, management and budget are appropriated for the fiscal year ending September 30, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 3,269.5 | 3,269.5 |
| **GROSS APPROPRIATION .....** | **$ 1,912,456,000** | **$ 1,869,292,000** |
| Total interdepartmental grants and intradepartmental transfers ..... | 1,171,532,000 | 1,171,532,000 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 740,924,000 | $ 697,760,000 |
| Total federal revenues ..... | 4,493,300 | 4,493,300 |
| Total local revenues ..... | 3,094,600 | 3,094,600 |
| Total private revenues ..... | 354,400 | 354,400 |
| Total other state restricted revenues ..... | 147,277,200 | 147,277,200 |
| State general fund/general purpose ..... | $ 585,704,500 | $ 542,540,500 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose .....* | *542,540,500* | *542,540,500* |
| *One-time state general fund/general purpose .....* | *43,164,000* | *0* |
| **Sec. 19-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 930.0 | 930.0 |
| Unclassified salaries-6.0 FTE positions ..... | $ 1,168,600 | $ 1,168,600 |
| Administrative services-155.0 FTE positions ..... | 24,811,800 | 24,811,800 |
| Budget and financial management-199.0 FTE positions .. | 43,810,500 | 43,810,500 |
| Building operation services-275.0 FTE positions ..... | 117,038,000 | 117,038,000 |
| Business support services-108.0 FTE positions ..... | 18,053,600 | 18,053,600 |
| Design and construction services-54.0 FTE positions .. | 10,011,600 | 10,011,600 |
| Executive operations-33.5 FTE positions ..... | 5,760,000 | 5,760,000 |
| Michigan center for data and analytics-42.0 FTE positions ..... | 8,970,700 | 8,970,700 |
| Motor vehicle fleet-39.0 FTE positions ..... | 107,598,800 | 107,598,800 |
| Office of the state employer-10.0 FTE positions ..... | 1,939,200 | 1,939,200 |
| Property management ..... | 9,007,500 | 9,007,500 |
| State archives-14.5 FTE positions ..... | 2,339,800 | 2,339,800 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **GROSS APPROPRIATION** | **$ 350,510,100** | **$ 350,510,100** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of health and human services | 759,100 | 759,100 |
| IDG from department of licensing and regulatory affairs | 100,000 | 100,000 |
| IDG from other restricted funding | 255,974,600 | 255,974,600 |
| Federal revenues: | | |
| Other federal revenues | 4,493,200 | 4,493,200 |
| Special revenue funds: | | |
| Local revenues | 57,800 | 57,800 |
| Private revenues | 354,300 | 354,300 |
| Other state restricted revenues | 33,399,100 | 33,399,100 |
| State general fund/general purpose | $ 55,372,000 | $ 55,372,000 |
| **Sec. 19-103. TECHNOLOGY SERVICES** | | |
| Full-time equated classified positions | 1,670.5 | 1,670.5 |
| Enterprise user experience-14.0 FTE positions | $ 4,292,600 | $ 4,292,600 |
| Homeland security initiative/cyber security-58.0 FTE positions | 29,136,500 | 29,136,500 |
| Information technology investment fund | 35,000,000 | 35,000,000 |
| Information technology services-1,446.5 FTE positions | 908,865,400 | 908,865,400 |
| Michigan public safety communications system-152.0 FTE positions | 58,594,300 | 58,594,300 |
| **GROSS APPROPRIATION** | **$ 1,035,888,800** | **$ 1,035,888,800** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from other restricted funding | 908,865,400 | 908,865,400 |
| Special revenue funds: | | |
| Local revenues | 3,036,700 | 3,036,700 |
| State general fund/general purpose | $ 123,986,700 | $ 123,986,700 |
| **Sec. 19-104. STATEWIDE APPROPRIATIONS** | | |
| Professional development fund - AFSCME | $ 50,000 | $ 50,000 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Professional development fund - MPE, SEIU, scientific and engineering unit | 100,000 | 100,000 |
| Professional development fund - MPE, SEIU, technical unit | 50,000 | 50,000 |
| Professional development fund - NEREs | 200,000 | 200,000 |
| Professional development fund - UAW | 700,000 | 700,000 |
| **GROSS APPROPRIATION** | **$ 1,100,000** | **$ 1,100,000** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from other restricted funding | 1,100,000 | 1,100,000 |
| Special revenue funds: | | |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 19-105. SPECIAL PROGRAMS** | | |
| Full-time equated classified positions | 199.0 | 199.0 |
| Capital city services | $ 1,000,000 | $ 1,000,000 |
| Make it in Michigan | 400 | 400 |
| Office of the child advocate-22.0 FTE positions | 4,073,100 | 4,073,100 |
| Property management - executive/legislative | 1,560,800 | 1,560,800 |
| Retirement services-177.0 FTE positions | 30,700,700 | 30,700,700 |
| **GROSS APPROPRIATION** | **$ 37,335,000** | **$ 37,335,000** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 100 | 100 |
| Special revenue funds: | | |
| Local revenues | 100 | 100 |
| Private revenues | 100 | 100 |
| Other state restricted revenues | 30,607,800 | 30,607,800 |
| State general fund/general purpose | $ 6,726,900 | $ 6,726,900 |
| **Sec. 19-106. STATE BUILDING AUTHORITY RENT** | | |
| State building authority rent - community colleges | $ 40,398,900 | $ 40,398,900 |
| State building authority rent - state agencies | 82,133,900 | 82,133,900 |
| State building authority rent - universities | 153,218,900 | 153,218,900 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **GROSS APPROPRIATION** | **$ 275,751,700** | **$ 275,751,700** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State general fund/general purpose | $ 275,751,700 | $ 275,751,700 |
| **Sec. 19-107. CIVIL SERVICE COMMISSION** | | |
| Full-time equated classified positions | 470.0 | 470.0 |
| Agency services-113.0 FTE positions | $ 18,528,000 | $ 18,528,000 |
| Employee benefits-29.0 FTE positions | 6,747,500 | 6,747,500 |
| Executive direction-35.0 FTE positions | 10,022,200 | 10,022,200 |
| Human resources operations-293.0 FTE positions | 40,345,800 | 40,345,800 |
| Information technology services and projects | 12,222,700 | 12,222,700 |
| **GROSS APPROPRIATION** | **$ 87,866,200** | **$ 87,866,200** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues | 61,116,600 | 61,116,600 |
| State general fund/general purpose | $ 26,749,600 | $ 26,749,600 |
| **Sec. 19-108. CAPITAL OUTLAY** | | |
| Enterprisewide special maintenance for state facilities | $ 24,000,000 | $ 24,000,000 |
| Major special maintenance, remodeling, and additions for state agencies | 3,800,000 | 3,800,000 |
| **GROSS APPROPRIATION** | **$ 27,800,000** | **$ 27,800,000** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from other restricted funding | 3,800,000 | 3,800,000 |
| Special revenue funds: | | |
| State general fund/general purpose | $ 24,000,000 | $ 24,000,000 |
| **Sec. 19-109. INFORMATION TECHNOLOGY** | | |
| Information technology services and projects | $ 53,040,200 | $ 53,040,200 |
| **GROSS APPROPRIATION** | **$ 53,040,200** | **$ 53,040,200** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |

| | | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|---|
| IDG from other restricted funding ..... | | 932,900 | 932,900 |
| Special revenue funds: | | | |
| Other state restricted revenues ..... | | 22,153,700 | 22,153,700 |
| State general fund/general purpose ..... | $ | 29,953,600 | $ 29,953,600 |
| **Sec. 19-110. ONE-TIME APPROPRIATIONS** | | | |
| Election equipment reserve fund ..... | $ | 43,164,000 | $ 0 |
| **GROSS APPROPRIATION ..... ** | **$** | **43,164,000** | **$ 0** |
| Appropriated from: | | | |
| Special revenue funds: | | | |
| State general fund/general purpose ..... | $ | 43,164,000 | $ 0 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

**GENERAL SECTIONS**

Sec. 19-201. 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 30,2027 is $732,981,700.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is $44,164,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET

| | |
|---|---|
| Capital city services | $ 1,000,000 |
| Election equipment reserve fund | 43,164,000 |
| TOTAL | $ 44,164,000 |

Sec. 19-202. The appropriations under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 19-203. As used in this part and part 1:

(a) "AFSCME" means American Federation of State, County, and Municipal Employees.

(b) "COBRA" means the consolidated omnibus budget reconciliation act of 1985, Public Law 99-272.

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

(d) "IDG" means interdepartmental grant.

(e) "JCOS" means the joint capital outlay subcommittee.

(f) "MDLEO" means the Michigan department of labor and economic opportunity.

(g) "MDOT" means the Michigan department of transportation.

(h) "MPE" means the Michigan public employees.

(i) "MSF" means the Michigan strategic fund.

(j) "NERE" means nonexclusively represented employees.

(k) "SEIU" means Service Employees International Union.

(l) "SIGMA" means statewide integrated governmental management applications.

(m) "Standard report recipients" means the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate

and house policy offices, and the state budget office.

(n) "UAW" means the United Automobile, Aerospace, and Agricultural implement Workers of America.

Sec. 19-204. A department or agency shall use the internet to fulfill the reporting requirements of this part and shall make each report readily accessible to the public and conspicuously post each required report in a single archivable location on the department's or agency's Michigan.gov website not later than the due date required for each report. In addition to placing all reports required in the current fiscal year on the department's or agency's website, the department or agency shall maintain on its website all reports placed on the website from previous fiscal years posted by fiscal year in the same single archivable location. The department or agency shall also transmit all required reports for the current fiscal year to the standard recipients and any other required recipients by email.

Sec. 19-205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds appropriated in part 1:

(a) The funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 19-206. (1) The department shall maximize utilization of its in-person state workforce. The department shall prioritize occupancy utilization of office space for each division within the department. Employees with job responsibilities that require the employees to serve in their capacities outside of an office shall be monitored each pay period to ensure all work hours reported on the timesheet were actually worked.

(2) The department shall comply with requirements set forth by the office of the state employer on in-person work and utilization and occupancy rates of state buildings to ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to

market conditions.

(3) The department shall adhere to civil service rules and regulations that state the standard biweekly work period for a full-time employee in the classified service of this state is the equivalent of 80.0 hours of work. The department shall establish policies and processes to ensure all employees are working their jobs during agreed upon business hours.

Sec. 19-207. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall prepare a report on out of state travel expenses not later than January 1. The report must list all travel by classified and unclassified employees outside this state in the previous fiscal year that was funded in whole or in part with funds appropriated in the department's or agency's budget. The department or agency shall submit the report to the standard report recipients and to the house and senate appropriations committees. The report must include all of the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related expenses of each travel occurrence and the proportions funded with state general fund/general purpose revenues, state restricted revenues, federal revenues, and other revenues.

Sec. 19-208. Not later than 6 months after the state budget office issues work project letters, a department, agency and the legislature shall submit an annual report that summarizes all work project accounts. The report must include all of the following:

(a) A list of all work project accounts.

(b) The status of all work project accounts, including amounts expended, amounts encumbered, and available balances for each account.

(c) The amount of funds that lapsed from any previously designated work project accounts, the name and description of the work project account, and the funds that received the lapsed amounts.

Sec. 19-209. Not later than December 15, the state budget office shall prepare and submit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the previous fiscal year. The report must summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall submit the report to the standard report recipients and the chairpersons of the senate and house appropriations

committees.

Sec. 19-210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $50,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $200,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

Sec. 19-211. The department shall maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

Sec. 19-212. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of a local health officer.

Sec. 19-213. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving appropriations in part 1 shall take all reasonable steps to ensure geographically

disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department or agency contracts to subcontract with certified geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined in Executive Directive No. 2023-1.

Sec. 19-214. The department must provide an annual report to the standard report recipients detailing significant federal policy changes that do, or are expected to significantly impact the operations of the department, including reductions in federal revenue and/or changes that are likely to lead to a reduction in the department's ability to safeguard the health or welfare of the public.

Sec. 19-215. (1) Within 30 days of enactment of this act, the house and senate fiscal agencies shall provide to the state budget office a jointly agreed upon list of legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33 of 2025. The list must include all information and documents pertaining to the funded items as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

(2) In accordance with section 364(4) of the Management and Budget Act, the department or agency administering the grant shall post a report in a publicly accessible location on its website beginning March 15 of the current fiscal year. The department or agency shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

Sec. 19-216. On a quarterly basis, a department or agency receiving appropriations in part 1 shall report on the number of FTEs in pay status by type of staff and civil service classification, including comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTE positions employed by the department or agency at the end of the reporting period. The report must be submitted to the senate and house appropriations committees and to the standard report recipients.

Sec. 19-217. The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal

recovery funds that would otherwise lapse after September 30, 2026, are automatically reappropriated for the same purpose as originally authorized and available for expenditure through December 31, 2026, and any subsequent financial close out period.

Sec. 19-218. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

(a) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of corrections.

(b) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of state police.

(2) All applicable guidance, implementation, and reporting provisions of Public Law 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under subsection (1).

(3) The state budget director shall notify the senate and house appropriations committees not later than 10 business days after making any reallocations under subsection (1). The notification must include the authorized program under which funds were originally appropriated, the amount of the reallocation, the program, or programs, or purpose, and the department to which the funds are being reallocated under subsection (1), and the amount reallocated to each program or purpose.

**MANAGEMENT AND BUDGET**

Sec. 19-802. Any proceeds that exceed necessary costs incurred in conducting transfers, auctions, direct sales, or scrapping of state surplus property under section 267 of the management and budget act, 1984 PA 431, MCL 18.1267, are appropriated to the department to offset any costs incurred in the acquisition and distribution of surplus

property. The department shall provide consolidated internet auction services through this state's contractors for all local units of government.

Sec. 19-803. (1) The department may receive and expend funds in addition to those authorized by part 1 for maintenance and operation services provided specifically to other principal executive departments or state agencies, the legislative branch, the judicial branch, or private tenants, or provided in connection with facilities transferred to the operational jurisdiction of the department.

(2) The department may receive and expend funds in addition to those authorized by part 1 for real estate, architectural, design, engineering, and project oversight services provided specifically to other principal executive departments or state agencies, the legislative branch, the judicial branch, universities, community colleges, or private tenants.

(3) The department may receive and expend funds in addition to those authorized in part 1 for mail pickup and delivery services provided specifically to other principal executive departments and state agencies, the legislative branch, or the judicial branch.

(4) The department may receive and expend funds in addition to those authorized in part 1 for purchasing services provided specifically to other principal executive departments and state agencies, the legislative branch, or the judicial branch.

(5) Any revenue collected by the department from user fees under subsections (1) to (4) must be carried forward and does not lapse to the general fund at the close of the fiscal year.

Sec. 19-805. To the extent a specific appropriation is required for a detailed source of financing included in part 1 for the department appropriations financed from special revenue and internal service and pension trust funds, or SIGMA user charges, the specific amounts are appropriated within the special revenue internal service and pension trust funds in portions not to exceed the aggregate amount appropriated in part 1.

Sec. 19-807. Funding in part 1 for SIGMA must be funded by proportionate charges assessed against the respective state funds benefiting from the SIGMA project in the amounts determined by the department.

Sec. 19-808. (1) A deposit against the IDG from building occupancy and parking charges appropriated in part 1 must be collected, in part, from state agencies, the legislative branch, and the judicial branch based on estimated costs associated with

maintenance and operation of buildings managed by the department. To the extent excess revenue is collected due to estimates of building occupancy charges exceeding actual costs, the excess revenue may be carried forward into subsequent fiscal years for the purpose of returning funds to state agencies.

(2) An appropriation in part 1 for building occupancy and parking charges may be increased to return excess revenue collected to state agencies.

Sec. 19-810. (1) From the funds appropriated in part 1, the department shall maintain an internet website that contains notice of all solicitations, invitations for bids, and requests for proposals over $50,000.00 that are issued by the department or by any state agency operating under delegated authority, except for solicitations up to $500,000.00 in accordance with the department policy regarding providing opportunities to Michigan small businesses, geographically disadvantaged business enterprises, Michigan veteran-owned business, Michigan service disabled veteran-owned businesses, or Michigan recognized community rehabilitation organizations, or if the department determines and documents that it is in the best interest of this state. This information must appear on the first page of each department or state agency dashboard.

(2) The department shall set the due date for acceptance of an invitation for bid or request for proposal to not less than 14 days after the notice is made available on the internet website described in subsection (1), unless the department determines and documents that a different due date is in the best interest of this state.

(3) In addition to the requirements of this section, the department may advertise the solicitations, invitations for bids, and requests for proposals in any manner that the department determines is appropriate to give the greatest number of persons the opportunity to respond or make bids or requests for proposals.

(4) A new request for a proposal that is publicly displayed on the internet website must include the proposal's corresponding department or agency. The internet website must allow for the searching of requests for proposals by department or agency.

Sec. 19-811. From the funds appropriated in part 1, the department shall maintain a system that interfaces with other departments and agencies to track the performance of vendors in fulfilling contract obligations. The performance of these vendors must be recorded and used as a factor to determine future contracts awarded in the procurement process.

Sec. 19-813. (1) Funds in part 1 for motor vehicle fleet are appropriated to the department for administration and the acquisition, lease, operation, maintenance, repair, replacement, and disposal of state motor vehicles.

(2) The funds described in subsection (1) must be funded by revenue from rates charged to principal executive departments and agencies for utilizing vehicle travel services provided by the department. Any revenue in excess of the amount appropriated in part 1 from the motor transport fund and any unencumbered funds are restricted revenues and may be carried over into the succeeding fiscal year.

(3) The department shall, not later than 90 days after the close of the fiscal year, submit an annual report to the standard report recipients regarding the operation of the motor vehicle fleet. The report must include all of the following:

(a) The number of vehicles assigned to, or authorized for use by, state departments and agencies.

(b) The number of vehicles in the motor vehicle fleet.

(c) The number of miles driven by fleet vehicles.

(d) The number of gallons of fuel consumed by fleet vehicles.

(e) A description of fleet garage operations.

(f) The goods sold and services provided by the fleet garage.

(g) The number of employees assigned to each fleet garage.

(4) The information provided under subsection (3) may be adjusted during the fiscal year based on needs and cost savings to achieve the maximum value and efficiency from the state motor fleet.

(5) The department may charge state agencies for fuel cost increases that exceed 10% of the budgeted price per gallon of motor vehicle fuels. The department shall notify state agencies, in writing or by email, not less than 30 days before implementing additional charges for fuel cost increases. Any revenue received from these charges is appropriated on receipt.

(6) The state budget director, on notification to the senate and house of representatives standing committees on appropriations, may adjust spending authorization and the IDG from motor transport fund in the department to ensure that the appropriations for motor vehicle fleet in the department's budget equal the expenditures for motor vehicle fleet in the budgets for all executive branch agencies.

Sec. 19-820. The department shall post on its website and make available to the public a list of all parcels of real property owned by this state that are available for purchase.

Sec. 19-822c. The funds appropriated in part 1 must not be used to support any staff effort, projects, consultant expenses, or any other activity related to the development, financing, construction, operation, or implementation of the Gordie Howe International Crossing or any successor project unless the approval of the project is enacted into law.

Sec. 19-822e. In addition to the funds appropriated in part 1, the funds collected by the department for supplying census-related information and technical services, publications, statistical studies, population projections and estimates, and other demographic products are appropriated for all expenses necessary to provide the required services. These funds are available for expenditure when they are received and may be carried forward into the next fiscal year.

Sec. 19-822h. (1) From the funds in part 1 for capital city services, the department shall provide reimbursements to the city of Lansing to provide support for local infrastructure and municipal services, including, but not limited to, maintenance or improvement of local roads, sidewalks, public utility infrastructure, emergency response, traffic management, or other public safety services that support the state capitol and adjacent state facilities.

(2) The department shall reimburse the city described in subsection (1) quarterly for eligible expenses if the city of Lansing provides supporting documentation related to the eligible expenses to the department and the eligible expenses are approved for reimbursement.

(3) The city of Lansing shall maintain and provide any supporting documentation that is requested for auditing purposes.

Sec. 19-822j. (1) The make it in Michigan competitiveness fund is created within the state treasury.

(2) Funds may be spent from the make it in Michigan competitiveness fund only on appropriation or administrative transfer pursuant to subsection (3).

(3) A transfer of funds from federal or state restricted contingency funds into make it in Michigan may be made by the state budget director not less than 30 days after notifying each member of the senate and house of representatives appropriations committees.

Those transfers may be disapproved by either appropriations committee within the 30 days and, if disapproved within that time, are not effective.

(4) A transfer approved under this section constitutes authorization to transfer the amount recommended and approved. However, the amount must be reduced by the state budget director to be within the current unobligated amount of the appropriation.

(5) Transfers must not be authorized under any of the following circumstances:

(a) To create a new line-item appropriation or to create a new state program.

(b) To or from an operating appropriation line item that did not appear in the fiscal year appropriation bills for which the transfer is being made.

(c) To or from a work project as designated under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

(d) Between state governmental funds.

(6) Interest and earnings from the investment of funds deposited in the make it in Michigan competitiveness fund must be deposited in the general fund.

(7) Funds in the make it in Michigan competitiveness fund at the close of a fiscal year remain in the make it in Michigan competitiveness fund and do not lapse to the general fund.

(8) Funds appropriated or transferred from the make it in Michigan competitiveness fund are available to leverage federal funding opportunities that include, but are not limited to, infrastructure, health, public safety, mobility and electrification, climate and the environment, economic development, or other funding opportunities administered by the federal government. Funding opportunities may be in the form of formula or competitive-based grants, cooperative agreements, or contracts, and may include funds contained in the infrastructure investment and jobs act, Public Law 117-58, the CHIPS act of 2022, division A of Public Law 117-167, the inflation reduction act of 2022, Public Law 117-169, or any other federal acts.

(9) The Michigan infrastructure office, in collaboration with the state budget director, shall form an interagency evaluation committee that includes the department of environment, Great Lakes, and energy, the MDLEO, the MDOT, the MSF, or other entities at the discretion of the Michigan infrastructure office, to develop program guidelines and selection criteria for the recommended appropriation or transfer of funds. The interagency evaluation committee shall make recommendations to the director of the department and the

state budget director on the disbursement of funds. Funding must also be used to cover all costs related to the administration of this section.

(10) The department shall inform the legislature not later than 30 days after any federal funds are received that would be used as the basis for recommended appropriations or transfers from the make it in Michigan competitiveness fund.

(11) Not later than 90 days after the close of each fiscal year, the department shall report to the legislature on the projects funded with make it in Michigan competitiveness fund money.

**MEMORIALS**

Sec. 19-822k. The department may receive and expend funds from the Vietnam veterans memorial monument fund in accordance with the Michigan Vietnam veterans memorial act, 1988 PA 234, MCL 35.1051 to 35.1057. The funds are appropriated and allocated when received by the department and may be expended on receipt.

Sec. 19-822l. The Michigan veterans' memorial park commission may receive and expend money from any source, public or private, including, but not limited to, gifts, grants, donations of money, and government appropriations, for the purposes described in Executive Order No. 2001-10. The funds are appropriated and allocated when received by the Michigan veterans' memorial park commission and may be expended on receipt. Any deposit made under this section and any unencumbered funds are restricted revenues and may be carried over into subsequent fiscal years.

Sec. 19-822m. In addition to the funds appropriated in part 1, the department may receive and expend money from the Michigan law enforcement officers memorial monument fund in accordance with the Michigan law enforcement officers memorial act, 2004 PA 177, MCL 28.781 to 28.786. Any deposit made into the fund is restricted revenues and must be carried over into succeeding fiscal years.

**INFORMATION TECHNOLOGY**

Sec. 19-824. The department may enter into agreements to provide spatial information and technical services to other principal executive departments, state agencies, local units of government, and other organizations. The department may receive and expend funds in addition to those authorized in part 1 for providing information and technical services,

publications, maps, and other products. The department may expend amounts received for salaries, supplies, and equipment necessary to provide informational products and technical services.

Sec. 19-827. (1) The department shall assess all subscribers of the Michigan public safety communications system reasonable access and maintenance fees and deposit the fees in the Michigan public safety communications systems fees fund.

(2) All money received by the department under this section must be expended for the support and maintenance of the Michigan public safety communications system.

(3) Any deposits made under this section and unencumbered funds are restricted revenues and must be carried forward into succeeding fiscal years.

(4) The department shall prepare a report that indicates the amount of revenue collected under this section and expended for support and maintenance of the Michigan public safety communication system for the immediately preceding 6-month period. The report must be submitted to the standard report recipients not later than April 15.

Sec. 19-830. (1) Any revenue collected from licenses issued under the antenna site management project shall be deposited in the antenna site management revolving fund created for this purpose in the department. The department may receive and expend money from the fund for costs associated with the antenna site management project, including the cost of a third-party site manager. Any excess revenue remaining in the fund at the close of the fiscal year must be proportionately transferred to the appropriate state restricted funds as designated in a Public act or the state constitution of 1963.

(2) An antenna must not be placed on any site under this section without complying with the respective local zoning codes and local unit of government processes.

Sec. 19-833. (1) The state budget director, on notification to the standard report recipients and the senate and house of representatives standing committees on appropriations, may adjust spending authorization and user fees in the department to ensure that the appropriations for information technology in the department equal the appropriations for information technology in the budgets for all executive branch agencies.

(2) If, during the fiscal year, a supplemental appropriation or transfer is made under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393, to or from an information technology line item in an agency budget, there is appropriated an equal amount of user fees in the department to accommodate an increase or decrease in spending

authorization.

Sec. 19-837. All information technology projects funded by appropriations in part 1 must do both of the following:

(a) Use information technology project management best practices and services as defined or recommended by the enterprise portfolio management office of the department.

(b) Comply with the requirements of the state unified information technology environment methodology as it applies to all information technology project management processes.

Sec. 19-838. (1) The funds appropriated in part 1 for information technology investment fund must be used for the modernization of state information technology systems, improvement of this state's cybersecurity framework, and to achieve efficiencies.

(2) The department shall develop a plan regarding the use of the funds appropriated in part 1 for the information technology investment fund.

(3) The plan described in subsection (2) must include all of the following:

(a) A description of proposed information technology investment projects.

(b) The time frame for completion of the information technology investment projects.

(c) The initial budgeted amount for each project.

(d) The number of employees assigned to implement each information technology investment project.

(e) The contracts entered into for each information technology investment project.

(f) Any other information the department considers necessary.

(4) The department shall submit a report to the standard report recipients that includes the plan and the anticipated spending reductions or overages for each of the proposed information technology investment projects.

The report must also include both of the following:

(a) A comparison of the initial budgeted amounts and cumulative costs, both by project and in total for all projects.

(b) The amount of any transfer of budgeted funds from 1 project to another.

(5) The unexpended funds appropriated in part 1 for information technology investment fund are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year, and shall be available for expenditures for projects under this section until the projects have been completed. The

following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to upgrade various state legacy information technology systems.

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

(c)The total estimated cost of the project is $35,000,000.00.

(d) The tentative completion date is September 30, 2031.

Sec. 19-839. In addition to the appropriations for information technology investment fund in part 1, there is appropriated related federal and state restricted funds up to the amounts that will be earned based on the initiatives undertaken with the funds in part 1. The state budget director shall determine and authorize the appropriate manner for implementing this section.

**STATE BUILDING AUTHORITY RENT**

Sec. 19-842. (1) Funds appropriated in part 1 for state building authority rent may, in addition to this purpose, be expended for the payment of required premiums for insurance on facilities owned by the state building authority or payment of costs that may be incurred as the result of any deductible provisions in the applicable insurance policies.

(2) If the amount appropriated in part 1 for state building authority rent is not sufficient to pay the rent obligations and insurance premiums and deductibles identified in subsection (1) for state building authority projects, there is appropriated from the general fund of this state the amount necessary to pay the obligations.

**OFFICE OF THE STATE EMPLOYER**

Sec. 19-843. (1) The funds appropriated in part 1 for statewide appropriations must be funded by assessments against longevity and insurance appropriations throughout state government in a manner prescribed by the department. The funds must be used as specified in joint labor/management agreements, or through the coordinated compensation hearings process. Any deposits of assessments made under this subsection and any unencumbered funds are restricted revenues, may be carried over into the succeeding fiscal years, and are appropriated.

(2) In addition to the funds appropriated in part 1 for statewide appropriations, the department may receive and expend funds in the additional amounts specified in joint labor/management agreements, or through the coordinated compensation hearings process, in the same manner and subject to the same conditions as prescribed in subsection (1).

Sec. 19-844. In addition to the funds appropriated in part 1, the department may receive and expend funds from other principal executive departments and state agencies to implement administrative leave bank transfer provisions specified in joint labor/management agreements. The funds may also be transferred to other principal executive departments and state agencies under the joint labor/management agreement and any amounts transferred under the joint labor/management agreement are authorized for receipt and expenditure by the receiving principal executive department or state agency. Any funds received by the department under this section and intended, under the joint labor/management agreements, to be available for use beyond the close of the fiscal year, and any unencumbered funds, may be carried over into the next fiscal year.

Sec. 19-845. From the funds appropriated in part 1, the office of the state employer shall work with all state departments and agencies to set requirements on in-person work and utilization of state buildings to ensure in-person work completed by state of Michigan non-field employees is optimized and the occupancy rate of state-owned or occupied buildings, subject to market conditions, is 80% or higher.

**CIVIL SERVICE COMMISSION**

Sec. 19-850. (1) In accordance with section 5 of article XI of the state constitution of 1963, all restricted funds must be assessed a sum not less than 1% of the total aggregate payroll paid from those funds for financing the civil service commission on the basis of actual 1% restricted sources total aggregate payroll of the classified service for the preceding fiscal year. This includes, but is not limited to, restricted funds appropriated in part 1 of any appropriations act. The civil service commission shall return any unexpended funds appropriated under this subsection to each 1% fund source not later than 6 months after the end of the fiscal year.

(2) The appropriations in part 1 are estimates of actual charges based on payroll appropriations. With the approval of the state budget director, the civil service commission may adjust financing sources for civil service charges based on actual payroll

expenditures, if the adjustments do not increase the total appropriation for the civil service commission.

(3) The financing from restricted sources must be credited to the civil service commission by the end of the second fiscal quarter.

Sec. 19-851. Except where specifically appropriated for this purpose, financing from restricted sources must be credited to the civil service commission. For restricted sources of funding within the general fund that have the legislative authority for carryover, if current spending authorization or revenues are insufficient to accept the charge, the shortage must be taken from carryforward balances of that funding source. Restricted revenue sources that do not have carryforward authority must be utilized to satisfy civil service commission operating deductions first and civil service commission obligations second. General fund dollars are appropriated for any shortfall, if approved by the state budget director.

Sec. 19-852. The appropriation in part 1 to the civil service commission, for state-sponsored group insurance, flexible spending accounts, and COBRA, represents amounts, in part, included within the various appropriations throughout state government for the current fiscal year to fund the flexible spending account program included within the civil service commission. Deposits against state-sponsored group insurance, flexible spending accounts, and COBRA for the flexible spending account program must be made from assessments levied during the fiscal year in a manner prescribed by the civil service commission. Unspent employee contributions to the flexible spending accounts may be used to offset administrative costs for the flexible spending account program, and any remaining balance of unspent employee contributions lapses to the general fund.

**CAPITAL OUTLAY**

Sec. 19-860. As used in sections 19-861 through 19-875 of this part:

(a) "Board" means the state administrative board created in section 1 of 1921 PA 2, MCL 17.1.

(b) "Community college" means a community college organized under the community college act of 1966, 1966 PA 331, MCL 389.1 to 389.195, or under part 25 of the revised school code, 1976 PA 451, MCL 380.1601 to 380.1607, and does not include a state agency or university.

(c) "University" means a 4-year university supported by this state. University does not include a community college or a state agency.

Sec. 19-861. Each capital outlay project authorized in this part and part 1 or any previous capital outlay act shall comply with the procedures required by the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 19-864. The appropriations in part 1 for capital outlay must be carried forward at the end of the fiscal year in accordance with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

Sec. 19-865. (1) A site preparation economic development fund is created in the department. The Michigan economic development corporation board and the state budget director shall determine whether a specific state-owned site qualifies for inclusion in the site preparation economic development fund.

(2) Any proceeds from the sale of an economic development site must be deposited in the site preparation economic development fund and are available for site preparation expenditures, unless otherwise provided by law. The economic development sites are authorized for sale consistent with state law. Expenditures from the site preparation economic development fund are authorized for site preparation activities that enhance the marketable sale value of the economic development sites.

(3) A cash advance in an amount of not more than $25,000,000.00 is authorized from the general fund to the site preparation economic development fund.

(4) Not later than December 31, the department shall submit a report to the standard report recipients and the senate and house of representatives standing committees on appropriations that includes both of the following:

(a) The revenue and expenditure activity in the site preparation economic development fund for the immediately preceding fiscal year.

(b) The sites identified as economic development sites.

(5) As used in this section:

(a) "Economic development site" means a state-owned site that is declared as surplus property under section 251 of the management and budget act, 1984 PA 431, MCL 18.1251, and would provide economic benefit to the area of the site or to this state.

(b) "Site preparation activities" includes, but is not limited to, demolition, environmental studies and abatement, utility enhancement, and site excavation.

Sec. 19-866. (1) The energy efficiency revolving fund is created within the state treasury. The state treasurer may receive money or other assets from any source for deposit into the energy efficiency revolving fund. The state treasurer shall direct the investment of the energy efficiency revolving fund. The state treasurer shall credit to the energy efficiency revolving fund interest and earnings from energy efficiency revolving fund investments.

(2) Money in the energy efficiency revolving fund at the close of the fiscal year remains in the energy efficiency revolving fund and does not lapse to the general fund.

(3) All monies received and deposited from any source into the energy efficiency revolving fund are appropriated to support qualifying projects in accordance with the terms and conditions established in subsections (4) and (5).

(4) The department shall provide oversight and direction for the energy efficiency revolving fund, coordinate a call for projects, and prioritize the award of projects that will contribute to a reduction in this state's carbon footprint. State administrative costs must be not more than 10% of the total project cost.

(5) The department shall set terms with agencies participating in the energy efficiency revolving fund program that include the scope of each project, funding commitments, data collection and reporting requirements, and any other financial terms related to realization of energy savings related to implementation of the project. The department may enter into a memorandum of understanding to memorialize these terms.

(6) Not later than February 1, the department shall submit a report to the standard report recipients on projects funded under this section in the immediately preceding fiscal year. The report must list each approved project, the amount provided from the energy efficiency revolving fund for each project, the department or agency under which the project belongs, anticipated annual savings from each project, and revenue from savings deposited into the energy efficiency revolving fund by project.

Sec. 19-867. In addition to the appropriations for special maintenance, remodeling, and additions for state agencies in part 1, there is appropriated related federal and state restricted funds up to the amounts that will be earned based upon the initiatives undertaken with the funds in part 1. The state budget director shall determine and authorize the appropriate manner for implementing this section.

**CAPITAL OUTLAY - UNIVERSITIES AND COMMUNITY COLLEGES**

Sec. 19-873. (1) This section applies only to projects for community colleges.

(2) State support is directed towards the remodeling and additions, special maintenance, or construction of certain community college buildings. The community college shall obtain or provide for site acquisition and initial main utility installation to operate the facility. The funding must be composed of local and state shares and not more than 50% of a capital outlay project, not including a lump-sum special maintenance project or remodeling and addition project, for a community college may be appropriated from state and federal funds, unless otherwise appropriated by the legislature.

(3) An expenditure under this part and part 1 is authorized when the release of the appropriation is approved by the board on the recommendation of the director. The director may recommend to the board the release of any appropriation in part 1 only after the director is assured that the legal entity operating the community college to which the appropriation is made has complied with this part and part 1 and has matched the amounts appropriated as required by this part and part 1. A release of funds in part 1 must not exceed 50% of the total cost of planning and construction of any project, not including lump-sum remodeling and additions and special maintenance, unless otherwise appropriated by the legislature. Further planning and construction of a project authorized by this part and part 1 or applicable sections of the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, must be in accordance with the purpose and scope as defined and delineated in the approved program statements and planning documents. This part and part 1 are applicable to all projects for which planning appropriations were made in previous Public acts.

(4) The community college shall take the steps necessary to secure available federal construction and equipment money for projects funded for construction in this part and part 1 if an application was not previously made. If there is a reasonable expectation that a previous year unfunded application may receive federal money in a subsequent year, the community college shall take whatever action necessary to keep the application active.

Sec. 19-874. If university and community college matching revenues are received in an amount less than the appropriations for capital projects contained in this part and part 1, the state funds must be reduced in proportion to the amount of matching revenue received.

Sec. 19-875. (1) The director may require that community colleges and universities that have an authorized project described in part 1 submit documentation regarding the

project match and governing board approval of the authorized project not more than 60 days after the beginning of the fiscal year.

(2) If the documentation required by the director under subsection (1) is not submitted, or does not adequately authenticate the availability of the project match or governing board approval of the authorized project, the director may terminate the authorization. The authorization terminates 30 days after the director notifies the JCOS of the intent to terminate the project unless the JCOS approves an extension of the authorization.

**ONE-TIME APPROPRIATIONS**

Sec. 19-890. (1) From the funds appropriated in part 1 for the election equipment reserve fund, the department shall provide assistance that may include centralized procurement and information technology support in the state's implementation of a uniform voting system and replacement of voting systems in local jurisdictions in accordance with Michigan election law, 1954 PA 116, MCL 168.1 to 168.992.

(2) Any principal, interest and earnings deposited into the election administration support fund created under section 21-940 of article 21 and federal help America vote act funds, including any interest and earnings, in accordance with 52 U.S.C. 20901-21145 are appropriated for purposes described in this section. The department shall collaborate with other state departments, as appropriate, on the implementation of a uniform voting system and the state budget director is permitted to make the budgetary or accounting transactions necessary to authorize the utilization of these funds in the department or any collaborating department.

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

(a) The purpose of the project is to support the purchase of election equipment for local units government.

(b) The project will be accomplished by utilizing state employees or contracts with

service providers, or both.

(c) The total estimated cost of the project is $43,164,000.00.

(d) The tentative completion date is September 30, 2031.

## Article 20

## DEPARTMENT OF TRANSPORTATION

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 20-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of transportation are appropriated for the fiscal year ending September 30, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **DEPARTMENT OF TRANSPORTATION** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 6.0 | 6.0 |
| Full-time equated classified positions..... | 3,213.3 | 3,213.3 |
| **GROSS APPROPRIATION ..... | **$ 8,524,621,400** | **$ 8,703,291,700** |
| Total interdepartmental grants and intradepartmental transfers ..... | 4,555,300 | 4,555,300 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 8,520,066,100 | $ 8,698,736,400 |
| Total federal revenues ..... | 2,374,354,200 | 2,374,354,200 |
| Total local revenues ..... | 86,948,500 | 86,948,500 |
| Total private revenues ..... | 20,500,000 | 20,500,000 |
| Total other state restricted revenues ..... | 6,038,263,400 | 6,216,933,700 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose ..... | *0* | *0* |
| *One-time state general fund/general purpose ..... | *0* | *0* |
| **Sec. 20-102. DEBT SERVICE** | | |
| Airport safety and protection plan ..... | $ 3,618,300 | $ 3,618,300 |
| Blue Water Bridge fund ..... | 3,318,400 | 3,318,400 |
| Economic development ..... | 234,300 | 234,300 |
| Local bridge fund ..... | 77,300 | 77,300 |
| State trunkline ..... | 333,554,100 | 333,554,100 |
| **GROSS APPROPRIATION ..... | **$ 340,802,400** | **$ 340,802,400** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 340,802,400 | 340,802,400 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 20-103. INTERDEPARTMENTAL GRANTS** | | |
| CTF grant to civil service commission ..... | $ 225,300 | $ 225,300 |
| CTF grant to department of attorney general ..... | 112,600 | 112,600 |
| CTF grant to department of treasury ..... | 54,900 | 54,900 |
| CTF grant to legislative auditor general ..... | 47,800 | 47,800 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| CTF grant to department of technology, management and budget | 45,400 | 45,400 |
| MTF grant to department of environment, Great Lakes, and energy | 2,277,200 | 2,277,200 |
| MTF grant to department of treasury | 3,817,000 | 3,817,000 |
| MTF grant to legislative auditor general | 388,200 | 388,200 |
| MTF grant to department of state for collection of revenue and fees | 20,000,000 | 20,000,000 |
| SAF grant to civil service commission | 140,000 | 140,000 |
| SAF grant to department of attorney general | 196,900 | 196,900 |
| SAF grant to department of treasury | 72,200 | 72,200 |
| SAF grant to legislative auditor general | 37,600 | 37,600 |
| SAF grant to department of technology, management and budget | 32,900 | 32,900 |
| STF grant to civil service commission | 7,160,100 | 7,160,100 |
| STF grant to department of attorney general | 2,269,800 | 2,269,800 |
| STF grant to department of state police | 13,807,700 | 13,807,700 |
| STF grant to department of treasury | 167,000 | 167,000 |
| STF grant to legislative auditor general | 901,600 | 901,600 |
| STF grant to department of technology, management and budget | 1,409,700 | 1,409,700 |
| **GROSS APPROPRIATION** | **$ 53,163,900** | **$ 53,163,900** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues | 53,163,900 | 53,163,900 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 20-104. DEPARTMENTAL ADMINISTRATION AND SUPPORT** | | |
| Full-time equated unclassified positions | 6.0 | 6.0 |
| Full-time equated classified positions | 315.3 | 315.3 |
| Unclassified salaries-6.0 FTE positions | $ 1,023,100 | $ 1,023,100 |
| Asset management council | 2,299,900 | 2,299,900 |
| Business support services-77.0 FTE positions | 13,696,500 | 13,696,500 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Commission audit-29.3 FTE positions ..... | 4,976,200 | 4,976,200 |
| Economic development and enhancement programs-11.0 | | |
| FTE positions ..... | 1,916,700 | 1,916,700 |
| Finance, contracts, and support services-198.0 | | |
| FTE positions ..... | 30,444,900 | 30,444,900 |
| Property management ..... | 8,616,000 | 8,616,000 |
| Worker's compensation ..... | 1,546,300 | 1,546,300 |
| **GROSS APPROPRIATION ..... | **$ 64,519,600** | **$ 64,519,600** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from other restricted funding ..... | 4,555,300 | 4,555,300 |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 59,964,300 | 59,964,300 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 20-105. INFORMATION TECHNOLOGY** | | |
| Information technology services and projects ..... | $ 47,931,900 | $ 47,931,900 |
| **GROSS APPROPRIATION ..... | **$ 47,931,900** | **$ 47,931,900** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 536,400 | 536,400 |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 47,395,500 | 47,395,500 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 20-106. TRANSPORTATION PLANNING** | | |
| Full-time equated classified positions..... | 142.0 | 142.0 |
| Grants to regional planning councils ..... | $ 488,800 | $ 488,800 |
| Planning services-142.0 FTE positions ..... | 45,364,700 | 45,364,700 |
| **GROSS APPROPRIATION ..... | **$ 45,853,500** | **$ 45,853,500** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 26,000,000 | 26,000,000 |
| Special revenue funds: | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Other state restricted revenues ..... | 19,853,500 | 19,853,500 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 20-107. DESIGN AND ENGINEERING SERVICES** | | |
| Full-time equated classified positions..... | 1,654.3 | 1,654.3 |
| Business services-44.8 FTE positions ..... | $ 11,386,400 | $ 11,386,400 |
| Program development and delivery-1,046.5 FTE positions | 138,457,700 | 138,457,700 |
| System operations management-563.0 FTE positions ..... | 127,255,200 | 127,255,200 |
| **GROSS APPROPRIATION ..... | **$ 277,099,300** | **$ 277,099,300** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 26,001,600 | 26,001,600 |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 251,097,700 | 251,097,700 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 20-108. HIGHWAY MAINTENANCE** | | |
| Full-time equated classified positions..... | 911.7 | 911.7 |
| State trunkline operations-911.7 FTE positions ..... | $ 530,033,300 | $ 530,033,300 |
| **GROSS APPROPRIATION ..... | **$ 530,033,300** | **$ 530,033,300** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 530,033,300 | 530,033,300 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 20-109. ROAD AND BRIDGE PROGRAMS** | | |
| Cities and villages ..... | $ 1,112,369,700 | $ 1,158,686,400 |
| County road commissions ..... | 2,012,101,400 | 2,096,935,900 |
| Grants to local programs ..... | 33,000,000 | 33,000,000 |
| Local bridge program ..... | 126,550,900 | 126,347,900 |
| Local federal aid and road and bridge construction ... | 428,999,800 | 428,999,800 |
| Local agency wetland mitigation bank fund ..... | 2,000,000 | 2,000,000 |
| Local grade separation program ..... | 40,000,000 | 40,000,000 |
| Movable bridge fund ..... | 6,504,600 | 6,706,200 |
| Rail grade crossing ..... | 3,000,000 | 3,000,000 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Rail grade crossing - surface improvements ..... | 3,000,000 | 3,000,000 |
| State trunkline federal aid and road and bridge construction ..... | 1,988,815,500 | 2,051,175,100 |
| **GROSS APPROPRIATION ..... | **$ 5,756,341,900** | **$ 5,949,851,300** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 1,741,778,500 | 1,741,778,500 |
| Special revenue funds: | | |
| Local revenues ..... | 30,003,500 | 30,003,500 |
| Private revenues ..... | 10,000,000 | 10,000,000 |
| Other state restricted revenues ..... | 3,974,559,900 | 4,168,069,300 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 20-110. BLUE WATER BRIDGE** | | |
| Full-time equated classified positions..... | 47.0 | 47.0 |
| Blue Water Bridge operations-47.0 FTE positions ..... | $ 8,013,800 | $ 8,013,800 |
| **GROSS APPROPRIATION ..... | **$ 8,013,800** | **$ 8,013,800** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 8,013,800 | 8,013,800 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 20-111. TRANSPORTATION ECONOMIC DEVELOPMENT** | | |
| Forest roads ..... | $ 5,000,000 | $ 5,000,000 |
| Rural county primary ..... | 10,620,800 | 10,579,300 |
| Rural county urban system ..... | 2,500,000 | 2,500,000 |
| Target industries/economic redevelopment ..... | 24,741,600 | 24,658,600 |
| Urban county congestion ..... | 10,620,800 | 10,579,300 |
| **GROSS APPROPRIATION ..... | **$ 53,483,200** | **$ 53,317,200** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 53,483,200 | 53,317,200 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 20-112. AERONAUTICS SERVICES** | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Full-time equated classified positions..... | 48.0 | 48.0 |
| Air service program ..... | $ 50,000 | $ 50,000 |
| Aviation services-48.0 FTE positions ..... | 7,953,300 | 7,953,300 |
| **GROSS APPROPRIATION ..... | **$ 8,003,300** | **$ 8,003,300** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 8,003,300 | 8,003,300 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 20-113. PUBLIC TRANSPORTATION SERVICES** | | |
| Full-time equated classified positions..... | 50.0 | 50.0 |
| Passenger transportation services-50.0 FTE positions . | $ 8,092,400 | $ 8,092,400 |
| **GROSS APPROPRIATION ..... | **$ 8,092,400** | **$ 8,092,400** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 2,000,000 | 2,000,000 |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 6,092,400 | 6,092,400 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 20-114. LOCAL BUS TRANSIT** | | |
| Local bus operating ..... | $ 315,000,000 | $ 315,000,000 |
| Nonurban operating/capital ..... | 41,935,500 | 41,935,500 |
| **GROSS APPROPRIATION ..... | **$ 356,935,500** | **$ 356,935,500** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 39,935,500 | 39,935,500 |
| Special revenue funds: | | |
| Local revenues ..... | 2,000,000 | 2,000,000 |
| Other state restricted revenues ..... | 315,000,000 | 315,000,000 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 20-115. INTERCITY PASSENGER** | | |
| Full-time equated classified positions..... | 41.0 | 41.0 |
| Detroit/Wayne County Port Authority ..... | $ 600,000 | $ 600,000 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Freight property management | 1,300,000 | 1,300,000 |
| Intercity services | 10,865,700 | 10,865,700 |
| Office of rail-41.0 FTE positions | 7,587,000 | 7,587,000 |
| Rail operations and infrastructure | 219,388,500 | 219,388,500 |
| **GROSS APPROPRIATION** | **$ 239,741,200** | **$ 239,741,200** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 106,429,700 | 106,429,700 |
| Special revenue funds: | | |
| Local revenues | 260,000 | 260,000 |
| Private revenues | 4,500,000 | 4,500,000 |
| Other state restricted revenues | 128,551,500 | 128,551,500 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 20-116. PUBLIC TRANSPORTATION DEVELOPMENT** | | |
| Full-time equated classified positions | 4.0 | 4.0 |
| Infrastructure projects authority program | $ 65,000,000 | $ 65,000,000 |
| Intermodal capital | 298,832,200 | 298,832,200 |
| Maritime and ports facility assistance program-4.0 FTE positions | 5,294,700 | 5,294,700 |
| Municipal credit program | 2,000,000 | 2,000,000 |
| Service initiatives | 6,300,000 | 6,300,000 |
| Specialized services | 30,615,900 | 30,615,900 |
| Van pooling | 300,000 | 300,000 |
| **GROSS APPROPRIATION** | **$ 408,342,800** | **$ 408,342,800** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues | 161,672,500 | 161,672,500 |
| Special revenue funds: | | |
| Local revenues | 37,185,000 | 37,185,000 |
| Private revenues | 4,000,000 | 4,000,000 |
| Other state restricted revenues | 205,485,300 | 205,485,300 |
| State general fund/general purpose | $ 0 | $ 0 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **Sec. 20-117. CAPITAL OUTLAY** | | |
| **(1) BUILDINGS AND FACILITIES** | | |
| Special maintenance, remodeling and additions ..... | $ 5,350,500 | $ 5,350,500 |
| Salt storage buildings and containment control ..... | 3,300,000 | 3,300,000 |
| **GROSS APPROPRIATION ..... ** | **$ 8,650,500** | **$ 8,650,500** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 8,650,500 | 8,650,500 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **(2) AIRPORT IMPROVEMENT PROGRAMS** | | |
| Airport safety, protection, and improvement program .. | $ 181,309,800 | $ 181,309,800 |
| Detroit Metropolitan Wayne County Airport ..... | 6,435,000 | 6,630,000 |
| IIJA airport infrastructure grants ..... | 115,000,000 | 115,000,000 |
| **GROSS APPROPRIATION ..... ** | **$ 302,744,800** | **$ 302,939,800** |
| Appropriated from: | | |
| Federal revenues: | | |
| Other federal revenues ..... | 270,000,000 | 270,000,000 |
| Special revenue funds: | | |
| Local revenues ..... | 17,500,000 | 17,500,000 |
| Private revenues ..... | 2,000,000 | 2,000,000 |
| Other state restricted revenues ..... | 13,244,800 | 13,439,800 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 20-118. ONE-TIME APPROPRIATIONS** | | |
| Coloma salt storage building ..... | $ 5,168,100 | $ 0 |
| Facilities capital outlay ..... | 5,600,000 | 0 |
| Great Lakes Tunnel Project - phase II oversight ..... | 4,100,000 | 0 |
| **GROSS APPROPRIATION ..... ** | **$ 14,868,100** | **$ 0** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 14,868,100 | 0 |
| State general fund/general purpose ..... | $ 0 | $ 0 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

**GENERAL SECTIONS**

Sec. 20-201. 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 30,2027 is $6,038,263,400.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is $3,907,129,900.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF TRANSPORTATION

| | |
|---|---|
| Grants to regional planning councils | $ 488,800 |
| Cities and villages | 1,112,369,700 |
| County road commissions | 2,012,101,400 |
| Grants to local programs | 33,000,000 |
| Local agency wetland mitigation bank fund | 2,000,000 |
| Local bridge program | 126,550,900 |
| Local grade separation program | 40,000,000 |
| Movable bridge fund | 3,252,300 |
| Rail grade crossing | 1,500,000 |
| Rail grade crossing - surface improvements | 3,000,000 |
| Forest roads | 5,000,000 |
| Rural county primary | 10,620,800 |
| Rural county urban system | 2,500,000 |
| Target industries/economic redevelopment | 15,339,800 |
| Urban county congestion | 10,620,800 |
| Air service program | 50,000 |
| Local bus operating | 315,000,000 |
| Detroit/Wayne County Port Authority | 600,000 |
| Infrastructure projects authority program | 65,000,000 |
| Intermodal capital | 118,890,600 |
| Municipal credit program | 2,000,000 |

| | |
|---|---|
| Service initiatives | 1,000,000 |
| Specialized services | 13,000,000 |
| Airport safety, protection, and improvement program | 6,809,800 |
| Detroit Metropolitan Wayne County Airport | 6,435,000 |
| TOTAL | $ 3,907,129,900 |

Sec. 20-202. The appropriations under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 20-203. As used in this part and part 1:

(a) "CTF" means comprehensive transportation fund.

(b) "Department" means the state transportation department.

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

(d) "IDG" means interdepartmental grant.

(e) "IIJA" means the infrastructure investment and jobs act, 2021, Public Law 117-58.

(f) "MTF" means Michigan transportation fund.

(g) "SAF" means state aeronautics fund.

(h) "Standard report recipients" means the senate and house appropriations subcommittees on transportation, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

(i) "STF" means state trunkline fund.

Sec. 20-204. A department or agency shall use the internet to fulfill the reporting requirements of this part and shall make each report readily accessible to the public and conspicuously post each required report in a single archivable location on the department's or agency's Michigan.gov website not later than the due date required for each report. In addition to placing all reports required in the current fiscal year on the department's or agency's website, the department or agency shall maintain on its website all reports placed on the website from previous fiscal years posted by fiscal year in the same single archivable location. The department or agency shall also transmit all required reports for the current fiscal year to the standard recipients and any other required recipients by email.

Sec. 20-205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds appropriated in part 1:

(a) The funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 20-206. (1) The department shall maximize utilization of its in-person state workforce. The department shall prioritize occupancy utilization of office space for each division within the department. Employees with job responsibilities that require the employees to serve in their capacities outside of an office shall be monitored each pay period to ensure all work hours reported on the timesheet were actually worked.

(2) The department shall comply with requirements set forth by the office of the state employer on in-person work and utilization and occupancy rates of state buildings to ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to market conditions.

(3) The department shall adhere to civil service rules and regulations that state the standard biweekly work period for a full-time employee in the classified service of this state is the equivalent of 80.0 hours of work. The department shall establish policies and processes to ensure all employees are working their jobs during agreed upon business hours.

Sec. 20-207. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall prepare a report on out of state travel expenses not later than January 1. The report must list all travel by classified and unclassified employees outside this state in the previous fiscal year that was funded in whole or in part with funds appropriated in the department's or agency's budget. The department or agency shall submit the report to the standard report recipients and to the house and senate appropriations committees. The report must include all of the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related expenses of each travel occurrence and the proportions funded with state general fund/general purpose revenues, state restricted

revenues, federal revenues, and other revenues.

Sec. 20-208. Not later than 6 months after the state budget office issues work project letters, a department, agency and the legislature shall submit an annual report that summarizes all work project accounts. The report must include all of the following:

(a) A list of all work project accounts.

(b) The status of all work project accounts, including amounts expended, amounts encumbered, and available balances for each account.

(c) The amount of funds that lapsed from any previously designated work project accounts, the name and description of the work project account, and the funds that received the lapsed amounts.

Sec. 20-209. Not later than December 15, the state budget office shall prepare and submit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the previous fiscal year. The report must summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall submit the report to the standard report recipients and the chairpersons of the senate and house appropriations committees.

Sec. 20-210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $500,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $40,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $11,000,000.00 for private contingency funds. These funds are not available

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

Sec. 20-211. A department or agency shall cooperate with the department of technology, management and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

Sec. 20-212. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of a local health officer.

Sec. 20-213. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving appropriations in part 1 shall take all reasonable steps to ensure geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department or agency contracts to subcontract with certified geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined in Executive Directive No. 2023-1.

Sec. 20-214. The department must provide an annual report to the standard report recipients detailing significant federal policy changes that do, or are expected to significantly impact the operations of the department, including reductions in federal revenue and/or changes that are likely to lead to a reduction in the department's ability to safeguard the health or welfare of the public.

Sec. 20-215. (1) Within 30 days of enactment of this act, the house and senate fiscal agencies shall provide to the state budget office a jointly agreed upon list of legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33 of 2025. The list must include all information and documents pertaining to the funded items

as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

(2) In accordance with section 364(4) of the Management and Budget Act, the department or agency administering the grant shall post a report in a publicly accessible location on its website beginning March 15 of the current fiscal year. The department or agency shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the department has available at the time of posting for grants awarded.

Sec. 20-216. On a quarterly basis, a department or agency receiving appropriations in part 1 shall report on the number of FTEs in pay status by type of staff and civil service classification, including comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTE positions employed by the department or agency at the end of the reporting period. The report must be submitted to the senate and house appropriations committees and to the standard report recipients.

Sec. 20-217. The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal recovery funds that would otherwise lapse after September 30, 2026, are automatically reappropriated for the same purpose as originally authorized and available for expenditure through December 31, 2026, and any subsequent financial close out period.

Sec. 20-218. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

(a) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of corrections.

(b) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of state police.

(2) All applicable guidance, implementation, and reporting provisions of Public Law 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under subsection (1).

(3) The state budget director shall notify the senate and house appropriations committees not later than 10 business days after making any reallocations under subsection (1). The notification must include the authorized program under which funds were originally appropriated, the amount of the reallocation, the program, or programs, or purpose, and the department to which the funds are being reallocated under subsection (1), and the amount reallocated to each program or purpose.

**DEPARTMENTAL ADMINISTRATION AND SUPPORT**

Sec. 20-301. The department may establish a fee schedule and collect fees sufficient to cover the costs to issue the permits that the department is authorized by law to issue on request, unless otherwise stipulated by law. All permit fees are nonrefundable application fees and must be credited to the appropriate fund to recover the direct and indirect costs of receiving, reviewing, and processing the requests.

Sec. 20-304. If, as a requirement of bidding on a highway project, the department requires a contractor to submit financial or proprietary documentation as to how the bid was calculated, the department shall keep that bid documentation confidential and shall not disclose that bid documentation other than to a department representative without the contractor's written consent. The department may disclose the bid documentation if necessary to address or defend a claim by a contractor.

Sec. 20-306. (1) The amounts appropriated in part 1 to support tax and fee collection, law enforcement, and other program services provided to the department and to transportation funds by other state departments must be expended from transportation funds pursuant to annual contracts between the department and those other state departments. The contracts must be executed before the expenditure or obligation of those funds. The contracts must provide, but are not limited to, the following data applicable to each state department:

(a) Estimated costs to be recovered from transportation funds.

(b) Description of services provided to the department and/or transportation funds and financed with transportation funds.

(c) Detailed cost allocation methods appropriate to the type of services being provided and the activities financed with transportation funds.

(2) Not later than 2 months after publication of the state of Michigan annual comprehensive financial report, each state department receiving funding pursuant to an interdepartment contract with the department shall submit a written report to the department, the state budget director, the senate and house fiscal agencies, and the auditor general stating by spending authorization account the amount of estimated funds contracted with the department, the amount of funds expended, the amount of funds returned to the transportation funds, and any unreimbursed transportation-related costs incurred but not billed to transportation funds.

Sec. 20-307. Before March 1, the department shall provide to the standard report recipients its rolling 5-year plan listing by county or by county road commission all highway construction projects for the fiscal year and all expected projects for the ensuing fiscal years.

Sec. 20-310. The department shall post in a timely manner copies of the agenda, approved minutes, and audio recording of state transportation commission meetings.

Sec. 20-313. (1) From funds appropriated in part 1, the department may increase a state infrastructure bank program and grant or loan funds in accordance with regulations of the state infrastructure bank program of the United States Department of Transportation. The department shall administer the state infrastructure bank for the purpose of providing a revolving, self-sustaining resource for financing transportation infrastructure projects.

(2) In addition to funds provided in subsection (1), money received by this state as federal grants, repayment of state infrastructure bank loans, or other reimbursement or revenue received by this state as a result of projects funded by the program and interest earned on that money must be deposited in the revolving state infrastructure bank fund and must be available for transportation infrastructure projects. At the close of the fiscal year, any unencumbered funds remaining in the state infrastructure bank fund remain in the fund and carry forward into the succeeding fiscal year.

(3) The department shall prepare a report on the status of the state infrastructure bank and submit the report to the standard report recipients on or before December 31,

2026. The report must include all of the following:

(a) The balance in the state infrastructure bank on September 30, 2026, including a breakdown of the balance by cash and cash equivalents, outstanding loans, and balance available for loan to local agencies.

(b) A breakdown of the state infrastructure loan balance by amounts originating from federal sources and the amounts originating from nonfederal sources.

(c) A list of outstanding loans by agency, original loan amount, project description, loan term, and amount outstanding.

Sec. 20-314. (1) The MI contracting opportunity loan fund is created within the state treasury.

(2) Funds deposited into the MI contracting opportunity loan fund originally created in section 1003 of article 15 of 2024 PA 121 or money received by the state as repayment of loans or interest earned on loan funds is appropriated and shall be available for future loans.

(3) At the close of the fiscal year, any unencumbered funds remaining in the fund shall be carried forward into the succeeding fiscal year.

Sec. 20-315. The department shall use any additional funds in the moveable bridge fund to cover other costs for any required local federal bridge load analysis, inspection, or other local federal mandate.

Sec. 20-383. (1) The department shall prepare a report on the use of department-owned aircraft during the fiscal year ending September 30, 2026. With respect to each department-owned aircraft, the report must include all of the following:

(a) Total hours of usage.

(b) Description of specific flights, including dates of travel, names of passengers, including state agency, university, or local government affiliation, travel origin and destination, and total estimated costs associated with the air travel.

(2) The department shall submit the report as required under section 205 no later than February 1, 2027.

(3) The department shall maintain a system for recovering the cost of operating department-owned aircraft through charges to aircraft users.

Sec. 20-384. (1) Except as otherwise provided in subsection (2), the department shall not obligate this state to expend any state transportation revenue for construction

planning or construction of the Gordie Howe International Crossing or a renamed successor. In addition, except as provided in subsection (2), the department shall not commit this state to any new contract related to the construction planning or construction of the Gordie Howe International Crossing or a renamed successor that would obligate this state to expend any state transportation revenue. An expenditure for staff resources used in connection with project activities that is subject to full and prompt reimbursement from Canada is not considered an expenditure of state transportation revenue.

(2) If the legislature enacts specific enabling legislation for the construction of the Gordie Howe International Crossing or a renamed successor, subsection (1) does not apply once the enabling legislation goes into effect.

Sec. 20-385. (1) The department shall submit monthly reports to the standard report recipients, the speaker of the house of representatives, the house of representatives minority leader, the senate majority leader, and the senate minority leader on all of the following:

(a) All expenditures made by this state related to the Gordie Howe Bridge.

(b) All reimbursements made by Canada under section 384(1) of this part to this state for expenditures for staff resources used in connection with project activities.

(c) All eminent domain and condemnation powers used, the related real estate involved in any governmental taking, the price paid for those properties, and the beneficiary's name or associated corporation.

(2) The department shall submit the initial report required under subsection (1) on or before December 1. The initial report must cover the prior fiscal year.

Sec. 20-395. From the funds appropriated in part 1 for state trunkline federal aid road and bridge construction, the department may expend up to $10,000,000.00 on highway maintenance activities to support safety-related, high-priority, and other deferred routine maintenance needs on the state trunkline network.

Sec. 20-398. The department shall continue to work to eliminate fatalities and serious injuries on the state trunkline network and shall maintain the Toward Zero Deaths statewide safety campaign.

**MICHIGAN TRANSPORTATION FUND**

Sec. 20-501. The money received under the motor carrier act, 1933 PA 254, MCL 475.1

to 479.42, and not appropriated to the department of licensing and regulatory affairs or the department of state police is deposited in the Michigan transportation fund.

Sec. 20-502. At the close of the fiscal year, any unencumbered and unexpended balance in the movable bridge fund remains in the movable bridge fund and carries forward and is appropriated for the purposes described in section 11g(3)(b) of 1951 PA 51.

Sec. 20-503. (1) At the close of the fiscal year, funds appropriated in part 1 for the transportation economic development program shall lapse to the transportation economic development fund.

(2) At the close of the fiscal year, funds appropriated in part 1 for the local bridge program shall carry forward and are appropriated for the purposes defined in section 10(5) of 1951 PA 51, MCL 247.660.

(3) Interest earned in the transportation economic development fund and local bridge fund shall remain in the respective funds and shall be allocated to the respective programs based on actual interest earned at the end of each fiscal year.

(4) In addition to the funds appropriated in part 1, the transportation economic development fund and local bridge fund may receive federal, local, or private funds or restricted source funds such as interest earnings. These funds are appropriated for projects that are consistent with the purposes of the respective funds.

(5) None of the funds statutorily dedicated to the transportation economic development fund and local bridge fund shall be diverted to other projects.

Sec. 20-504. Funds from the Michigan transportation fund must be distributed to the comprehensive transportation fund, the economic development fund, the recreation improvement fund, and the state trunkline fund, in accordance with this part and part 1 and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108, and may only be used as specified in this part and part 1, 1951 PA 51, MCL 247.651 to 247.675, and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

**STATE TRUNKLINE FUND**

Sec. 20-604. At the close of the fiscal year, any unencumbered and unexpended balance in the state trunkline fund remains in the state trunkline fund and carries forward and is appropriated for federal aid road and bridge programs for projects contained in the annual

state transportation program.

**NEIGHBORHOOD ROADS FUND**

Sec. 20-651. Funds from the neighborhood roads fund must be distributed and are appropriated to the local grade separation fund, comprehensive transportation fund, infrastructure projects authority fund, and the state trunkline fund, in accordance with this part and part 1 and section 13c of 1951 PA 51.

Sec. 20-652. At the close of the fiscal year, any unencumbered and unexpended balance in the neighborhood roads fund not previously allocated under sections (a) through (e) of section 13c(5) of 1951 PA 51 remains in the neighborhood roads fund and carries forward and is appropriated to local road agencies and the state trunkline fund according to section 13c(5) of 1951 PA 51.

**TRANSIT AND RAIL RELATED FUNDS**

Sec. 20-701. The department shall establish an intercity bus equipment and facility fund as a subsidiary fund within the comprehensive transportation fund created under section 10b of 1951 PA 51, MCL 247.660b. Proceeds received by this state from the sale of state-owned intercity bus equipment must be credited to the intercity bus equipment and facility fund for the purchase and repair of intercity bus equipment, as appropriated. Security deposits not returned to a lessee of state-owned intercity bus equipment under terms of the lease agreement must be credited to the intercity bus equipment and facility fund for the repair of intercity bus equipment, as appropriated. Money received by the department from lease payments for state-owned intercity bus equipment, and facility maintenance charges under terms of leases of state-owned intercity facilities, must be credited to the intercity bus equipment and facility fund for the purchase and repair of intercity bus equipment or for the maintenance and rehabilitation of state-owned intercity facilities, as appropriated. At the close of the fiscal year, any funds remaining in the intercity bus equipment and facility fund remain in the fund and are carried forward into the succeeding fiscal year.

Sec. 20-702. Money that is received by this state as repayment for loans made for rail or water freight capital projects, and as a result of the sale of property or equipment used or projected to be used for rail or water freight projects must be deposited

in the rail freight fund created by section 17 of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.67. At the close of the fiscal year, any funds remaining in the rail freight fund remain in the fund and are carried forward into the succeeding fiscal year.

Sec. 20-704. From the funds appropriated in part 1, the department shall prepare and transmit a report that provides detail regarding the department's obligations for programs funded under the appropriation in part 1 for rail operations and infrastructure. The report shall include a breakdown of the appropriation by program, year-to-date obligations under each program itemized by project, and an estimate of future obligations under each program itemized by project for the remainder of the fiscal year. The report shall also include a listing of all active rail-related federal grants. The initial report shall be submitted to the standard report recipients on or before March 1. The department also shall update and resubmit a final report on or before September 30.

Sec. 20-735. For the fiscal year ending September 30, 2027, the appropriation to a street railway pursuant to section 10e(22) of 1951 PA 51, MCL 247.660e, is $0.

**AERONAUTICS FUND**

Sec. 20-801. Except as otherwise provided in section 903 of this part for capital outlay, at the close of the fiscal year, any unobligated and unexpended balance in the state aeronautics fund created in the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1 to 259.208, lapses to the state aeronautics fund and may be appropriated by the legislature in the immediately succeeding fiscal year.

**CAPITAL OUTLAY**

Sec. 20-901. (1) From federal-state-local project appropriations contained in part 1 for the purpose of assisting political entities and subdivisions of this state in the construction and improvement of publicly used airports and landing fields within this state, the state transportation department may permit the award of contracts on behalf of units of local government for the authorized locations not to exceed the indicated amounts, of which the state allocated portion must not exceed the amount appropriated in part 1.

(2) Political entities and subdivisions shall provide not less than 5% of the cost of any project under this section, unless a total nonfederal share less than 10% is otherwise

specified in federal law. State money must not be allocated until local money is allocated. State money for any 1 project must not exceed 1/3 of the total appropriation in part 1 from state funds for airport improvement programs.

(3) The Michigan aeronautics commission may take those steps necessary to match federal money available for airport construction and improvement within this state and to meet the matching requirements of the federal government. Whether acting alone or jointly with another political subdivision or public agency or with this state, a political subdivision or public agency of this state shall not submit to any agency of the federal government a project application for airport planning or development unless it is authorized in this part and part 1 and the project application is approved by the governing body of each political subdivision or public agency making the application and by the Michigan aeronautics commission.

Sec. 20-903. The appropriations in part 1 for capital outlay are carried forward at the end of the fiscal year consistent with the provisions of section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

**ONE-TIME APPROPRIATIONS**

Sec. 20-1001. The unexpended funds appropriated in part 1 for Great Lakes Tunnel project - phase II oversight are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to support planning, construction oversight, and administration of the Great Lakes Tunnel Project by the Mackinac Straits Corridor Authority, in accordance with section 14d of 1952 PA 214, MCL 254.324d.

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

(c) The total estimated cost of the project is $4,100,000.00.

(d) The tentative completion date is September 30, 2031.

## Article 21

## DEPARTMENT OF TREASURY

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 21-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of treasury are appropriated for the fiscal year ending September 30, 2027, and are anticipated to be appropriated for the fiscal year ending September 30, 2028, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| **DEPARTMENT OF TREASURY** | | |
| **APPROPRIATION SUMMARY** | | |
| Full-time equated unclassified positions..... | 10.0 | 10.0 |
| Full-time equated classified positions..... | 1,970.5 | 1,970.5 |
| **GROSS APPROPRIATION .....** | **$ 2,674,364,000** | **$ 2,694,832,200** |
| Total interdepartmental grants and intradepartmental transfers ..... | 12,285,700 | 12,285,700 |
| ADJUSTED GROSS APPROPRIATION ..... | $ 2,662,078,300 | $ 2,682,546,500 |
| Total federal revenues ..... | 25,322,400 | 25,322,400 |
| Total local revenues ..... | 16,204,300 | 16,204,300 |
| Total private revenues ..... | 44,300 | 44,300 |
| Total other state restricted revenues ..... | 2,324,800,500 | 2,345,268,700 |
| State general fund/general purpose ..... | $ 295,706,800 | $ 295,706,800 |
| *State general fund/general purpose schedule:* | | |
| *Ongoing state general fund/general purpose .....* | *295,706,800* | *295,706,800* |
| *One-time state general fund/general purpose .....* | *0* | *0* |
| **Sec. 21-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT** | | |
| Full-time equated unclassified positions..... | 10.0 | 10.0 |
| Full-time equated classified positions..... | 461.5 | 461.5 |
| Unclassified salaries-10.0 FTE positions ..... | $ 1,350,400 | $ 1,350,400 |
| Bureau of accounting and financial services-76.0 FTE positions ..... | 10,382,900 | 10,382,900 |
| Bureau of operational excellence-27.0 FTE positions .. | 4,437,300 | 4,437,300 |
| Collections services bureau-189.0 FTE positions ..... | 29,845,500 | 29,845,500 |
| Enterprise services-77.0 FTE positions ..... | 10,300,500 | 10,300,500 |
| Executive direction and operations-33.5 FTE positions | 5,368,200 | 5,368,200 |
| Office of security and data risk management-27.0 FTE positions ..... | 4,114,400 | 4,114,400 |
| Property management ..... | 6,307,100 | 6,307,100 |
| Unclaimed property-32.0 FTE positions ..... | 5,824,000 | 5,824,000 |
| Worker's compensation ..... | 19,100 | 19,100 |
| **GROSS APPROPRIATION .....** | **$ 77,949,400** | **$ 77,949,400** |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of health and human services ..... | 846,500 | 846,500 |
| IDG from other restricted funding ..... | 7,112,500 | 7,112,500 |
| Federal revenues: | | |
| Other federal revenues ..... | 1,074,400 | 1,074,400 |
| Special revenue funds: | | |
| Local revenues ..... | 140,500 | 140,500 |
| Other state restricted revenues ..... | 54,433,900 | 54,433,900 |
| State general fund/general purpose ..... | $ 14,341,600 | $ 14,341,600 |
| **Sec. 21-103. LOCAL GOVERNMENT PROGRAMS** | | |
| Full-time equated classified positions..... | 102.0 | 102.0 |
| Flint settlement payment ..... | $ 35,000,000 | $ 35,000,000 |
| Local finance-18.0 FTE positions ..... | 2,633,600 | 2,633,600 |
| Michigan infrastructure council-3.0 FTE positions .... | 3,039,000 | 3,039,000 |
| Property tax assessor training-1.0 FTE position ..... | 802,900 | 802,900 |
| Supervision of the general property tax law-80.0 | | |
| FTE positions ..... | 18,843,800 | 18,843,800 |
| **GROSS APPROPRIATION ..... | **$ 60,319,300** | **$ 60,319,300** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of transportation ..... | 256,600 | 256,600 |
| Special revenue funds: | | |
| Local revenues ..... | 1,574,500 | 1,574,500 |
| Other state restricted revenues ..... | 4,383,400 | 4,383,400 |
| State general fund/general purpose ..... | $ 54,104,800 | $ 54,104,800 |
| **Sec. 21-104. TAX PROGRAMS** | | |
| Full-time equated classified positions..... | 756.0 | 756.0 |
| Bottle act implementation ..... | $ 250,000 | $ 250,000 |
| Home heating assistance ..... | 3,139,700 | 3,139,700 |
| Insurance provider assessment program-8.0 | | |
| FTE positions ..... | 2,253,900 | 2,253,900 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Living donor tax credit ..... | 750,000 | 750,000 |
| Office of revenue and tax analysis-25.0 FTE positions | 4,933,600 | 4,933,600 |
| Tax administration services-362.0 FTE positions ..... | 48,457,200 | 48,457,200 |
| Tax and economic policy-74.0 FTE positions ..... | 14,251,000 | 14,251,000 |
| Tax compliance-266.0 FTE positions ..... | 43,174,200 | 43,174,200 |
| Tobacco tax enforcement-21.0 FTE positions ..... | 3,110,900 | 3,110,900 |
| **GROSS APPROPRIATION ..... | **$ 120,320,500** | **$ 120,320,500** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of transportation ..... | 3,020,100 | 3,020,100 |
| Federal revenues: | | |
| Other federal revenues ..... | 3,139,700 | 3,139,700 |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 88,801,200 | 88,801,200 |
| State general fund/general purpose ..... | $ 25,359,500 | $ 25,359,500 |
| **Sec. 21-105. FINANCIAL PROGRAMS** | | |
| Full-time equated classified positions..... | 134.0 | 134.0 |
| Investments-81.0 FTE positions ..... | $ 23,031,900 | $ 23,031,900 |
| Saving, access and financial empowerment-34.0 | | |
| FTE positions ..... | 20,518,100 | 20,518,100 |
| State and authority finance-19.0 FTE positions ..... | 4,816,100 | 4,816,100 |
| **GROSS APPROPRIATION ..... | **$ 48,366,100** | **$ 48,366,100** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from other restricted funding ..... | 215,600 | 215,600 |
| Federal revenues: | | |
| Other federal revenues ..... | 20,518,100 | 20,518,100 |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 27,079,600 | 27,079,600 |
| State general fund/general purpose ..... | $ 552,800 | $ 552,800 |
| **Sec. 21-106. DEBT SERVICE** | | |
| Clean Michigan initiative ..... | $ 7,098,000 | $ 7,098,000 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Great Lakes water quality bond | 89,761,000 | 89,761,000 |
| Quality of life bond | 620,000 | 620,000 |
| **GROSS APPROPRIATION** | **$ 97,479,000** | **$ 97,479,000** |
| Appropriated from: | | |
| Special revenue funds: | | |
| State general fund/general purpose | $ 97,479,000 | $ 97,479,000 |
| **Sec. 21-107. GRANTS** | | |
| Convention facility development distribution | $ 128,730,700 | $ 128,730,700 |
| Election administration support fund | 20,255,500 | 20,255,500 |
| Emergency 911 payments | 49,147,300 | 49,147,300 |
| Health and safety fund grants | 1,220,900 | 1,220,900 |
| Qualified heavy equipment rental personal property exemption reimbursement distribution | 27,000,000 | 27,000,000 |
| Recreational marihuana grants | 94,300,000 | 94,300,000 |
| Senior citizen cooperative housing tax exemption program | 12,525,400 | 12,525,400 |
| Wrongful imprisonment compensation fund | 10,000,000 | 10,000,000 |
| **GROSS APPROPRIATION** | **$ 343,179,800** | **$ 343,179,800** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues | 300,398,900 | 300,398,900 |
| State general fund/general purpose | $ 42,780,900 | $ 42,780,900 |
| **Sec. 21-108. BUREAU OF STATE LOTTERY** | | |
| Full-time equated classified positions | 210.0 | 210.0 |
| Lottery information technology services and projects | $ 3,886,200 | $ 3,886,200 |
| Lottery operations-210.0 FTE positions | 35,031,100 | 35,031,100 |
| **GROSS APPROPRIATION** | **$ 38,917,300** | **$ 38,917,300** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues | 38,917,300 | 38,917,300 |
| State general fund/general purpose | $ 0 | $ 0 |
| **Sec. 21-109. MICHIGAN GAMING CONTROL BOARD** | | |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| Full-time equated classified positions..... | 227.0 | 227.0 |
| Casino gaming control operations-201.0 FTE positions . | $ 44,067,300 | $ 44,067,300 |
| Gaming control information technology services and projects ..... | 6,015,900 | 6,015,900 |
| Horse racing-6.0 FTE positions ..... | 2,169,700 | 2,169,700 |
| Michigan gaming control board ..... | 113,500 | 113,500 |
| Millionaire party regulation-20.0 FTE positions ..... | 3,302,100 | 3,302,100 |
| **GROSS APPROPRIATION ..... | **$ 55,668,500** | **$ 55,668,500** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 55,668,500 | 55,668,500 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 21-110. PAYMENTS IN LIEU OF TAXES** | | |
| Commercial forest reserve ..... | $ 3,603,900 | $ 3,603,900 |
| Purchased lands ..... | 14,201,700 | 14,201,700 |
| Swamp and tax reverted lands ..... | 23,977,800 | 23,977,800 |
| **GROSS APPROPRIATION ..... | **$ 41,783,400** | **$ 41,783,400** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Private revenues ..... | 44,300 | 44,300 |
| Other state restricted revenues ..... | 8,848,800 | 8,848,800 |
| State general fund/general purpose ..... | $ 32,890,300 | $ 32,890,300 |
| **Sec. 21-111. REVENUE SHARING** | | |
| City, village, and township revenue sharing ..... | $ 333,547,300 | $ 333,547,300 |
| Constitutional state general revenue sharing grants .. | 1,045,337,700 | 1,068,305,900 |
| County revenue sharing ..... | 291,111,400 | 291,111,400 |
| Financially distressed cities, villages, or townships | 2,500,000 | 2,500,000 |
| Public safety revenue sharing grants ..... | 50,000,000 | 50,000,000 |
| **GROSS APPROPRIATION ..... | **$ 1,722,496,400** | **$ 1,745,464,600** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Sales tax ..... | 1,722,496,400 | 1,745,464,600 |

| | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 21-112. STATE BUILDING AUTHORITY** | | |
| Full-time equated classified positions..... | 4.0 | 4.0 |
| State building authority-4.0 FTE positions ..... | $ 1,034,800 | $ 1,034,800 |
| **GROSS APPROPRIATION ..... ** | **$ 1,034,800** | **$ 1,034,800** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Other state restricted revenues ..... | 1,034,800 | 1,034,800 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 21-113. CITY INCOME TAX ADMINISTRATION PROGRAM** | | |
| Full-time equated classified positions..... | 76.0 | 76.0 |
| City income tax administration program-76.0 FTE positions ..... | $ 12,214,800 | $ 12,214,800 |
| **GROSS APPROPRIATION ..... ** | **$ 12,214,800** | **$ 12,214,800** |
| Appropriated from: | | |
| Special revenue funds: | | |
| Local revenues ..... | 12,214,800 | 12,214,800 |
| State general fund/general purpose ..... | $ 0 | $ 0 |
| **Sec. 21-114. INFORMATION TECHNOLOGY** | | |
| Treasury operations information technology services and projects ..... | $ 52,134,700 | $ 52,134,700 |
| **GROSS APPROPRIATION ..... ** | **$ 52,134,700** | **$ 52,134,700** |
| Appropriated from: | | |
| Interdepartmental grant revenues: | | |
| IDG from department of transportation ..... | 834,400 | 834,400 |
| Federal revenues: | | |
| Other federal revenues ..... | 590,200 | 590,200 |
| Special revenue funds: | | |
| Local revenues ..... | 2,274,500 | 2,274,500 |
| Other state restricted revenues ..... | 20,237,700 | 20,237,700 |
| State general fund/general purpose ..... | $ 28,197,900 | $ 28,197,900 |
| **Sec. 21-115. ONE-TIME APPROPRIATIONS** | | |

| | | For Fiscal Year Ending Sept. 30, 2027 | For Fiscal Year Ending Sept. 30, 2028 |
|---|---|---|---|
| 1 | Gaming control information technology services | | |
| 2 | and projects ..... | $ 2,500,000 | $ 0 |
| 3 | **GROSS APPROPRIATION ..... | **$ 2,500,000** | **$ 0** |
| 4 | Appropriated from: | | |
| 5 | Special revenue funds: | | |
| 6 | Other state restricted revenues ..... | 2,500,000 | 0 |
| 7 | State general fund/general purpose ..... | $ 0 | $ 0 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2027

**GENERAL SECTIONS**

Sec. 21-201. 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 30,2027 is $2,620,507,300.00 and state spending from state sources to be paid to local units of government for fiscal year 2027 is $2,123,175,100.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF TREASURY

| | |
|---|---|
| Convention facility development distribution | $ 128,730,700 |
| Emergency 911 payments | 49,118,600 |
| Health and safety fund grants | 1,220,900 |
| Qualified heavy equipment rental personal property exemption reimbursement distribution | 27,000,000 |
| Recreational marihuana grants | 94,300,000 |
| Senior citizen cooperative housing tax exemption program | 12,525,100 |
| Commercial forest reserve | 3,603,900 |
| Purchased lands | 14,201,700 |
| Swamp and tax reverted lands | 23,977,800 |
| City, village, and township revenue sharing | 333,547,300 |
| Constitutional state general revenue sharing grants | 1,045,337,700 |
| County revenue sharing | 291,111,400 |
| Financially distressed cities, villages, or townships | 2,500,000 |
| Public safety revenue sharing grants | 50,000,000 |
| Airport parking distribution | 46,000,000 |
| TOTAL | $ 2,123,175,100 |

Sec. 21-202. The appropriations under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 21-203. As used in this part and part 1:

(a) "Department" means the department of treasury.

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

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

(d) "IDG" means interdepartmental grant.

(e) "JCOS" means the joint capital outlay subcommittee.

(f) "MDHHS" means the Michigan department of health and human services.

(g) "MDSP" means the Michigan department of state police.

(h) "MEGA" means the Michigan economic growth authority.

(i) "MFA" means the Michigan finance authority.

(j) "MSF" means the Michigan strategic fund.

(k) "Standard report recipients" means the senate and house appropriations subcommittees on general government, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 21-204. A department or agency shall use the internet to fulfill the reporting requirements of this part and shall make each report readily accessible to the public and conspicuously post each required report in a single archivable location on the department's or agency's Michigan.gov website not later than the due date required for each report. In addition to placing all reports required in the current fiscal year on the department's or agency's website, the department or agency shall maintain on its website all reports placed on the website from previous fiscal years posted by fiscal year in the same single archivable location. The department or agency shall also transmit all required reports for the current fiscal year to the standard recipients and any other required recipients by email.

Sec. 21-205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to the expenditure of funds appropriated in part 1:

(a) The funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively

priced and of comparable quality.

Sec. 21-206. (1) The department shall maximize utilization of its in-person state workforce. The department shall prioritize occupancy utilization of office space for each division within the department. Employees with job responsibilities that require the employees to serve in their capacities outside of an office shall be monitored each pay period to ensure all work hours reported on the timesheet were actually worked.

(2) The department shall comply with requirements set forth by the office of the state employer on in-person work and utilization and occupancy rates of state buildings to ensure in-person work is optimized and occupancy rates are 80 percent or higher, subject to market conditions.

(3) The department shall adhere to civil service rules and regulations that state the standard biweekly work period for a full-time employee in the classified service of this state is the equivalent of 80.0 hours of work. The department shall establish policies and processes to ensure all employees are working their jobs during agreed upon business hours.

Sec. 21-207. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, each department and agency receiving appropriations in part 1 shall prepare a report on out of state travel expenses not later than January 1. The report must list all travel by classified and unclassified employees outside this state in the previous fiscal year that was funded in whole or in part with funds appropriated in the department's or agency's budget. The department or agency shall submit the report to the standard report recipients and to the house and senate appropriations committees. The report must include all of the following information:

(a) The dates of each travel occurrence.

(b) The total transportation and related expenses of each travel occurrence and the proportions funded with state general fund/general purpose revenues, state restricted revenues, federal revenues, and other revenues.

Sec. 21-208. Not later than 6 months after the state budget office issues work project letters, a department, agency and the legislature shall submit an annual report that summarizes all work project accounts. The report must include all of the following:

(a) A list of all work project accounts.

(b) The status of all work project accounts, including amounts expended, amounts encumbered, and available balances for each account.

(c) The amount of funds that lapsed from any previously designated work project accounts, the name and description of the work project account, and the funds that received the lapsed amounts.

Sec. 21-209. Not later than December 15, the state budget office shall prepare and submit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the previous fiscal year. The report must summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The state budget office shall submit the report to the standard report recipients and the chairpersons of the senate and house appropriations committees.

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

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

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $200,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $40,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 21-211. A department or agency shall cooperate with the department of technology, management and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

Sec. 21-212. (1) Funds appropriated in part 1 must not be used to restrict or impede a marginalized community's access to government resources, programs, or facilities.

(2) From the funds appropriated in part 1, local governments shall report any action or policy that attempts to restrict or interfere with the duties of a local health officer.

Sec. 21-213. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director of each department or agency receiving appropriations in part 1 shall take all reasonable steps to ensure geographically disadvantaged business enterprises compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department or agency contracts to subcontract with certified geographically disadvantaged business enterprises for services, supplies, or both. As used in this section, "geographically disadvantaged business enterprises" means that term as defined in Executive Directive No. 2023-1.

Sec. 21-214. The department must provide an annual report to the standard report recipients detailing significant federal policy changes that do, or are expected to significantly impact the operations of the department, including reductions in federal revenue and/or changes that are likely to lead to a reduction in the department's ability to safeguard the health or welfare of the public.

Sec. 21-215. (1) Within 30 days of enactment of this act, the house and senate fiscal agencies shall provide to the state budget office a jointly agreed upon list of legislatively directed spending items funded in part 1 as defined in Public Acts 32 and 33 of 2025. The list must include all information and documents pertaining to the funded items as publicly disclosed in accordance with Public Acts 32 and 33 of 2025.

(2) In accordance with section 364(4) of the Management and Budget Act, the department or agency administering the grant shall post a report in a publicly accessible location on its website beginning March 15 of the current fiscal year. The department or agency shall update the report and shall post an updated report not later than June 15 of the current fiscal year and again not later than September 15 of the current fiscal year. The department shall include in the report the most comprehensive information the

department has available at the time of posting for grants awarded.

Sec. 21-216. On a quarterly basis, a department or agency receiving appropriations in part 1 shall report on the number of FTEs in pay status by type of staff and civil service classification, including comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTE positions employed by the department or agency at the end of the reporting period. The report must be submitted to the senate and house appropriations committees and to the standard report recipients.

Sec. 21-217. The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. Any state fiscal recovery funds that would otherwise lapse after September 30, 2026, are automatically reappropriated for the same purpose as originally authorized and available for expenditure through December 31, 2026, and any subsequent financial close out period.

Sec. 21-218. (1) The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. The state budget director may reallocate appropriated funds for the purpose of fully utilizing state fiscal recovery funds that are in jeopardy of not meeting the expenditure deadline for reasons that may include, but are not limited to, completed projects coming in under budget or funds unable to be fully used by subrecipients. The state budget director shall reallocate any of the funds reallocated under this subsection to the programs or purposes specified in this section. Any funds reallocated are unappropriated and immediately reappropriated for the following purposes:

(a) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of corrections.

(b) To reclassify general fund/general purpose appropriations for payroll and covered benefits for eligible public health and safety employees at the department of state police.

(2) All applicable guidance, implementation, and reporting provisions of Public Law 117-2 must be followed for state fiscal recovery funds reallocated and reappropriated under subsection (1).

(3) The state budget director shall notify the senate and house appropriations committees not later than 10 business days after making any reallocations under subsection

(1). The notification must include the authorized program under which funds were originally appropriated, the amount of the reallocation, the program, or programs, or purpose, and the department to which the funds are being reallocated under subsection (1), and the amount reallocated to each program or purpose.

Sec. 21-230. Funds appropriated in part 1 must not be used by this state or a department, agency, or authority of this state to purchase an ownership interest in a casino enterprise or a gambling operation as those terms are defined in the Michigan Gaming Control and Revenue Act, 1996 IL 1, MCL 432.201 to 432.226.

**DEPARTMENT OF TREASURY OPERATIONS**

Sec. 21-902. (1) Amounts needed to pay for interest, fees, principal, mandatory and optional redemptions, arbitrage rebates as required by federal law, and costs associated with the payment, registration, trustee services, credit enhancements, and issuing costs in excess of the amount appropriated to the department in part 1 for debt service on notes and bonds that are issued by this state under sections 14, 15, or 16 of article IX of the state constitution of 1963, as implemented by 1967 PA 266, MCL 17.451 to 17.455, are appropriated.

(2) In addition to the amount appropriated to the department for debt service in part 1, there is appropriated an amount for fiscal year cash-flow borrowing costs to pay for interest on interfund borrowing authorized under 1967 PA 55, MCL 12.51 to 12.53.

(3) In addition to the amount appropriated to the department for debt service in part 1, all repayments received by this state on loans made from the school bond loan fund that the state treasurer determines are not required to be deposited in the school loan revolving fund under section 4 of 1961 PA 112, MCL 388.984, are appropriated to the department for the payment of debt service, including, but not limited to, optional and mandatory redemptions, on bonds, notes, or commercial paper issued by this state under 1961 PA 112, MCL 388.981 to 388.985.

Sec. 21-902b. As a condition of receiving the appropriations in part 1, not later than 30 days after the state of Michigan annual comprehensive financial report under section 494 of the management and budget act, 1984 PA 431, MCL 18.1494, is published, the department shall submit a report to the standard report recipients on all funds that are controlled or administered by the department and not appropriated in part 1. The current

and all previous reports prepared as required under this section must be saved and made available on the department's public website and stored in a common location with all other reports that the department is required by law to prepare. The link to the location of the reports must be clearly indicated on the main page of the department's internet website. The report must include all of the following information for each fund for the immediately preceding fiscal year:

(a) The starting balance.

(b) Total revenue generated by transfers in and investments.

(c) Total expenditures.

(d) The ending balance.

Sec. 21-903. (1) From the funds appropriated in part 1, the department may contract for services to support collection of taxes and other accounts due this state or due a city for which the department has entered into an agreement to provide tax administration services. In addition to the amounts appropriated in part 1 to the department, there are appropriated amounts necessary to fund the cost of these collections, including infrastructure costs. The additional amounts appropriated under this subsection must not exceed 25% of the collections or 2.5% plus operating costs, as applicable. Each contract must prescribe the applicable amount. The amounts appropriated to fund collection costs and fees under this subsection are appropriated from the fund or account to which the corresponding taxes and other accounts being collected are recorded or dedicated. However, if the taxes and other accounts collected are dedicated for a specific purpose under the state constitution of 1963, the amounts appropriated under this subsection are appropriated from the general purpose account of the general fund.

(2) From the funds appropriated in part 1, the department may contract for services to collect defaulted student loans and other accounts due the Michigan guaranty agency. In addition to the amounts appropriated in part 1 to the department, there are appropriated amounts necessary to fund collection costs and fees not to exceed 24.34% of the collection or a lesser amount as prescribed by the contract. The amounts appropriated under this subsection are appropriated from the fund or account to which the revenues being collected are recorded or dedicated.

(3) By November 30, the department shall submit a report to the standard report recipients and the senate and house of representatives standing committees on

appropriations. The report must include all of the following information for the immediately preceding fiscal year:

(a) The name of any entity that the department contracted with under subsection (1) or (2).

(b) The amount collected under each contract.

(c) The costs of collection under each contract.

(d) Any other information that is pertinent to determining whether the authority described in subsection (1) or (2) should be continued.

Sec. 21-904. (1) The bureau of investments of the department may charge an investment service fee against the applicable retirement funds. The revenue from the investment service fees charged under this subsection may be expended for necessary salaries, wages, contractual services, supplies, materials, equipment, travel, worker's compensation insurance premiums, and grants to the civil service commission retirement fund and the state employees' retirement fund. If the bureau of investments of the department charges a total amount of investment service fees under this subsection that is greater than the aggregate amount appropriated in part 1, the bureau of investments of the department shall periodically repay the surplus revenue to the applicable retirement funds. The department shall maintain accounting records in sufficient detail to enable repayment under this subsection.

(2) In addition to the funds appropriated in part 1 from the retirement funds to the department, there is appropriated from retirement funds an amount sufficient to pay for the services of money managers, investment advisors, investment consultants, custodians, or other outside professionals that the state treasurer considers necessary to prudently manage the retirement funds' investment portfolios. The state treasurer shall submit an annual report to the standard report recipients and the senate and house of representatives standing committees on appropriations regarding the performance of each portfolio delineated by investment advisor.

(3) Not later than November 30, the department shall submit a report to the standard report recipients that identifies the service fees assessed against each retirement system under subsection (1) and the methodology used for assessment.

Sec. 21-904a. (1) There is appropriated an amount sufficient to recognize and pay expenditures for financial services provided by financial institutions or equivalent

vendors that perform these financial services, including the department, as provided under section 1 of 1861 PA 111, MCL 21.181.

(2) The appropriations under subsection (1) must be funded by restricting revenues from common cash interest earnings and investment earnings in an amount sufficient to cover these expenditures. If the amounts of common cash interest earnings are insufficient to cover these expenditures, miscellaneous revenues must be used to fund the remaining balance of these expenditures.

Sec. 21-905. The municipal finance fee fund is created in the department as a revolving fund. The department shall deposit the fees that the department collects under the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, into the municipal finance fee fund. The money in the fund at the end of the fiscal year may be carried forward for future appropriation.

Sec. 21-906. (1) The department shall charge for audits as allowed under state or federal law or under a contract between the department and a local unit of government, other principal executive department, or state agency. However, the department shall not charge more than the actual cost for performing the audit. Not later than November 30, the department shall submit a report to the standard report recipients that includes details of the audits performed and audit charges for the immediately preceding fiscal year.

(2) The audit charges fund is created in the department as a revolving fund. The department shall deposit the contractual charges collected under subsection (1) into the audit charges fund. The money in the fund at the end of the fiscal year may be carried forward for future appropriation.

Sec. 21-907. (1) The department shall create and operate a property assessor certification and training program. The purpose of the program is to offer courses in assessment administration.

(2) The assessor certification and training fund is created in the department as a revolving fund. The department shall use the money in the assessor certification and training fund to create and operate the property assessor certification and training program described in subsection (1).

(3) Each participant in the program shall pay to the department an examination fee not to exceed $50.00 per examination and a certification fee not to exceed $175.00. In addition, each participant shall pay a fee to cover the expenses incurred in offering the

program to certified assessing personnel and other individuals interested in an assessment career opportunity. The department shall deposit the fees collected under this subsection into the property assessor certification and training program fund.

Sec. 21-908. The amount appropriated in part 1 for the home heating assistance program is to cover the costs, including data processing, of administering federal home heating credits to eligible claimants and of administering the supplemental fuel cost payment program for eligible tax credit and welfare recipients.

Sec. 21-909. Revenue from the airport parking tax act, 1987 PA 248, MCL 207.371 to 207.383, is appropriated and must be distributed in accordance with section 7a of the airport parking tax act, 1987 PA 248, MCL 207.377a.

Sec. 21-910. The disbursement by the department from the bottle deposit fund to dealers as required by section 3c(3) of 1976 IL 1, MCL 445.573c, is appropriated.

Sec. 21-911. (1) There is appropriated an amount sufficient to recognize and pay refundable tax credits, tax refunds, and interest as provided by law.

(2) The appropriations under subsection (1) must be funded by restricting tax revenue in an amount sufficient to cover these expenditures.

Sec. 21-912. A plaintiff in a garnishment action involving this state shall pay to the state treasurer 1 of the following:

(a) A fee of $6.00 at the time a writ of garnishment of periodic payments is served on the state treasurer, as provided in section 4012 of the revised judicature act of 1961, 1961 PA 236, MCL 600.4012.

(b) A fee of $6.00 at the time any other writ of garnishment is served on the state treasurer. However, the fee must be reduced to $5.00 for each writ of garnishment for individual income tax refunds or credits that is filed electronically.

Sec. 21-913. (1) The department may contract with private firms to appraise and, if necessary, appeal the assessments of senior citizen cooperative housing units. Payment for this service must be made from the savings that result from the appraisal or appeal process being conducted by private firms.

(2) The department may use a portion of the funds appropriated in part 1 for the senior citizen cooperative housing tax exemption program for an audit of the program. The department shall submit copies of any completed audit report to the standard report recipients. The department may use not more than 1% of the funds for administering and

auditing the program.

Sec. 21-914. The department may provide a $200.00 annual prize from the Ehlers internship award account in the gifts, bequests, and deposit fund to the runner-up of the Rosenthal prize for interns. The Ehlers internship award account is interest bearing.

Sec. 21-915. As required under section 61 of the Michigan campaign finance act, 1976 PA 388, MCL 169.261, there is appropriated from the general fund to the state campaign fund an amount equal to the amounts designated for the 2025 tax year. Except as otherwise provided in this section, the amount appropriated does not revert to the general fund and remains in the state campaign fund. Any amount that remains in the state campaign fund in excess of $10,000,000.00 on December 31 reverts to the general fund.

Sec. 21-916. (1) The department may make available to an interested entity a customized list of otherwise unavailable nonconfidential information regarding unclaimed property that is in the department's possession. The department shall charge for this information as follows:

(a) For 1 to 100,000 records, 2.5 cents per record.

(b) For 100,001 or more records, 0.5 cents per record.

(2) The revenue received under subsection (1) must be deposited in the revenue account or fund that is associated with the applicable unclaimed property.

(3) Not later than June 1, the department shall submit a report to the standard report recipients and the senate and house of representatives standing committees on appropriations that states the amount of revenue received from the sale of the information under this section.

Sec. 21-917. (1) There is appropriated for write-offs and advances an amount equal to total write-offs and advances for departmental programs. The amount appropriated under this subsection must not exceed current year authorizations that would otherwise lapse to the general fund.

(2) Not later than 30 days after the annual comprehensive financial report is published, the department shall submit a report to the standard report recipients. The report must include all of the following information for the immediately preceding fiscal year:

(a) The amounts appropriated for write-offs and advances under subsection (1).

(b) An explanation for each write-off or advance under subsection (1).

Sec. 21-919. (1) From funds appropriated in part 1, the department may contract with private auditing firms to audit for and collect unclaimed property due this state in accordance with the uniform unclaimed property act, 1995 PA 29, MCL 567.221 to 567.265. In addition to the amounts appropriated in part 1 to the department, there are appropriated amounts necessary to fund auditing and collection costs and fees not to exceed 12% of the collections or a lesser amount as prescribed by the applicable contract. The appropriation to fund collection costs and fees for the auditing and collection of unclaimed property due this state is from the fund or account to which the revenues being collected are recorded or dedicated.

(2) Not later than November 30, the department shall submit a report to the standard report recipients and the senate and house of representatives standing committees on appropriations. The report must include all of the following information for the immediately preceding fiscal year:

(a) The name of each auditing firm that the department contracted with under subsection (1).

(b) The amount collected by each of the auditing firms.

(c) The costs of collection.

(d) Any other information that is pertinent to determining whether the authority under subsection (1) should be continued.

Sec. 21-920. Not later than June 30, from the funds appropriated in part 1, the department shall do both of the following:

(a) Produce a list of all personal property tax reimbursement payments to be distributed in the current fiscal year by the local community stabilization authority.

(b) Post the list produced under subdivision (a) on the department's public website.

Sec. 21-921. From the funds appropriated in part 1, the department shall, for each revenue administrative bulletin, administrative rule that involves tax administration or collection, and notice interpreting a change in law, submit a notification to every member of the legislature. The department shall submit the notification not later than 3 days after the department posts the notification. Each notification must include all of the following:

(a) A summary of the proposed changes from current procedures.

(b) Identification of industries that will or might be affected by the bulletin,

rule, or notice.

(c) A statement of the potential fiscal implications of the bulletin, rule, or notice. This subdivision does not apply to a bulletin, rule, or notice that is a routine update of a tax or interest rate required by statute.

(d) A summary of the reason for the proposed change.

Sec. 21-924. (1) In addition to the funds appropriated in part 1, the department may receive and expend principal residence audit fund revenue for administration of principal residence audits under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155.

(2) Not later than December 31, the department shall submit a report to the standard report recipients that includes the amount of exemptions denied and the revenue received under the program described in subsection (1) for the immediately preceding fiscal year.

Sec. 21-927. The department shall submit a progress report regarding essential service assessment audits to the standard report recipients. The report must include all of the following:

(a) The number of audits.

(b) The revenue generated from the audits.

(c) The number of complaints received by the department related to the audits.

Sec. 21-928. The department may provide receipt, check and cash processing, data, collection, investment, fiscal agent, levy and check cost assessment, writ of garnishment, and other user services on a contractual basis for other principal executive departments and state agencies. Funds for the services provided are appropriated and must be expended for salaries, wages, fees, supplies, and equipment necessary to provide the services. Money in the fund that is unobligated at the end of the fiscal year lapses to the general fund.

Sec. 21-930. (1) The department shall provide accounts receivable collections services to other principal executive departments and state agencies in accordance with 1927 PA 375, MCL 14.131 to 14.134, or to a city with which the department has contracted to provide tax administration services. The department shall deduct a fee equal to the cost of collections from all receipts except for unrestricted general fund collections. Fees must be credited to a restricted revenue account and are appropriated to the department to pay for the cost of collections. If the department deducts fees under this subsection that total an amount that is greater than the actual cost of the collections, the department shall periodically repay the surplus to the respective account. The department shall

maintain accounting records in sufficient detail to enable repayment under this subsection.

(2) Not later than November 30, the department shall submit a report to the standard report recipients that includes the following information regarding subsection (1) for the immediately preceding fiscal year:

(a) The principal executive departments and state agencies served.

(b) The funds collected.

(c) The costs of collection.

Sec. 21-931. (1) Except as otherwise provided in this subsection, the appropriation in part 1 to the department for treasury fees must be assessed against all restricted funds that receive common cash earnings or other investment income. This subsection does not apply to federal or state restricted funds that are temporary in nature or otherwise do not qualify to be assessed treasury fees. The fee assessed against each restricted fund must be based on the size of the restricted fund, calculated as the absolute value of the average daily cash balance plus the market value of investments in the immediately preceding fiscal year, and the level of resources necessary to maintain the restricted fund as required by each department. Not later than November 30, the department shall submit a report to the standard report recipients that identifies the fees assessed against each restricted fund and the methodology used for the assessment.

(2) In addition to the funds appropriated in part 1, the department may receive and expend investment fees that are related to new restricted funding sources that participate in common cash earnings or other investment income during the current fiscal year.

(3) As used in this section, "treasury fees" includes all costs, including administrative overhead, that are related to the investment of a restricted fund.

Sec. 21-932. The board of directors of the Michigan education trust may expend revenue received under the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1442, for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, and grants to the civil service commission retirement fund and the state employees' retirement fund.

Sec. 21-934. The department may expend revenues received under the hospital finance authority act, 1969 PA 38, MCL 331.31 to 331.84, the shared credit rating act, 1985 PA 227, MCL 141.1051 to 141.1076, the higher education facilities authority act, 1969 PA 295, MCL 390.921 to 390.934, the Michigan public educational facilities authority, Executive

Reorganization Order No. 2002-3, MCL 12.192, the Michigan tobacco settlement finance authority act, 2005 PA 226, MCL 129.261 to 129.279, the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774, part 505 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.50501 to 324.50522, the state housing development authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c, and the MFA, Executive Reorganization Order No. 2010-2, MCL 12.194, for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, grants to the civil service commission retirement fund and the state employees' retirement fund, and other expenses as allowed under those acts or executive reorganization orders.

Sec. 21-935. The position of student loan ombudsman is created in the department's advocacy services team. The student loan ombudsman serves as an advocate for borrowers and shall work with the financial resource navigator within the department of lifelong learning and potential to provide technical assistance to individuals taking out or paying off student loans.

Sec. 21-936. Revenue collected in the state forensic laboratory fund is appropriated and shall be distributed in accordance with section 7 of the forensic laboratory funding act, 1994 PA 35, MCL 12.207.

Sec. 21-937. As a condition of receiving funds in part 1, not later than March 31, the department shall submit a report to the standard report recipients and the senate and house standing committees on appropriations regarding the department's collection efforts for delinquent accounts. The report must include all of the following:

(a) Information regarding the effectiveness of the department's current collection strategies, including the use of vendors or contractors.

(b) The amount of delinquent accounts.

(c) The liquidation rates for declining delinquent accounts.

(d) The profile of uncollected delinquent accounts, including specific uncollected amounts by category.

(e) The department's strategy to manage delinquent accounts when those accounts exceed the collectible period.

(f) A summary of the strategies used in other states, including, but not limited to, secondary placement services, and assessing the benefits of those strategies.

Sec. 21-938. Revenue collected in the qualified heavy equipment rental personal

property exemption reimbursement fund is appropriated and must be distributed in accordance with section 9 of the qualified heavy equipment rental personal property specific tax act, 2022 PA 35, MCL 211.1129.

Sec. 21-939. Revenue deposited in the local government reimbursement fund is appropriated and must be distributed in accordance with section 3a of the Michigan trust fund act, 2000 PA 489, MCL 12.253a.

Sec. 21-940. (1) The election administration support fund is created in the state treasury.

(2) Any unexpended funds in the election administration support fund must be carried forward and are available for expenditure under this section.

(3) Funds may be spent from the election administration support fund only on appropriation, or legislative transfer pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) The state treasurer may receive money or other assets from any source for deposit in the election administration support fund. The state treasurer shall direct the investment of the election administration support fund. The state treasurer shall credit to the election administration support fund interest and earnings from the election administration support fund.

(5) Funds in the election administration support fund at the close of the fiscal year remain in the election administration support fund and do not lapse to the general fund.

(6) Funds appropriated in part 1 for election administration support fund must be deposited in the election administration support fund.

Sec. 21-941. (1) Not later than November 1, from the funds appropriated in part 1, the department, in conjunction with the MSF, shall submit a report to the standard report recipients and the senate and house of representatives standing committees on appropriations on the annual cost of the MEGA tax credits. The report must include, for each year from 1995 to the expiration of the MEGA tax credit program, the board-approved credit amount, adjusted for credit amendments if applicable, and the actual and projected value of tax credits. For years for which credit claims are complete, the report must include the total of actual certificated credit amounts. For years for which claims are still pending or not yet submitted, the report must include a combination of actual credits if available and projected credits. Credit projections must be based on updated estimates

of employees, wages, and benefits for eligible companies.

(2) In addition to the report under subsection (1), not later than November 1, the department, in conjunction with the MSF, shall submit a report to the standard report recipients and the senate and house of representatives standing committees on appropriations on the annual cost of all other certificated credits by program for each year until the credits expire or can no longer be collected. The report must include estimates on the brownfield redevelopment credit, film credits, MEGA photovoltaic technology credit, MEGA polycrystalline silicon manufacturing credit, MEGA vehicle battery credit, and other certificated credits.

Sec. 21-944. From the funds appropriated in part 1, if the department hires a pension plan consultant using any of the funds appropriated in part 1, the department shall do all of the following:

(a) Retain each report provided to the department by that consultant.

(b) Notify the standard report recipients that the department has hired a pension plan consultant, including the reason why the department hired the pension plan consultant.

(c) Make a report described in subdivision (a) available to a standard report recipient if requested by the standard report recipient.

Sec. 21-945. From the funds appropriated in part 1, audits of local unit assessment administration practices, procedures, and records must be conducted in each assessment jurisdiction a minimum of 1 time every 5 years and in accordance with section 10g of the general property tax act, 1893 PA 206, MCL 211.10g.

Sec. 21-946. Revenue collected in the convention facility development fund is appropriated and must be distributed in accordance with sections 8, 9, and 10 of the state convention facility development act, 1985 PA 106, MCL 207.628, 207.629, and 207.630.

Sec. 21-949. (1) From the funds appropriated in part 1, the department may contract with private agencies to prevent the disbursement of fraudulent tax refunds. In addition to the amounts appropriated in part 1 to the department, there are appropriated amounts necessary to pay the costs of the contracts or to fund operations designed to reduce fraudulent income tax refund payments. The additional amount appropriated under this subsection must not be greater than $2,000,000.00. The appropriation to fund fraud prevention efforts under this subsection is from the fund or account to which the revenues being collected are recorded or dedicated.

(2) Not later than November 30, the department shall submit a report to the standard report recipients and the senate and house of representatives standing committees on appropriations. The report must include all of the following for the immediately preceding fiscal year:

(a) The number of refund claims denied because of the fraud prevention operations.

(b) The amount of refunds denied.

(c) The costs of the fraud prevention operations.

(d) Any other information that is pertinent to determining whether the authority under subsection (1) should be continued.

Sec. 21-949a. From the funds appropriated in part 1 for city income tax administration program, the department may expand its individual income tax administration for any additional cities that enter into service-level agreements with the department for this purpose. In addition to the funds appropriated in part 1, any additional local funds received as part of the service-level agreements are appropriated to the department for staffing and administration of the program.

Sec. 21-949b. Tax capture revenues collected in accordance with written agreements under the good jobs for Michigan program and transferred from the general fund for deposit into the good jobs for Michigan fund, including tax capture revenues collected for calculated payments from the good jobs for Michigan fund to authorized businesses and distributions to the MSF for administrative expenses, are appropriated in accordance with chapter 8D of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090g to 125.2090j.

Sec. 21-949c. From the funds appropriated in part 1, funds must be expended in coordination with the department of agriculture and rural development to improve the timely processing and issuance of tax credits from the Michigan's farmland and open space preservation program created under section 36109 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.36109, for the Michigan's farmland and open space preservation program under parts 361 and 362 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.36101 to 324.36116 and 324.36201 to 324.36207.

Sec. 21-949d. (1) From the funds appropriated in part 1 for financial review commission, the department shall continue financial review commission efforts in the current fiscal year. The purpose of the funding is to cover ongoing costs associated with the operation of the commission.

(2) The department shall identify specific outcomes and performance measures for this initiative, including, but not limited to, the department's ability to perform a critical fiscal review to ensure the city of Detroit does not reenter distress following its exit from bankruptcy and to ensure that the community district does not enter distress and maintains a balanced budget.

(3) Not later than March 15, the department shall submit a report to the standard report recipients that includes both of the following:

(a) A description of the specific outcomes and measures required in subsection (1).

(b) The results and data related to these outcomes and measures.

Sec. 21-949e. From the funds appropriated in part 1 for the state essential services assessment program, the department shall administer the state essential services assessment program. The purpose of the program is to provide a phased-in replacement of locally collected personal property taxes on eligible manufacturing personal property. The program must provide the department with the ability to collect the state essential services assessment.

Sec. 21-949f. Revenue from the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, related to counties with a population of more than 2,000,000 according to the 2000 federal decennial census is appropriated and must be distributed in accordance with section 12(2)(e) of the tobacco products tax act, 1993 PA 327, MCL 205.432.

Sec. 21-949h. Revenue from part 6 of the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27601 to 333.27605, is appropriated and must be distributed in accordance with part 6 of the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27601 to 333.27605.

Sec. 21-949i. Revenue from the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967, is appropriated and must be distributed in accordance with the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967.

Sec. 21-949j. All funds in the wrongful imprisonment compensation fund created in the wrongful imprisonment compensation act, 2016 PA 343, MCL 691.1751 to 691.1757, are appropriated and available for expenditure. Expenditures are limited to support wrongful imprisonment compensation payments under section 6 of the wrongful imprisonment compensation act, 2016 PA 343, MCL 691.1756.

Sec. 21-949k. There is appropriated an amount equal to the tax captured revenues due under approved transformational brownfield plans created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

Sec. 21-949m. From the funds appropriated in part 1, the Michigan infrastructure council shall plan, conduct, and contract for asset management improvement activities, including, but not limited to, any of the following:

(a) Infrastructure data collection activities.

(b) Asset manager training.

(c) Development of a 30-year asset management plan for this state.

(d) Assistance in asset management improvement projects, including maintaining an asset management portal.

(e) Any other projects that promote improved asset management for infrastructure in this state.

Sec. 21-949n. In addition to the funds appropriated in part 1, the money in the fostering futures scholarship trust fund, including any money received as gifts or donations to the fostering futures scholarship trust fund, is appropriated and the department may issue payments in compliance with the fostering futures scholarship trust fund act, 2008 PA 525, MCL 722.1021 to 722.1031.

Sec. 21-949o. (1) Grants supported with private revenues received by the department are appropriated upon receipt and are available for expenditure by the department for purposes specified within the grant agreement and as permitted under state and federal law.

(2) Not later than 10 days after the receipt of a private grant appropriated in subsection (1), the department shall notify the senate and house chairpersons of the subcommittees, the senate and house fiscal agencies, and the state budget director of the receipt of the grant, including the fund source, purpose, and amount of the grant.

(3) The amount appropriated under subsection (1) must not exceed $5,000,000.

(4) Not later than March 15, the department shall report to the standard report recipients the amount of private revenue generated in the previous fiscal year and the amount of private revenue carried forward into the current fiscal year.

Sec. 21-949p. In addition to the amounts appropriated in part 1, any amount collected from maintenance or user fees paid by the plan participants to the plan vendor or to the plan is authorized to be spent by the program. The Michigan Achieving a Better Life

Experience (MiABLE) program fees shall be used to develop and conduct a marketing campaign to promote awareness to Michigan residents. Eligible expenses include, but are not limited to, program administration, program awareness campaigns, planning and hosting events, or to reduce or offset plan participant fees.

**REVENUE SHARING**

Sec. 21-950. The department shall distribute the funds appropriated in part 1 for constitutional revenue sharing to cities, villages, and townships, as required under section 10 of article IX of the state constitution of 1963. Revenue collected in accordance with section 10 of article IX of the state constitution of 1963 in excess of the amount appropriated in part 1 for constitutional revenue sharing is appropriated for distribution to cities, villages, and townships, on a population basis as required under section 10 of article IX of the state constitution of 1963.

Sec. 21-952. (1) The funds appropriated in part 1 for city, village, and township revenue sharing are for grants to cities, villages, and townships and must be distributed as provided in this section.

(2) From the first $299,126,400.00 appropriated in part 1 for city, village, and township revenue sharing, each city, village, or township shall receive an amount equal to 100.0% of the revenue sharing payment for which the city, village, or township received under section 952(2) of article 5 of 2025 PA 22 rounded to the nearest dollar.

(3) The remaining amount appropriated in part 1 for city, village, and township revenue sharing after the distributions under subsection (2) must be distributed as follows:

(a) 1/3 shall be distributed as taxable value payments as provided under subsection (4).

(b) 1/3 must be distributed as unit type population payments as provided under subsection (5).

(c) 1/3 must be distributed as yield equalization payments as provided under subsection (6).

(4) A taxable value payment must be made to each city, village, and township, determined as follows:

(a) Determine the per capita taxable value for each city, village, and township by

dividing the taxable value of that city, village, or township by the population of that city, village, or township.

(b) Determine the statewide per capita taxable value by dividing the total taxable value of all cities, villages, and townships by the total population of all cities, villages, and townships.

(c) Determine the per capita taxable value ratio for each city, village, and township by dividing the statewide per capita taxable value by the per capita taxable value for that city, village, or township.

(d) Determine the adjusted taxable value population for each city, village, and township by multiplying the per capita taxable value ratio as determined under subdivision (c) for that city, village, or township by the population of that city, village, or township.

(e) Determine the total statewide adjusted taxable value population, which is the sum of the adjusted taxable value population for all cities, villages, and townships.

(f) Determine the taxable value payment rate by dividing the amount to be distributed under this subsection by the total statewide adjusted taxable value population as determined under subdivision (e).

(g) Determine the taxable value payment for each city, village, and township by multiplying the result under subdivision (f) by the adjusted taxable value population for that city, village, or township.

(5) A unit type population payment must be made to each city, village, and township, determined as follows:

(a) Determine the unit type population weight factor for each city, village, and township as follows:

(i) For a township with a population of 5,000 or less, 1.0.

(ii) For a township with a population of more than 5,000 but less than 10,001, 1.2.

(iii) Except as otherwise provided in subparagraph (xix), for a township with a population of more than 10,000 but less than 20,001, 1.44.

(iv) For a township with a population of more than 20,000 but less than 40,001, 4.32.

(v) For a township with a population of more than 40,000 but less than 80,001, 5.18.

(vi) For a township with a population of more than 80,000, 6.22.

(vii) For a village with a population of 5,000 or less, 1.5.

(viii) For a village with a population of more than 5,000 but less than 10,001, 1.8.

(ix) For a village with a population of more than 10,000, 2.16.

(x) For a city with a population of 5,000 or less, 2.5.

(xi) For a city with a population of more than 5,000 but less than 10,001, 3.0.

(xii) For a city with a population of more than 10,000 but less than 20,001, 3.6.

(xiii) For a city with a population of more than 20,000 but less than 40,001, 4.32.

(xiv) For a city with a population of more than 40,000 but less than 80,001, 5.18.

(xv) For a city with a population of more than 80,000 but less than 160,001, 6.22.

(xvi) For a city with a population of more than 160,000 but less than 320,001, 7.46.

(xvii) For a city with a population of more than 320,000 but less than 640,001, 8.96.

(xviii) For a city with a population of more than 640,000, 10.75.

(xix) For a township that has a population of not less than 10,000 and certifies to the department that the township provides for or makes available all of the following, the township must receive the unit type population weight factor for a city with the same population:

(A) Fire services.

(B) Police services on a 24-hour basis either through contracting for or directly employing personnel.

(C) Water services to 50% or more of its residents.

(D) Sewer services to 50% or more of its residents.

(b) Determine the adjusted unit type population for each city, village, and township by multiplying the unit type population weight factor for that city, village, or township as determined under subdivision (a) by the population of the city, village, or township.

(c) Determine the total statewide adjusted unit type population, which is the sum of the adjusted unit type population for all cities, villages, and townships.

(d) Determine the unit type population payment rate by dividing the amount to be distributed under this subsection by the total statewide adjusted unit type population as determined under subdivision (c).

(e) Determine the unit type population payment for each city, village, and township by multiplying the result under subdivision (d) by the adjusted unit type population for that city, village, or township.

(6) A yield equalization payment must be made to each city, village, and township in

an amount that is sufficient to provide the guaranteed tax base for a local tax effort, but not to exceed 0.02. The payment must be determined as follows:

(a) The guaranteed tax base is the maximum combined state and local per capita taxable value that can be guaranteed in a state fiscal year to each city, village, and township for a local tax effort, not to exceed 0.02, if an amount equal to the amount described in subsection (3)(c) is distributed to cities, villages, and townships whose per capita taxable value is below the guaranteed tax base.

(b) The full yield equalization payment to each city, village, and township is the product of the amounts determined under subparagraphs (i) and (ii):

(i) An amount greater than zero that is equal to the difference between the guaranteed tax base determined in subdivision (a) and the per capita taxable value of the city, village, or township.

(ii) The local tax effort of the city, village, or township, not to exceed 0.02, multiplied by the population of that city, village, or township.

(7) For purposes of this section, any city, village, or township that completely merges with another city, village, or township must be treated as a single entity, so that when determining the eligible city, village, and township revenue sharing payment under section 952(2) of article 5 of 2025 PA 22 for the combined single entity, the city, village, and township revenue sharing amount that each of the merging local units of government received under section 952(2) of article 5 of 2025 PA 22 is summed.

Sec. 21-954. (1) Cities, villages, and townships receiving a payment under section 21-952(2) and counties receiving a payment under section 21-955(2) shall receive 1/6 of their total payment on the last business day of October, December, February, April, June, and August. On the last business day of February 2027, cities, villages, and townships receiving a payment under section 21-952(3) and counties receiving a payment under section 21-955(3) shall receive 50% of the estimated payment to be received under section 21-952(3) or 21-955(3), as applicable. On the last business day of June 2027, cities, villages, and townships receiving a payment under section 21-952(3) and counties receiving a payment under 21-955(3) shall receive any remaining payment calculated under section 21-952(3) or 21-955(3), as applicable.

(2) Payments distributed under section 21-952 or section 21-955 may be withheld in accordance with sections 17a and 21 of the Glenn Steil state revenue sharing act of 1971,

1971 PA 140, MCL 141.917a and 141.921.

(3) If a city, village, or township that receives a payment under section 21-952 is determined to have a retirement pension benefit system in underfunded status under section 5 of the protecting local government retirement and benefits act, 2017 PA 202, MCL 38.2805, the city, village, or township must allocate to its pension unfunded liability an amount equal to 50% of the difference between its current year payment under section 21-952 and the amount the city, village or township would have been eligible to receive under section 952 of article 5 of 2025 PA 22, rounded to the nearest dollar. A city, village, or township that has issued a municipal security under section 518 of the revised municipal finance act, 2001 PA 34, MCL 141.2518, is exempt from this requirement.

(4) If a county that receives a payment under section 21-955 is determined to have a retirement pension benefit system in underfunded status under section 5 of the protecting local government retirement and benefits act, 2017 PA 202, MCL 38.2805, the county must allocate to its pension unfunded liability an amount equal to 50% of the difference between its current year payment under section 21-955 and the amount the county would have been eligible to receive under section 955 of article 5 of 2025 PA 22, rounded to the nearest dollar. A county that has issued a municipal security under section 518 of the revised municipal finance act, 2001 PA 34, MCL 141.2518, is exempt from this requirement.

Sec. 21-955. (1) The funds appropriated in part 1 for county revenue sharing are for grants to counties and must be distributed as provided in this section.

(2) From the first $261,069,700.00 appropriated in part 1, each county shall receive an amount equal to 100.0% of the revenue sharing payment for which the county received under section 955(2) of article 5 of 2025 PA 22, rounded to the nearest dollar.

(3) From the remaining amount appropriated in part 1 for county revenue sharing after the distributions under subsection (2), a taxable value payment must be made to each county, determined as follows:

(a) Determine the per capita taxable value for each county by dividing the taxable value of that county by the population of that county.

(b) Determine the statewide per capita taxable value by dividing the total taxable value of all counties by the total population of all counties.

(c) Determine the per capita taxable value ratio for each county by dividing the statewide per capita taxable value by the per capita taxable value for that county.

(d) Determine the adjusted taxable value population for each county by multiplying the per capita taxable value ratio as determined under subdivision (c) for that county by the population of that county.

(e) Determine the total statewide adjusted taxable value population, which is the sum of the adjusted taxable value population for all counties.

(f) Determine the taxable value payment rate by dividing the amount to be distributed under this subsection by the total statewide adjusted taxable value population as determined under subdivision (e).

(g) Determine the taxable value payment for each county by multiplying the result under subdivision (f) by the adjusted taxable value population for that county.

Sec. 21-956. (1) From the funds appropriated in part 1 for financially distressed cities, villages, or townships, the department shall create and operate a grant program to award grants to cities, villages, and townships that have 1 or more conditions that indicate probable financial distress, as determined by the department. A city, village, or township with 1 or more conditions that indicate probable financial distress may apply in a manner determined by the department for a grant to pay for specific projects or services that move the city, village, or township toward financial stability. Grants must be used for specific projects or services that move the city, village, or township toward financial stability. The city, village, or township must use the grants under this section to do 1 or more of the following:

(a) Make payments to reduce unfunded accrued liability.

(b) Repair or replace critical infrastructure and equipment owned or maintained by the city, village, or township.

(c) Reduce debt obligations.

(d) Pay for costs associated with a transition to shared services with another jurisdiction.

(e) Administer other projects that move the city, village, or township toward financial stability.

(2) The department shall award not more than $2,000,000.00 to any city, village, or township under this section.

(3) Not later than July 31, the department shall submit a report to the standard report recipients that includes all of the following for each grant recipient.

(a) The name of the grant recipient.

(b) The date the grant was approved.

(c) The amount of the grant.

(d) A description of the project or projects that will be paid by the grant.

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

(a) The purpose of the project is to provide assistance to financially distressed cities, villages, and townships under this section.

(b) The projects will be accomplished by grants to cities, villages, and townships approved by the department.

(c) The total estimated cost of all projects is $2,500,000.00.

(d) The tentative completion date is September 30, 2031.

Sec. 21-957. A term that is defined in the Glenn Steil state revenue sharing act, 1971 PA 140, MCL 141.901 to 141.921, has the same meaning when used in sections 21-950 to 21-956.

Sec. 21-959. The department shall distribute funds appropriated in part 1 for public safety revenue sharing grants as follows:

(1) $3,250,000.00 to the MDHHS to establish and administer a grant program to award funds to community violence intervention programs.

(2) $35,062,500.00 for a public safety assistance payment to each city, village, or township.

(a) The public safety assistance payment must be calculated as follows:

(i) Determine the average violent crime count for each city, village, and township by adding the 2 highest annual violent crime counts for each city, village, and township from the 3 most recently available annual crime reports published by the MDSP as of the first day of the current fiscal year and dividing by 2.

(ii) Determine the statewide total violent crime count by summing the average violent crime count for each city, village, and township as determined under subparagraph (i).

(iii) Determine the proportional factor for each city, village, and township by dividing the average violent crime count for each city, village, and township as determined under subparagraph (i) by the statewide total violent crime count determined under subparagraph (ii).

(iv) Multiply the proportional factor determined in subparagraph (iii), for each city, village, and township by the total amount available for distribution under this subsection, and round to the nearest dollar.

(b) A public safety assistance payment to a city, village, or township as determined under subsection (2)(a) is limited to not more than 25% of the total amount available for distribution under subsection (2) .

(c) All of the following apply to a distribution under subsection (2)(a):

(i) A city, village, or township must use the distribution only for operational and capital expenditures that serve the purposes of public safety.

(ii) Not less than 75% of a public safety assistance payment distributed under subsection (2)(a) to a city, village, or township must be used to fund, either directly or indirectly through a subgrant to another governmental entity, a law enforcement agency or law enforcement officers as defined in section 2 of the Michigan commission on law enforcement standards act, 1965 PA 203, MCL 28.602.

(iii) Not more than 25% of a public safety assistance payment distributed under subsection (2)(a) to a city, village, or township must be used to fund other non-law-enforcement-related public safety purposes, which include, but are not limited to: public safety initiatives to improve recruitment or retention efforts; training programs; equipment purchases; programs designed to reduce identified risks to public safety; crime diversion programs; operational emergency medical or firefighter services; or capital improvements to public safety buildings or structures. All local public safety initiative expenses must be related to public safety and designed to reduce identified risks to public safety and cannot include unproven intervention solutions to community violence.

(iv) A distribution made under subsection (2)(a) must not be used for the following nonoperating expenses:

(A) Pension and other post employee benefit (OPEB) payments.

(B) Lawsuits and claims payments.

(C) Debt service payments.

(D) The acquisition or use of a vehicle weighing more than 15,000 pounds that is designed or used for a tactical police purpose.

(E) The acquisition or use of facial recognition technology.

(F) The acquisition or use of a chemical weapon.

(d) A city, village, or township may subgrant all or part of the distribution under subsection (2)(a) if the subgrant is used for the purpose of public safety as described under subsection (2)(c).

(e) Subject to subsections (f), (g), and (h), not later than November 30, the director of the MDSP shall provide the department with a certified list that contains all of the following:

(i) Base crime level.

(ii) Current violent crime counts.

(iii) Current violent crime rates, as determined by the director of the MDSP.

(f) The current violent crime data described in subdivision (e)(ii) and (iii) mean the calendar year annual violent crime data for each city, village, and township received and finalized by the MDSP during the immediately preceding state fiscal year and the 2 immediately preceding calendar years before the immediately preceding state fiscal year.

(g) Crimes reported by a city, village, township, or reported by a county on behalf of the city, village, or township, must be included in the certified list under subdivision (e), but crimes reported by other authorities must be omitted from the certified list under subdivision (e).

(h) The certified list under subdivision (e) must contain all cities, villages, and townships in this state and must report a zero for cities, villages, and townships that did not submit crime data.

(3) $11,687,500.00 must be used for public safety assistance payments to counties. The payment to each county must be calculated by dividing the amount to be distributed under this subsection by the total statewide adjusted taxable value population as determined under section 21-955(3)(e) and multiplying the result by the adjusted taxable value population for that county as determined under section 21-955(3)(d).

(a) All of the following apply to a distribution made under this subsection:

(i) A county must use the distribution only for operational and capital expenditures that serve the purposes of public safety.

(ii) Not less than 75% of a public safety assistance payment distributed to a county under this subsection must be used to fund, either directly or indirectly through a subgrant to another governmental entity, a law enforcement agency or law enforcement officers as defined in section 2 of the Michigan commission on law enforcement standards act, 1965 PA 203, MCL 28.602.

(iii) Not more than 25% of a public safety assistance payment distributed to a county under this subsection must be used to fund other non-law-enforcement-related public safety purposes, which include, but are not limited to: public safety initiatives to improve recruitment or retention efforts; training programs; equipment purchases; programs designed to reduce identified risks to public safety; crime diversion programs; operational emergency medical or firefighter services; or capital improvements to public safety buildings or structures. All local public safety initiative expenses must be related to public safety and designed to reduce identified risks to public safety and cannot include unproven intervention solutions to community violence.

(iv) A distribution made under this subsection must not be used for the following nonoperating expenses:

(A) Pension and other post employee benefit (OPEB) payments.

(B) Lawsuits and claims payments.

(C) Debt service payments.

(D) The acquisition or use of a vehicle weighing more than 15,000 pounds that is designed or used for a tactical police purpose.

(E) The acquisition or use of facial recognition technology.

(F) The acquisition or use of a chemical weapon.

(b) A county may subgrant all or part of the distribution under this subsection if the subgrant is used for the purpose of public safety as described in this subsection.

(c) As used in subsection (2):

(i) "Base crime level" means the average of a city, village, or township's 2 highest annual rates of violent crime, as certified by the director of the MDSP and determined by the annual crime reports published by the MDSP in the 3 calendar years immediately preceding the current calendar year.

(ii) "Population" means the counts, as defined by the Federal Bureau of Investigation and used by the director of the MDSP, to determine the population for each city, village,

and township.

(iii) "Violent crime" means that term as defined by the director of the MDSP in accordance with the department's incident crime reporting program and the corresponding annual crime reports.

(iv) "Violent crime count" means the number of violent crimes based on victim counts, as certified by the director of the MDSP. When a victim is connected to multiple offenses, the victim is counted under the highest-ranked offense, as defined by the director of the MDSP.

(v) "Violent crime rate" means the number of crimes per 100,000 people, determined by dividing a particular city, village, or township violent crime count by the population, then multiplying by 100,000 and rounding to the nearest whole number.

(d) As used in subsection (3):

(i) "Chemical weapon" means a munition or device that is specifically designed to cause death or other harm through a toxic chemical that would be released as a result of the employment of the munition or device.

(ii) "Facial recognition technology" means an automated or a semiautomated technological process that assists in identifying or verifying an individual based on the individual's face.

**BUREAU OF STATE LOTTERY**

Sec. 21-960. In addition to the funds appropriated in part 1 to the bureau of state lottery, there is appropriated from state lottery fund revenues the amount necessary for, and directly related to, implementing and operating lottery games under the McCauley-Traxler-Law-Bowman-McNeely lottery act, 1972 PA 239, MCL 432.1 to 432.47, and activities under the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.152, including expenditures for contractually mandated payments for vendor commissions, contractually mandated payments for instant tickets intended for resale, the contractual costs of providing and maintaining the online system communications network, and incentive and bonus payments to lottery retailers.

Sec. 21-964. For the bureau of state lottery, there is appropriated 1% of the lottery's immediately preceding fiscal year's gross sales for promotion and advertising.

**MICHIGAN GAMING CONTROL BOARD**

Sec. 21-970. As used in sections 21-971 to 21-979:

(a) "Compulsive gaming prevention fund" means the compulsive gaming prevention fund created in section 3 of the compulsive gaming prevention act, 1997 PA 70, MCL 432.253.

(b) "Fantasy contest fund" means the fantasy contest fund created in section 16 of the fantasy contests consumer protection act, 2019 PA 157, MCL 432.516.

(c) "First responder presumed coverage fund" means the first responder presumed coverage fund created in section 405 of the worker's disability compensation act of 1969, 1969 PA 317, MCL 418.405.

(d) "Internet gaming fund" means the internet gaming fund created in section 16 of the lawful internet gaming act, 2019 PA 152, MCL 432.316.

(e) "Internet sports betting fund" means the internet sports betting fund created in section 16 of the lawful sports betting act, 2019 PA 149, MCL 432.416.

Sec. 21-971. (1) From the revenue collected by the Michigan gaming control board from the total annual assessment of each casino licensee, funds are appropriated and must be distributed as described in section 12a(5) of the Michigan Gaming Control and Revenue Act, 1996 IL 1, MCL 432.212a.

(2) The revenue collected in the internet sports betting fund is appropriated and must be distributed in accordance with the lawful sports betting act, 2019 PA 149, MCL 432.401 to 432.419.

(3) The revenue collected in the internet gaming fund is appropriated and must be distributed in accordance with the lawful internet gaming act, 2019 PA 152, MCL 432.301 to 432.322, and the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.152.

Sec. 21-972. After all other required expenditures described in section 16(3) of the fantasy contests consumer protection act, 2019 PA 157, MCL 432.516, section 16(4) of the lawful internet gaming act, 2019 PA 152, MCL 432.316, and section 16(4) of the lawful sports betting act, 2019 PA 149, MCL 432.416 are made, any money remaining in the fantasy contest fund, internet gaming fund, and internet sports betting fund is appropriated and must be deposited in the state school aid fund as described in section 16(3)(b) of the fantasy contests consumer protection act, 2019 PA 157, MCL 432.516, section 16(4) of the lawful internet gaming act, 2019 PA 152, MCL 432.316, and section 16(4) of the lawful

sports betting act, 2019 PA 149, MCL 432.416.

Sec. 21-973. (1) Funds appropriated in part 1 for local government programs may be used to provide assistance to a local revenue sharing board referenced in an agreement authorized by the Indian gaming regulatory act, Public Law 100-497.

(2) A local revenue sharing board described in subsection (1) shall comply with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(3) A county treasurer may receive and administer funds on behalf of a local revenue sharing board. Funds appropriated in part 1 for local government programs may be used to audit local revenue sharing board funds held by a county treasurer. This section does not limit the ability of local units of government to enter into agreements with federally recognized Indian tribes to provide financial assistance to local units of government or to jointly provide public services.

(4) A local revenue sharing board described in subsection (1) shall comply with all applicable provisions of any agreement authorized by the Indian gaming regulatory act, Public Law 100-497, in which the local revenue sharing board is referenced, including, but not limited to, the disbursal of tribal casino payments received in accordance with applicable provisions of the tribal-state class III gaming compact under which those funds are received.

(5) The director of the MDSP and the executive director of the Michigan gaming control board may assist the local revenue sharing boards in determining allocations to be made to local public safety organizations.

Sec. 21-974. If revenues collected in the state services fee fund created in section 12a of the Michigan Gaming Control and Revenue Act, 1996 IL 1, MCL 432.212a, are less than the amounts appropriated from the state services fee fund, available revenues must be used to fully fund the appropriation in part 1 for casino gaming regulation activities before distributions are made to other state departments and agencies. If the remaining revenue in the state services fee fund is insufficient to fully fund appropriations to other state departments or agencies, the shortfall must be distributed proportionally among those departments and agencies.

Sec. 21-975. In expending the funds appropriated in part 1 for advertising for responsible gaming, the Michigan gaming control board shall engage with MDHHS on strategies

to support addiction prevention and education efforts in addition to advertising for responsible gaming. Not later than September 1, the Michigan gaming control board shall submit a report to the standard report recipients on the expenditures and programming funded from the appropriations in part 1 for advertising for responsible gaming.

Sec. 21-976. The executive director of the Michigan gaming control board may pay rewards of not more than $5,000.00 to a person who provides information that results in the arrest and conviction on a felony or misdemeanor charge for a crime that involves the horse racing industry. A reward paid under this section must be paid out of the appropriation in part 1 for the racing commission.

Sec. 21-977. All appropriations from the equine industry development fund created in section 20 of the horse racing law of 1995, 1995 PA 279, MCL 431.320, except for the racing commission appropriations, must be reduced proportionately if revenues to the equine industry development fund decline during the current fiscal year to a level lower than the amount appropriated in part 1.

Sec. 21-978. The Michigan gaming control board shall use actual expenditure data in determining the actual regulatory costs of conducting racing dates and shall submit a report of that data to the standard report recipients and the senate and house of representatives appropriations subcommittees on agriculture. The Michigan gaming control board may not be reimbursed for more than the actual regulatory cost of conducting race dates. In determining actual costs, the Michigan gaming control board shall take into account that each specific breed of horse may require different regulatory mechanisms.

Sec. 21-979. From the funds appropriated in part 1 for millionaire party regulation, the Michigan gaming control board may receive and expend internet gaming fund revenue in an amount that is not more than the amount appropriated in part 1 for necessary expenses incurred in the licensing and regulation of millionaire parties under article 2 of the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.132 to 432.152. Any unused internet gaming fund revenues are subject to the distribution requirements in section 16 of the lawful internet gaming act, 2019 PA 152, MCL 432.316.

**STATE BUILDING AUTHORITY**

Sec. 21-1100. (1) Subject to section 242 of the management and budget act, 1984 PA 431, MCL 18.1242, and on the approval of the state building authority, the department may

expend from the general fund of this state during the fiscal year an amount necessary to meet the cash flow requirements of those state building authority projects solely for lease to a state agency identified in both part 1 and this section, and for which state building authority bonds or notes have not been issued, and for the sole acquisition by the state building authority of equipment and furnishings for lease to a state agency as permitted by 1964 PA 183, MCL 830.411 to 830.425, for which the issuance of bonds or notes is authorized by an appropriations PA that is effective for the immediately preceding fiscal year. Any general fund advances for which state building authority bonds have not been issued must bear an interest cost to the state building authority at a rate that is not greater than the rate earned by the state treasurer's common cash fund during the period in which the advances are outstanding and are repaid to the general fund of this state.

(2) On sale of bonds or notes for the projects identified in part 1 or for equipment as authorized by an appropriations PA and in this section, the state building authority shall credit the general fund of this state an amount equal to the amount expended from the general fund plus interest, if any, as described in this section.

(3) For state building authority projects for which bonds or notes have been issued and on the request of the state building authority, the state treasurer shall make advances without interest from the general fund as necessary to meet cash flow requirements for the projects. The state building authority shall reimburse the state treasurer for the advances when the investments earmarked for the financing of the projects mature.

(4) If a project identified in part 1 is terminated after final design is complete, advances made on behalf of the state building authority for the costs of final design must be repaid to the general fund in a manner recommended by the director of the state building authority.

Sec. 21-1102. (1) The state building authority shall not release state building authority funding to a university or community college to finance the construction or renovation of a facility that collects revenue in excess of money required for the operation of that facility unless the university or community college agrees to use that excess revenue to reimburse the state building authority. The excess revenue received by the state building authority as reimbursement must be credited to the general fund to offset rent obligations associated with the retirement of bonds issued for the applicable facility. The auditor general shall annually identify and audit the facilities that are

subject to this section. Costs associated with the administration of the audit must be charged against money received by the state building authority as reimbursement under this section.

(2) As used in this section, "revenue" includes state appropriations, facility opening money, other state aid, indirect cost reimbursement, and other revenue generated by the activities of the facility.

Sec. 21-1103. Not later than October 15, the state building authority shall submit a report to the standard report recipients and the JCOS regarding the status of construction projects associated with state building authority bonds as of the end of the immediately preceding fiscal year. Not later than 30 days after a refinancing or restructuring bond issue is sold, the state building authority shall submit a report to the standard report recipients and the JCOS regarding the status of construction projects associated with that bond issue. Each report must include all of the following:

(a) A list of all completed construction projects for which state building authority bonds have been sold, and which bonds are currently active.

(b) A list of all projects under construction for which sale of state building authority bonds is pending.

(c) A list of all projects authorized for construction or identified in an appropriations act for which approval of schematic/preliminary plans or total authorized cost is pending that have state building authority bonds identified as a source of financing.

Sec. 21-1104. (1) The state building authority may expend revenues received under the state building authority act, 1964 PA 183, MCL 830.411-830.425 and the Executive Reorganization Order No. 2013-3, MCL 126.1393, for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, grants to the civil service commission retirement fund and the state employees' retirement fund, and other expenses as allowed under those acts or executive reorganization orders.

(2) Not later than January 31, the state building authority shall submit a report to the standard report recipients that includes both of the following for the immediately preceding fiscal year:

(a) The amount and purpose of expenditures of $250,000.00 or more that are made under subsection (1) from rentals received by the state building authority that are in addition

to those appropriated in part 1.

(b) A list of reimbursement of revenue, if any.

## Article 22

## MISCELLANEOUS

PART 1

PROVISIONS CONCERNING APPROPRIATIONS

Sec. 22-101. The appropriations in this article are subject to the following provisions concerning appropriations for the fiscal year ending September 30, 2027:

**GENERAL SECTIONS**

Sec. 22-201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources for fiscal year 2027 is estimated at $50,204,395,300 in the 2027 appropriations acts and total state spending from state sources paid to local units of government for fiscal year 2027 is estimated at $27,222,946,200. The state-local proportion is estimated at 54.22% of total state spending from state resources.

(2) If payments to local units of government and state spending from state sources for fiscal year 2027 are different than the amounts estimated in subsection (1), the state budget director shall report the payments to local units of government and state spending from state sources that were made for fiscal year 2027 to the senate and house of representatives standing committees on appropriations within 30 days after the final book-closing for fiscal year 2027.

Sec. 22-202. The appropriations authorized under this bill are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 22-211. (1) Pursuant to section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, which provides for a transfer of state general fund revenue into or out of the countercyclical budget and economic stabilization fund, the calculations required by section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, are determined as follows:

| | 2025 | 2026 | 2027 |
|---|---|---|---|
| Michigan personal income (millions) | $672,972 | $695,180 | $720,207 |
| less: transfer payments | $151,408 | $157,704 | $158,089 |
| Subtotal | $521,564 | $537,476 | $562,118 |
| Divided by: Detroit Consumer Price Index | 2.979 | 3.078 | 3.17 |
| Equals: real adjusted Michigan personal income | $175,089 | $174,604 | $177,311 |
| Percentage change | N/A | -0.3% | 1.6% |
| Growth rate in excess of 2%? | N/A | 0.0% | 0.0% |
| Equals: calculated transfer to countercyclical budget and economic stabilization fund for the fiscal year ending September 30, 2027 (millions) | N/A | $0.0 | |
| Growth rate less than 0%? | N/A | YES | |

Appropriation from countercyclical budget and economic stabilization fund allowed for the fiscal year ending September 30, 2027?..... N/A $538.7

(2) Notwithstanding subsection (1), there is appropriated for the fiscal year ending September 30, 2027, from general fund/general purpose revenue for deposit into the countercyclical budget and economic stabilization fund the sum of $0.00.

**REVENUE STATEMENT**

Sec. 22-301. Pursuant to section 18 of article V of the state constitution of 1963, fund balances and estimates are presented in the following statement:

BUDGET RECOMMENDATIONS BY OPERATING FUNDS

(Amounts in millions)

Fiscal Year 2027

| | Beginning Balance | Estimated Revenue | Estimated Ending Balance |
|---|---|---|---|
| OPERATING FUNDS | | | |
| General fund/general purpose | 319.7 | 13,310.0 | 19.9 |
| School aid fund | 753.3 | 21,974.0 | 2.0 |
| Federal aid | 0.0 | 31,047.2 | 0.0 |
| Transportation funds | 0.0 | 10,904.4 | 0.0 |
| Special revenue funds | 3,738.5 | 9,442.3 | 3,287.0 |
| Other funds | 1,817.2 | 54.2 | 1,871.4 |
| TOTALS | $6,628.7 | $86,732.1 | $5,180.3 |