



STATE OF MICHIGAN  
STATE BUDGET OFFICE  
LANSING

RICK SNYDER  
GOVERNOR

JOHN S. ROBERTS  
DIRECTOR

March 26, 2015

The Honorable Dave Hildenbrand, Chair  
Senate Appropriations Committee  
Michigan State Senate  
State Capitol  
Lansing, Michigan 48909

The Honorable Al Pscholka, Chair  
House Appropriations Committee  
Michigan House of Representatives  
State Capitol  
Lansing, Michigan 48909

Dear Legislators:

SUBJECT: Executive Budget Revision #2016-1

Attached is a revision to the Executive Budget Recommendation for fiscal year 2016 appropriations and fiscal year 2017 anticipated appropriations to reflect implementation of Executive Order 2014-12. This budget revision impacts the departments of Technology, Management and Budget, Licensing and Regulatory Affairs, Treasury, Talent and Economic Development, and the Executive Office.

Sincerely,



John S. Roberts  
State Budget Director

Attachment

cc: Arlan Meekhof, Senate Majority Leader  
Kevin Cotter, Speaker of the House  
Jim Ananich, Senate Minority Leader  
Tim Greimel, House Minority Leader  
Senate Appropriations Committee  
House Appropriations Committee  
Senate Fiscal Agency  
House Fiscal Agency

Departments  
Dick Posthumus, Executive Office  
Dennis Muchmore, Chief of Staff  
Nancy W. Duncan, Deputy State  
Budget Director  
Michael J. Moody, Office of  
Financial Management  
Internal State Budget Office

FISCAL YEARS 2016 and 2017 EXECUTIVE BUDGET REVISION

EXECUTIVE OFFICE  
Article 8

	Page	Line	FY 2016 Original Exec. Rec.	Revision 1	FY2016 Revised Exec. Rec.	FY2017 Original Exec. Rec.	Revision 1	FY 2017 Revised Exec. Rec.
<b>EXECUTIVE OFFICE</b>								
<b>APPROPRIATION SUMMARY</b>								
Full-time equated unclassified positions	131	3	10.0	0	10.0	10.0	0	10.0
Full-time equated classified positions	131	4	78.2	(4.0)	74.2	78.2	(4.0)	74.2
<b>GROSS APPROPRIATION</b>	<b>131</b>	<b>5</b>	<b>5,916,100</b>	<b>(385,000)</b>	<b>5,531,100</b>	<b>5,916,100</b>	<b>(385,000)</b>	<b>5,531,100</b>
Total interdepartmental grants and intradepartmental transfers	131	7	0	0	0	0	0	0
<b>ADJUSTED GROSS APPROPRIATION</b>	<b>131</b>	<b>8</b>	<b>5,916,100</b>	<b>(385,000)</b>	<b>5,531,100</b>	<b>5,916,100</b>	<b>(385,000)</b>	<b>5,531,100</b>
Total federal revenues	131	9	0	0	0	0	0	0
Total local revenues	131	10	0	0	0	0	0	0
Total private revenues	131	11	0	0	0	0	0	0
Total other state restricted revenues	131	12	0	0	0	0	0	0
State general fund/general purpose	131	13	5,916,100	(385,000)	5,531,100	5,916,100	(385,000)	5,531,100
<i>State general fund/general purpose schedule:</i>								
Ongoing state general fund/general purpose	131	15	5,916,100	(385,000)	5,531,100	5,916,100	(385,000)	5,531,100
One-time state general fund/general purpose	131	16	0	0	0	0	0	0
<b>Sec. 8-102. EXECUTIVE OFFICE OPERATIONS</b>								
Full-time equated classified positions	131	19	78.2	(4.0)	74.2	78.2	(4.0)	74.2
Executive office	131	22	4,387,900	(385,000)	4,002,900	4,387,900	(385,000)	4,002,900
<b>GROSS APPROPRIATION</b>	<b>131</b>	<b>24</b>	<b>4,387,900</b>	<b>(385,000)</b>	<b>4,002,900</b>	<b>4,387,900</b>	<b>(385,000)</b>	<b>4,002,900</b>
State general fund/general purpose	131	26	4,387,900	(385,000)	4,002,900	4,387,900	(385,000)	4,002,900

Explanation: Transfers out of the Executive Office funding for the Office for New Americans to the Department of Licensing and Regulatory Affairs per Executive Order 2014-12.

FISCAL YEARS 2016 and 2017 EXECUTIVE BUDGET REVISION

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
Article 13

	Page	Line	FY 2016 Original Exec. Rec.	Revision 1	FY 2016 Revised Exec. Rec.	FY 2017 Original Exec. Rec.	Revision 1	FY 2017 Revised Exec. Rec.
<b>DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS</b>								
<b>APPROPRIATION SUMMARY</b>								
Full-time equated unclassified positions	195	3	57.5	0	57.5	57.5	0	57.5
Full-time equated classified positions	195	4	2,820.3	(860.0)	1,960.3	2,820.3	(860.0)	1,960.3
<b>GROSS APPROPRIATION</b>	<b>195</b>	<b>5</b>	<b>545,605,900</b>	<b>(164,461,800)</b>	<b>381,144,100</b>	<b>545,605,900</b>	<b>(164,461,800)</b>	<b>381,144,100</b>
Total interdepartmental grants and interdepartmental transfers	195	8	15,754,900	13,973,600	29,728,500	15,754,900	13,973,600	29,728,500
<b>ADJUSTED GROSS APPROPRIATION</b>	<b>195</b>	<b>9</b>	<b>529,851,000</b>	<b>(178,435,400)</b>	<b>351,415,600</b>	<b>529,851,000</b>	<b>(178,435,400)</b>	<b>351,415,600</b>
Total federal revenues	195	10	200,388,700	(140,592,300)	59,796,400	200,388,700	(140,592,300)	59,796,400
Total local revenues	195	11	679,000	0	679,000	679,000	0	679,000
Total private revenues	195	12	311,300	0	311,300	311,300	0	311,300
Total other state restricted revenue	195	13	304,248,600	(38,436,100)	265,812,500	304,248,600	(38,436,100)	265,812,500
State general fund/general purpose	195	14	24,223,400	593,000	24,816,400	24,223,400	593,000	24,816,400
<i>State general fund/general purpose schedule:</i>								
Ongoing state general fund/general purpose	195	16	24,223,400	593,000	24,816,400	24,223,400	593,000	24,816,400
One-time state general fund/general purpose	195	17	0	0	0	0	0	0
<b>Sec. 13-102. DEPARTMENTAL ADMINISTRATION</b>								
Full-time equated classified positions	195	20	123.0	(8.0)	115.0	123.0	(8.0)	115.0
Unclassified salaries-57.5 FTE positions	195	21	4,840,200	(354,100)	4,486,100	4,840,200	(354,100)	4,486,100
Executive director programs-32.0- 24.0 FTE positions	195	22	4,814,200	(1,702,700)	2,911,500	4,814,200	(1,702,700)	2,911,500
Office for New Americans-4.0 FTE positions	NEW	NEW	0	593,000	593,000	0	593,000	593,000
Administrative services-84.9 80.0 FTE positions	195	23	9,652,600	(1,036,500)	8,616,100	9,652,600	(1,036,500)	8,616,100
Property management	195	25	16,710,800	(5,003,400)	11,707,400	16,710,800	(5,003,400)	11,707,400
Workers' compensation	195	26	591,800	(248,900)	342,700	591,800	(248,900)	342,700
<b>GROSS APPROPRIATION</b>	<b>195</b>	<b>29</b>	<b>37,344,900</b>	<b>(7,752,600)</b>	<b>29,592,300</b>	<b>37,344,900</b>	<b>(7,752,600)</b>	<b>29,592,300</b>
IDG-TED unemployment hearings	NEW	NEW	0	555,000	555,000	0	555,000	555,000
Federal revenues-departmental administration	196	2	11,448,900	(8,872,200)	2,576,700	11,448,900	(8,872,200)	2,576,700
State restricted revenues-departmental administration	196	5	24,197,700	(28,400)	24,169,300	24,197,700	(28,400)	24,169,300
State general fund/general purpose	196	8	1,398,300	593,000	1,991,300	1,398,300	593,000	1,991,300
<b>Sec. 13-107. EMPLOYMENT SERVICES</b>								
Full-time equated classified positions	199	7	1,066.0	(852.0)	214.0	1,066.0	(852.0)	214.0
Career-tech and skilled-trades-training-programs-	199	10	15,600,000	(15,600,000)	0	15,600,000	(15,600,000)	0
Unemployment-insurance-agency-852.0-FTE-positions	199	14	119,667,900	(119,667,900)	0	119,667,900	(119,667,900)	0
<b>GROSS APPROPRIATION</b>	<b>199</b>	<b>17</b>	<b>178,956,700</b>	<b>(135,267,900)</b>	<b>43,688,800</b>	<b>178,956,700</b>	<b>(135,267,900)</b>	<b>43,688,800</b>
DOL-ETA-unemployment-and-training-administration-	199	20	840,500	(840,500)	0	840,500	(840,500)	0
DOL-ETA-unemployment-insurance-	199	21	96,019,700	(96,019,700)	0	96,019,700	(96,019,700)	0
Contingent-fund-penalty-and-interest-account-	199	26	37,407,700	(37,407,700)	0	37,407,700	(37,407,700)	0
Special-fraud-control-fund-	200	1	1,000,000	(1,000,000)	0	1,000,000	(1,000,000)	0
<b>Sec. 13-108. MICHIGAN ADMINISTRATIVE HEARING SYSTEM</b>								
<b>GROSS APPROPRIATION</b>	<b>200</b>	<b>10</b>	<b>43,224,700</b>	<b>0</b>	<b>43,224,700</b>	<b>43,224,700</b>	<b>0</b>	<b>43,224,700</b>
IDG-administrative hearings and rules	200	13	15,504,900	13,418,600	28,923,500	15,504,900	13,418,600	28,923,500
DOL-ETA-unemployment-insurance	200	15	4,213,500	(4,213,500)	0	4,213,500	(4,213,500)	0
Federal revenues-administrative hearings and rules	200	16	9,355,100	(9,205,100)	150,000	9,355,100	(9,205,100)	150,000
<b>Sec. 13-109. INFORMATION TECHNOLOGY</b>								
Information technology services and projects	200	23	41,417,900	(21,441,300)	19,976,600	41,417,900	(21,441,300)	19,976,600
<b>GROSS APPROPRIATION</b>	<b>200</b>	<b>24</b>	<b>41,417,900</b>	<b>(21,441,300)</b>	<b>19,976,600</b>	<b>41,417,900</b>	<b>(21,441,300)</b>	<b>19,976,600</b>
Federal revenues-information technology	200	27	23,944,000	(21,441,300)	2,502,700	23,944,000	(21,441,300)	2,502,700

**BOILERPLATE:**

**GENERAL SECTIONS**

Sec. 13-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2015-2016 is \$328,472,000.00 \$290,628,900.00 and state spending from state resources to be paid to local units of government for fiscal year 2015-2016 is \$30,936,900.00. The itemized statement below identifies appropriations from which spending to local units of government will occur.

<b>DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS</b>	
Fire protection grants	9,273,900
Firefighter training grants	1,000,000
Liquor law enforcement grants	9,911,200
Medical marijuana operation and oversight grants	3,000,000
Rezonumentation grants	7,300,000
Subregional libraries state aid	451,800
<b>TOTAL</b>	<b>30,936,900</b>

Sec. 13-203.

~~(f) "DOL-ETA" means the United States department of labor, employment and training administration.  
NEW "TED" means the Department of Talent and Economic Development.~~

Sec. 13-235. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2016 is ~~\$68,963,000~~ \$50,638,200. From this amount, total agency appropriations for pension-related legacy costs are estimated at ~~\$29,437,600~~ \$28,744,600. Total agency appropriations for retiree health care legacy costs are estimated at ~~\$29,815,400~~ \$21,893,600.

#### EMPLOYMENT SERVICES

~~Sec. 13-701. Funds earned or authorized by the DOL in excess of the gross appropriation in part 1 for the unemployment insurance agency from the DOL 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 state budget director and the subcommittees of the purpose and amount of each grant award.~~

~~Sec. 13-904. (1) From the increased funds appropriated in part 1 for the 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. 13-905. (1) From the increased funds appropriated in part 1 for the career technology and skilled trades initiatives, the department shall expand workforce training and re-employment services to better connect workers to in-demand jobs.~~

~~(2) The department shall identify specific outcomes and performance metrics for this initiative, including, but not limited to, the following:~~

- ~~a) New apprenticeships~~
- ~~(b) Skilled trades training program~~
  - ~~(i) Jobs created~~
  - ~~(ii) Jobs retained~~
  - ~~(iii) Training completion rate~~
  - ~~(iv) Employment retention rate at six months~~
  - ~~(v) Hourly wage at six month~~

Explanation: Transfers out of the Department of Licensing and Regulatory Affairs funding and related boilerplate for the Unemployment Insurance Agency and skilled trades initiatives to the new Department of Talent and Economic Development, while transferring in funds and related support for the Office for New Americans from the Executive Office and the Department of Technology, Management and Budget per Executive Order 2014-12.

FISCAL YEARS 2016 and 2017 EXECUTIVE BUDGET REVISION

DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT  
Article XX (New)

	Page	Line	FY 2016 Original Exec. Rec.	Revision 1	FY 2016 Revised Exec. Rec.	FY 2017 Original Exec. Rec.	Revision 1	FY 2017 Revised Exec. Rec.
<b>DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT</b>								
<b>APPROPRIATION SUMMARY</b>								
Full-time equated unclassified positions	NEW	NEW	0.0	6.0	6.0	0.0	6.0	6.0
Full-time equated classified positions	NEW	NEW	0.0	1,620.0	1,620.0	0.0	1,620.0	1,620.0
<b>GROSS APPROPRIATION</b>	NEW	NEW	0	1,193,169,900	1,193,169,900	0	1,150,269,900	1,150,269,900
Total interdepartmental grants and interdepartmental transfers	NEW	NEW	0	0	0	0	0	0
<b>ADJUSTED GROSS APPROPRIATION</b>	NEW	NEW	0	1,193,169,900	1,193,169,900	0	1,150,269,900	1,150,269,900
Total federal revenues	NEW	NEW	0	767,897,300	767,897,300	0	767,897,300	767,897,300
Total local revenues	NEW	NEW	0	4,433,500	4,433,500	0	4,433,500	4,433,500
Total private revenues	NEW	NEW	0	5,649,000	5,649,000	0	5,649,000	5,649,000
Total other state restricted revenues	NEW	NEW	0	181,283,100	181,283,100	0	181,283,100	181,283,100
State general fund/general purpose	NEW	NEW	0	233,907,000	233,907,000	0	191,007,000	191,007,000
<i>State general fund/general purpose schedule:</i>								
Ongoing state general fund/general purpose	NEW	NEW	0	191,007,000	191,007,000	0	191,007,000	191,007,000
One-time state general fund/general purpose	NEW	NEW	0	42,900,000	42,900,000	0	0	0
<b>Sec. XX-102. DEPARTMENTAL ADMINISTRATION</b>								
Full-time equated unclassified positions	NEW	NEW	0.0	6.0	6.0	0.0	6.0	6.0
Full-time equated classified positions	NEW	NEW	0.0	1.0	1.0	0.0	1.0	1.0
Unclassified salaries	NEW	NEW	0	875,500	875,500	0	875,500	875,500
Executive director programs-1.0 FTE position	NEW	NEW	0	795,700	795,700	0	795,700	795,700
<b>GROSS APPROPRIATION</b>	NEW	NEW	0	1,671,200	1,671,200	0	1,671,200	1,671,200
Federal revenues	NEW	NEW	0	1,179,200	1,179,200	0	1,179,200	1,179,200
State restricted funds	NEW	NEW	0	394,200	394,200	0	394,200	394,200
State general fund/general purpose	NEW	NEW	0	97,800	97,800	0	97,800	97,800
<b>Sec. XX-103. MICHIGAN STRATEGIC FUND</b>								
Full-time equated classified positions	NEW	NEW	0.0	179.0	179.0	0.0	179.0	179.0
Administrative services-34.0 FTE positions	NEW	NEW	0	5,692,500	5,692,500	0	5,692,500	5,692,500
Job creation services-132.0 FTE positions	NEW	NEW	0	18,166,000	18,166,000	0	18,166,000	18,166,000
Pure Michigan	NEW	NEW	0	30,000,000	30,000,000	0	30,000,000	30,000,000
Entrepreneurship eco-system	NEW	NEW	0	25,000,000	25,000,000	0	25,000,000	25,000,000
Business attraction and community revitalization	NEW	NEW	0	111,100,000	111,100,000	0	111,100,000	111,100,000
Community ventures-7.0 FTE positions	NEW	NEW	0	9,800,000	9,800,000	0	9,800,000	9,800,000
Michigan film office-6.0 FTE positions	NEW	NEW	0	653,800	653,800	0	653,800	653,800
Film incentives	NEW	NEW	0	25,000,000	25,000,000	0	25,000,000	25,000,000
Community development block grants	NEW	NEW	0	47,000,000	47,000,000	0	47,000,000	47,000,000
Arts and cultural program	NEW	NEW	0	10,150,000	10,150,000	0	10,150,000	10,150,000
Community college skilled trades equipment program	NEW	NEW	0	4,600,000	4,600,000	0	4,600,000	4,600,000
Facility for rare isotope beams	NEW	NEW	0	7,300,000	7,300,000	0	7,300,000	7,300,000
Federal energy programs	NEW	NEW	0	3,610,900	3,610,900	0	3,610,900	3,610,900
<b>GROSS APPROPRIATION</b>	NEW	NEW	0	298,073,200	298,073,200	0	298,073,200	298,073,200
Federal revenues	NEW	NEW	0	57,231,100	57,231,100	0	57,231,100	57,231,100
Private revenues	NEW	NEW	0	380,000	380,000	0	380,000	380,000
State restricted funds	NEW	NEW	0	76,583,500	76,583,500	0	76,583,500	76,583,500
State general fund/general purpose	NEW	NEW	0	163,878,600	163,878,600	0	163,878,600	163,878,600
<b>Sec. XX-104. TALENT INVESTMENT AGENCY</b>								
Full-time equated classified positions	NEW	NEW	0.0	1,087.0	1,087.0	0.0	1,087.0	1,087.0
Executive direction- 7.0 FTE positions	NEW	NEW	0	1,157,400	1,157,400	0	1,157,400	1,157,400
Workforce program administration-225.0 FTE positions	NEW	NEW	0	33,074,300	33,074,300	0	33,074,300	33,074,300
Workforce development programs	NEW	NEW	0	391,196,400	391,196,400	0	391,196,400	391,196,400
Skilled trades training program	NEW	NEW	0	25,600,000	25,600,000	0	25,600,000	25,600,000
Unemployment insurance agency-855.0 FTE positions	NEW	NEW	0	139,604,900	139,604,900	0	139,604,900	139,604,900
Information technology services and projects - TIA	NEW	NEW	0	22,363,000	22,363,000	0	22,363,000	22,363,000
<b>GROSS APPROPRIATION</b>	NEW	NEW	0	612,996,000	612,996,000	0	612,996,000	612,996,000
Federal revenues	NEW	NEW	0	541,627,000	541,627,000	0	541,627,000	541,627,000
Local revenues	NEW	NEW	0	4,433,500	4,433,500	0	4,433,500	4,433,500
Private revenues	NEW	NEW	0	5,269,000	5,269,000	0	5,269,000	5,269,000
State restricted funds	NEW	NEW	0	38,585,900	38,585,900	0	38,585,900	38,585,900
State general fund/general purpose	NEW	NEW	0	23,080,600	23,080,600	0	23,080,600	23,080,600
<b>Sec. XX-105. LAND BANK FAST TRACK AUTHORITY</b>								
Full-time equated classified positions	NEW	NEW	0.0	6.0	6.0	0.0	6.0	6.0
Land bank fast track authority-6.0 FTE positions	NEW	NEW	0	5,247,800	5,247,800	0	5,247,800	5,247,800
<b>GROSS APPROPRIATION</b>	NEW	NEW	0	5,247,800	5,247,800	0	5,247,800	5,247,800
Federal revenues	NEW	NEW	0	1,000,000	1,000,000	0	1,000,000	1,000,000
State restricted funds	NEW	NEW	0	297,800	297,800	0	297,800	297,800

State general fund/general purpose	NEW	NEW	0	3,950,000	3,950,000	0	3,950,000	3,950,000
<b>Sec. XX-106. MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY</b>								
Full-time equated classified positions	NEW	NEW	0 0	347 0	347 0	0 0	347 0	347 0
Payments on behalf of tenants	NEW	NEW	0	166,860,000	166,860,000	0	166,860,000	166,860,000
Housing and rental assistance-347.0 FTE positions	NEW	NEW	0	57,709,600	57,709,600	0	57,709,600	57,709,600
Lighthouse preservation program	NEW	NEW	0	307,500	307,500	0	307,500	307,500
Rent and administrative support	NEW	NEW	0	3,847,900	3,847,900	0	3,847,900	3,847,900
Information technology services and projects-MSHDA	NEW	NEW	0	3,556,700	3,556,700	0	3,556,700	3,556,700
<b>GROSS APPROPRIATION</b>	NEW	NEW	0	<b>232,281,700</b>	<b>232,281,700</b>	0	<b>232,281,700</b>	<b>232,281,700</b>
Federal revenues	NEW	NEW	0	166,860,000	166,860,000	0	166,860,000	166,860,000
State restricted funds	NEW	NEW	0	65,421,700	65,421,700	0	65,421,700	65,421,700
State general fund/general purpose	NEW	NEW	0	0	0	0	0	0
<b>Sec. XX-107. ONE-TIME APPROPRIATIONS</b>								
MSF – business attraction and community revitalization	NEW	NEW	0	17,900,000	17,900,000	0	0	0
MSF – film incentives	NEW	NEW	0	25,000,000	25,000,000	0	0	0
<b>GROSS APPROPRIATION</b>	NEW	NEW	0	<b>42,900,000</b>	<b>42,900,000</b>	0	0	0
State general fund/general purpose	NEW	NEW	0	42,900,000	42,900,000	0	0	0

#### BOILERPLATE:

#### GENERAL SECTIONS

Sec. XX-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2015-2016 is \$415,190,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2015-2016 is \$15,224,800.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT  
Welfare-to-work programs \$15,224,800

Sec. XX-202. The appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18 1101 to 18 1594.

Sec. XX-203. As used in this article:

- (a) "Department" means the department of talent and economic development.
- (b) "Director" means the director of the department.
- (c) "DOL" means the department of labor.
- (d) "DTMB" means the department of technology, management and budget.
- (e) "FTE" means full-time equated.
- (f) "Fund" means the Michigan Strategic Fund.
- (g) "Land Bank" means the Michigan Land Bank Fast Track Authority, a public body corporate and politic, with prescribed statutory powers, duties, and functions under Public Act 258 of 2003, MCL 124.765.
- (h) "MAIN" means the Michigan administrative information network.
- (i) "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, (Ex Sess) PA 7, MCL 124.501 to 124.512, by contractual interlocal agreement effective April 5, 1999, and subsequently amended, between local participating economic development corporations formed under the economic development corporations act, 1974 PA 338, MCL 125 1601 to 125 1636, and the Michigan strategic fund.
- (j) "MSF" means the Michigan strategic fund, a public body corporate and politic, with prescribed statutory powers, duties, and functions as described under Public Act 270 of 1984, MCL 125.2001 to 125 2094.
- (k) "MSHDA" means the Michigan State Housing Development Authority, a public body corporate and politic, with prescribed statutory powers, duties, and functions under Public Act 346 of 1968, MCL 125 1401 to 125 1499c.
- (l) "PATH" means partnership, accountability, training, and hope.
- (m) "TIA" means talent investment agency.

Sec. XX-204. (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 \$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 \$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 \$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. XX-205. The department 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.
- (d) The number of active department employees by job classification.
- (e) Job specifications and wage rates.

Sec. XX-206. The departments and agencies receiving appropriations in part 1 shall use the Internet to fulfill the reporting requirements of this article. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an Internet or intranet site.

Sec. XX-207. Funds appropriated in part 1 shall 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. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference should 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. XX-208. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

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

Sec. XX-209. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks and regularly updates key metrics that are used to monitor and improve the agency's performance.

Sec. XX-210. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

Sec. XX-211. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2015 and September 30, 2016.

Sec. XX-212. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees, and the senate and house fiscal agencies.

Sec. XX-213. Total authorized appropriations from all department sources under part 1 for legacy costs for the fiscal year ending September 30, 2016 is \$36,925,100.00. From this amount, total department appropriations for pension-related legacy costs are estimated at \$20,958,500.00. Total department appropriations for retiree health care legacy costs are estimated at \$15,966,600.00.

Sec. XX-214. 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 fund 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 fund shall report the amount and source of the funds to the senate and house appropriation subcommittees responsible for the department, the senate and house fiscal agencies, and the state budget office within 10 business days after receiving any additional pass-through funds.

#### MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

Sec. XX-301. 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.

#### LAND BANK FAST TRACK AUTHORITY

Sec. XX-401. In addition to the amounts appropriated in part 1, the land bank fast track 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.

#### MICHIGAN STRATEGIC FUND

Sec. XX-501. As a condition of receiving funds under part 1, any interlocal agreement entered into by the fund shall include language which states that if a local unit of government has a contract or memorandum of understanding with a private economic development agency, the MEDC will work cooperatively with that private organization in that local area.

Sec. XX-502. (1) Of the funds appropriated to the fund or through grants to the MEDC, no funds shall be expended for the purchase of options on land or the purchase of land unless at least 1 of the following conditions applies:

(a) The land is located in an economically distressed area.

(b) The land is obtained through a purchase or exercise of an option at the invitation of the local unit of government and local economic development agency.

(2) Consideration may be given to purchases where the proposed use of the land is consistent with a regional land use plan, will result in the redevelopment of an economically distressed area, can be supported by existing infrastructure, and will not cause shifts in population away from the area's population centers.

(3) As used in this section, "economically distressed area" means an area in a city, village, or township that has been designated as blighted; a city, village, or township that shows negative population change from 1970 and a poverty rate and unemployment rate greater than the statewide average; or an area certified as a neighborhood enterprise zone under the neighborhood enterprise zone act, 1992 PA 147, MCL 207.771 to 207.786.

Sec. XX-503. As a condition for receiving funds in part 1, not later than February 15, the fund shall provide a report for the immediately preceding 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 shall be submitted to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office. The report shall 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 shall 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. XX-504. (1) From the appropriations in part 1 to the fund and granted or transferred to the MEDC, any unexpended or unencumbered balance shall be disposed of in accordance with the requirements in the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, unless authorization for carryforward has otherwise been provided.

(2) Any encumbered funds shall be used for the same purposes for which funding was originally appropriated in this part and part 1.

Sec. XX-505. (1) As a condition of receiving funds under part 1, the fund shall 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 his or her 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. XX-506. As a condition for receiving the appropriations in part 1, any staff of the MEDC involved in private fund-raising activities shall not be party to any decisions regarding the awarding of grants, incentives, or tax abatements from the fund, or the MEDC.

Sec. XX-507. (1) The general fund/general purpose funds appropriated in part 1 to the fund for the programs listed below shall be transferred to the specific funds designated by statute for those programs as follows:

(a) The business attraction and community revitalization funds shall be transferred to the 21st century jobs trust fund per section 90b(3) of the Michigan strategic fund act, 1984 PA 270, MCL 125 2090b.

(b) The film incentives program funds shall be transferred to the Michigan film promotion fund established in the Michigan strategic fund act, 1984 PA 270, MCL 125.2029d.

(2) Funds transferred to the 21st century jobs trust fund or Michigan film promotion fund under subsection (1) are appropriated and available for allocation as authorized in the Michigan strategic fund act, 1984 PA 270, MCL 125.2001 to 125.2094.

Sec. XX-508. As a condition of receiving funds in part 1, the fund shall utilize MAIN, or a successor DTMB-administered administrative information system used across state government, as an appropriation and expenditure reporting system to track all financial transactions with individual vendors, contractual partners, grantees, recipients of business incentives, and recipients of other economic assistance. Encumbrances and expenditures shall be reported in a timely manner.

Sec. XX-509. The fund shall provide a report to the senate and house of representatives appropriations general government subcommittees, senate and house fiscal agencies, and the state budget director no later than April 15, 2016 on the status of projects by award recipient in an annual report to the legislature as required in the Michigan strategic fund act, 1984 PA 270, MCL 125 2001 to 125.2094.

Sec. XX-510. (1) All funds received from repayment of loans, unused grants, revenues received from sales or cash flow participation agreements, guarantees, or any combination of these or accrued interest originally distributed as part of the core communities fund, created by 2000 PA 291, shall be received, held, and applied by the fund for the purposes described in 2000 PA 291.

(2) The fund shall provide an annual report on the status of this fund which includes information that details the awards made. The report shall be provided to the appropriations subcommittees on general government, the fiscal agencies, and the state budget office by February 15.

Sec. XX-511. From the funds appropriated in part 1 for business attraction and community revitalization, not less than \$20,000,000 00 shall be granted by the fund board for brownfield redevelopment and historic preservation projects under the community revitalization program authorized by chapter 8C of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090 to 125 2090d.

Sec. XX-512. For the funds appropriated in part 1 for business attraction and community revitalization, the fund shall report quarterly on the amount of funds considered appropriated, pre-encumbered, encumbered, and expended. The report shall also include a listing of appropriations for business attraction and community revitalization, or a predecessor, in 2011 PA 63, 2012 PA 200, and 2013 PA 59, that were considered appropriated, pre-encumbered, encumbered, or expended that have lapsed back to the fund for any purpose. The report shall be submitted to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office.

Sec. XX-513. Each business incubator or accelerator that received an award from the fund shall maintain and update a dashboard of indicators to measure the effectiveness of the business incubator and accelerator programs. Indicators shall 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 shall be reported for the prior 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 to the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by March 15.

Sec. XX-514. The fund shall report to the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by April 15 on the spending plan for the line items for entrepreneurship eco-system and business attraction and community revitalization. If the spending plan for the fiscal year is changed after that date, the fund shall notify the report recipients listed previously within 10 business days.

Sec. XX-515. (1) The Michigan film office shall report to the subcommittees, the state budget director, and the fiscal agencies on the status of the film incentives at the same time as it submits the annual report required under section 455 of the Michigan business tax act, 2007 PA 36, MCL 208.1455. The department of treasury and the fund shall provide the Michigan film office with the data necessary to prepare the report. Incentives included in the report shall include all of the following:

- (a) The tax credit provided under section 455 of the Michigan business tax act, 2007 PA 36, MCL 208.1455.
- (b) The tax credit provided under section 457 of the Michigan business tax act, 2007 PA 36, MCL 208.1457.
- (c) The tax credit provided under section 459 of the Michigan business tax act, 2007 PA 36, MCL 208.1459.
- (d) The amount of any tax credit claimed under former section 367 of the income tax act of 1967, 1967 PA 281.
- (e) Any tax credits provided for film and digital media production under the Michigan economic growth authority act, 1995 PA 24, MCL 207.801 to 207.810.
- (f) Any spending or activities supported by the appropriations in part 1 for film incentives.

(2) The report shall include all of the following information:

(a) For each tax credit, the number of contracts signed, the projected expenditures qualifying for the credit, and the estimated value of the credits. For each film incentive awarded, including any program to support and promote a qualified facility and other film infrastructure as defined in section 29h of the Michigan strategic fund act, 1984 PA 270, MCL 125.2029h, the total funding awarded for each of the following:

- (i) Direct production expenditures.
- (ii) Michigan personnel expenditures.
- (iii) Crew personnel expenditures.
- (iv) Qualified personnel expenditures.
- (v) Postproduction expenditures.
- (vi) Qualified facility or infrastructure expenditures.
- (vii) Spending for program administration.

(b) For credits authorized under section 455 of the Michigan business tax act, 2007 PA 36, MCL 208.1455, for productions completed by December 31, the expenditures of each production eligible for the credit that has filed a request for certificate of completion with the film office, broken down into expenditures for goods, services, or salaries and wages and showing separately expenditures in each local unit of government, including expenditures for personnel, whether or not they were made to a Michigan entity, and whether or not they were taxable under the laws of this state.

(c) For each of the tax credit incentives and film incentives listed in subsection (1), a breakdown for each project or production showing each of the following:

- (i) The number of temporary jobs created.
- (ii) The number of permanent jobs created.
- (iii) The number of persons employed in Michigan as a result of the incentive, on a full-time equated basis.

(3) For any information not included in the report due to the provisions of section 455(6), 457(6), or 459(6) of the Michigan business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, the report shall do all of the following:

- (a) Indicate how the information would describe the commercial and financial operations or intellectual property of the company.
- (b) Attest that the information has not been publicly disseminated at any time.
- (c) Describe how disclosure of the information may put the company at a competitive disadvantage.
- (4) Any information not disclosed due to the provisions of section 455(6), 457(6), or 459(6) of the Michigan business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, shall be presented at the lowest level of aggregation that would no longer describe the commercial and financial operations or intellectual property of the company.

Sec. XX-516. The Michigan film office shall report to the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the state budget director, and the senate and house fiscal agencies on the status of the film incentives approved under section 29h of the Michigan strategic fund act, 1984 PA 270, MCL 125.2029h, not later than 30 days following the end of each quarter of the fiscal year. The report shall include all of the following:

- (a) Direct economic impacts in this state attributable to the assistance.
- (b) Direct job creation in this state attributable to the assistance.
- (c) Direct private investment in this state attributable to the assistance.
- (d) The name of each eligible production company and the amount of each incentive disbursed for each state certified qualified production.

Sec. XX-517. For funds appropriated in part 1 from the general fund/general purpose revenue and used for the purpose of the Michigan strategic fund - film incentive program, the applicable percentage of the state certified qualified production expenditures provided in section 29h(3)(d) of the Michigan strategic fund act, 1984 PA 270, MCL 125.2029h, shall be determined based on the effective date of the agreement.

Sec. XX-518. 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 the state as a travel destination. The funds are available for expenditure when they are received by the department of treasury. 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 shall provide a detailed list of expenditures of revenues received under this section. The report shall be provided to the appropriations subcommittees on general government, the fiscal agencies, and the state budget office by June 1.

Sec. XX-519. (1) The fund shall provide reports to the relevant subcommittees, the state budget director, and the fiscal agencies concerning the activities of the MEDC grants and investment programs financed from the fund using investment, Indian gaming revenues, or other revenues. The report shall provide a list of individual grants, loans, and investments made from the fund or by the MEDC from the funds appropriated in part 1 and shall include the name of the recipient, the amount awarded to the recipient, and the purpose of the grant. The activities report shall also include, but not be limited to, the following programs funded in part 1:

(a) Travel Michigan, including any expenditures authorized under section 89b of the Michigan strategic fund act, 1984 PA 270, MCL 125.2089b, to supplement the Michigan promotion or Pure Michigan programs. The report shall include the number of commercials produced, types of media purchased, and target of tourism promoted used in Michigan tourism promotion material.

(b) Business attraction, retention, and growth, including any expenditures authorized under section 89b of the Michigan strategic fund act, 1984 PA 270, MCL 125.2089b, to supplement the Michigan business marketing program. The report shall include the number of commercials produced, the markets in which media buys have been made, and any web-based products that were created as a result of this appropriation.

- (c) Business services.
- (d) Community development block grants.
- (e) Strategic fund administration.
- (f) Renaissance zones.
- (g) 21st century investment program.
- (h) Business and clean air ombudsman.
- (i) Michigan business development program.
- (j) Community revitalization program.
- (k) Film incentives.
- (l) Any other programs of the fund.

(2) As a condition of the expenditure of funds appropriated in part 1 for business attraction and community revitalization and film incentives, the fund shall submit a report to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office that provides performance metrics for the Michigan business development program, community revitalization program, and film incentives. The report shall include, but is not limited to, all of the following for all appropriated funds that are available during the fiscal year:

- (a) Total verified jobs created, as required by statute, compared to total committed jobs.
- (b) Total actual private investment compared to total projected private investment.
- (c) An estimate of the return on investment to the state as a result of the incentives.
- (d) A listing of projects previously awarded incentives that were revoked and the reason for revocation.
- (e) A listing of projects that had incentive contracts amended by the fund or MEDC. The listing shall include a detailed listing of the amendments made to the contract.
- (3) The reports in subsections (1) and (2) shall be submitted by February 15. The report for each program in subsection (1)(a) through (l) shall include details on all revenue sources, actual expenditures, and number of FTEs for that program for the previous fiscal year.

Sec. XX-520. (1) From the appropriation in part 1, the Michigan council for arts and cultural affairs 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) On or before October 1, the fund shall publish proposed application criteria, instructions, and forms for use by eligible applicants. The fund shall provide at least a 2-week period for public comment before finalizing the application criteria, instructions, and forms.
- (b) A nonrefundable application fee may be assessed for each application. Application fees shall 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 following fiscal year.
- (c) Grants are to be made to public and private arts and cultural entities.

(d) Within 1 business day after the award announcements, the council shall 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.

(2) The appropriation in part 1 for arts and cultural program shall not be used for the administration of the grant program.

#### TALENT INVESTMENT AGENCY

Sec. XX-601. From the funds appropriated in part 1 for workforce programs subgrantees, the fund may allocate funding for grants to nonprofit organizations that offer programs to workforce investment act, or workforce investment opportunity act, eligible youth focusing on pre-apprenticeship and apprenticeship activities, entrepreneurship, work-readiness skills, job shadowing, and 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 bureau of the census 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 fund shall develop other appropriate eligibility requirements to ensure compliance with applicable federal rules and regulations.

Sec. XX-602. The fund 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 state social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, and all other applicable laws and regulations.

Sec. XX-603. The fund 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. XX-604. (1) In addition to the funds appropriated in part 1, any unencumbered and unrestricted federal workforce investment act, workforce investment opportunity act, or trade adjustment assistance funds available from prior fiscal years are appropriated for the purposes originally intended.

(2) The fund shall report by February 15 to the subcommittees, the fiscal agencies, and the state budget office on the amount by fiscal year of federal workforce investment act or workforce investment opportunity act funds appropriated under this section.

Sec. XX-605. (1) Of the funds appropriated in part 1 for the workforce training programs, the fund shall provide a report by February 15th to the senate and house of representatives standing committees on appropriations subcommittees on general government, the state budget director, and the fiscal agencies on the status of the workforce training programs. The report shall 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 4-year institutions.
  - (g) The number of participants enrolled in proprietary schools or other technical training programs.
  - (h) The number of participants that have completed education or training programs.
  - (i) The number of participants who secured employment in Michigan within 1 year of completing a training program.
  - (j) The number of participants who completed a training program and secured employment in a field related to their training.
  - (k) The average wage earned by participants who completed a training program and secured employment within 1 year.
- (2) Data collection for the report shall be for the prior state fiscal year.

Sec. XX-606. Funds earned or authorized by the DOL in excess of the gross appropriation in part 1 for the unemployment insurance agency from the DOL 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 state budget director and the subcommittees of the purpose and amount of each grant award.

Sec. XX-607. (1) From the increased funds appropriated in part 1 for the 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. XX-608. The fund shall provide a report by February 15 to the senate and house of representatives standing committees on appropriations subcommittees on general government, the state budget director, and the fiscal agencies on the status of the skilled trades training program funded in part 1. The report shall include the following:

- (a) The number of awardees participating in the program and the names of those awardees organized by major industry group.
- (b) The amount of funding received by each awardee under the program.
- (c) Amount of funding leveraged from each awardee or other funding source for each awardee project.
- (d) Training models established by each awardee.
- (e) The number of individuals enrolled in a skilled trades training program by awardee.
- (f) The number of individuals who completed the program and were hired by awardee.
- (g) The number of applications received and the number of applications approved for each region.

Sec. XX-609. As a condition of receiving funds in part 1 for the skilled trades training program, the fund shall administer the program as follows:

- (a) The fund shall work cooperatively with grantees to maximize the amount of funds from part 1 that are available for direct training.
- (b) The fund, workforce development partners, including regional Michigan Works! Agencies, and employers shall collaborate and work cooperatively to prioritize and streamline the expenditure of the funds appropriated in part 1. The fund shall ensure that the skilled trades training program provides a collaborative statewide network of workforce and employee skill development partners that addresses the employee talent needs throughout the state.
- (c) The fund shall ensure that grants are utilized for individual skill enhancement for employees of Michigan businesses, including the development of additional opportunities for apprenticeship programs and the Michigan advanced technician training program. Funds shall not be distributed to program and process centered training organization employers.
- (d) The fund shall develop program goals and detailed guidance for prospective participants to follow to qualify under the program. The program goals and detailed guidance shall be posted on the fund website and distributed to workforce development partners including the local Michigan Works! agencies by October 1. Periodic assessments of employer and employee needs shall be evaluated on a regional basis, and the fund shall identify solutions and goals to be implemented to satisfy those needs. The fund shall notify the senate and house of representatives standing committees on appropriations, the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office on any program goal, solution, or guidance changes not fewer than 14 days prior to the finalization and publication of the changes. Revenues received by the fund for the skilled trades training program are appropriated and may be expended for purposes of the program.

(e) Up to \$5,000,000.00 of the funds may be expended to match federal funds when a Michigan company has utilized its favored status designation from the investing in manufacturing communities partnership to receive an award from the federal government. Advance Michigan is the multi-jurisdictional collaborative working with this partnership. The intent of Advance Michigan is to assist businesses in securing federal funding opportunities and provide matching funds in support of advancing Michigan as a global center for advanced automotive manufacturing. The intent of these funds will involve improving and increasing the skill level of employees in skilled trades in the automotive industry and the manufacturing processes within the changing manufacturing environment.

Sec. XX-610. (1) From the increased funds appropriated in part 1 for the career technology and skilled trades training programs the department shall expand workforce training and re-employment services to better connect workers to in-demand jobs.

(2) The department shall identify specific outcomes and performance metrics for this initiative, including, but not limited to, the following:

(a) New apprenticeships.

b) Skilled trades training program.

(i) Jobs created.

(ii) Jobs retained.

(iii) Training completion rate.

(iv) Employment retention rate at six months.

(v) Hourly wage at six months.

Sec. XX-611. (1) The fund shall publish the "activities classification structure data book" for Michigan community colleges on or before March 1.

(2) The fund shall compile information received from community colleges on North American Indian tuition waivers granted pursuant to 1976 PA 174, MCL 390.1251 to 390.1253, and shall submit this compilation to the house and senate appropriations subcommittees on community colleges, the fiscal agencies, and the state budget director by March 1.

(3) The fund shall compile information received from community colleges on the number and types of associate degrees and other certificates awarded during the previous fiscal year and shall submit this compilation to the house and senate appropriations subcommittees on community colleges, the fiscal agencies, and the state budget director by March 1.

(4) The fund shall place the reports required in this section on a publicly available website.

#### ONE-TIME APPROPRIATIONS

Sec. XX-701. (1) From the one-time funds appropriated in part 1 for business attraction and community revitalization, the Michigan strategic fund shall continue with strategic investments that create jobs and support community re-development to grow Michigan's economy

(2) The Michigan strategic fund shall identify specific outcomes and performance metrics for this initiative, including, but not limited to, the following:

(a) Monthly total jobs.

(b) Private investment for community projects.

Sec. XX-702. (1) From the one-time funds appropriated in part 1 for film incentives, the Michigan strategic fund shall continue with investments that create industry jobs for Michigan talent and promote and market locations that showcase Michigan's diverse attractions.

(2) The Michigan strategic fund shall identify specific outcomes and performance metrics for this initiative, including, but not limited to, the following:

(a) Direct jobs created.

(b) Private investment.

#### Explanation:

Implementation of Executive Order 2014-12 that creates the Department of Talent and Economic Development.

FISCAL YEARS 2016 and 2017 EXECUTIVE BUDGET REVISION

DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET  
Article 18

	Page	Line	FY 2016 Original Exec. Rec.	Revision	FY 2016 Revised Exec. Rec.	FY 2017 Original Exec. Rec.	Revision	FY 2017 Revised Exec. Rec.
<b>DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET</b>								
<b>APPROPRIATION SUMMARY</b>								
Full-time equated unclassified positions	283	3	6 0	0 0	6 0	6.0	0 0	6.0
Full-time equated classified positions	283	4	2,833 0	0 0	2,833 0	2,833.0	0 0	2,833 0
<b>GROSS APPROPRIATION</b>	<b>283</b>	<b>5</b>	<b>1,264,906,300</b>	<b>(208,000)</b>	<b>1,264,698,300</b>	<b>1,262,305,800</b>	<b>(208,000)</b>	<b>1,262,097,800</b>
Total interdepartmental grants and interdepartmental transfers	283	7	678,478,500	0	678,478,500	677,878,500	0	677,878,500
<b>ADJUSTED GROSS APPROPRIATION</b>	<b>283</b>	<b>8</b>	<b>586,427,800</b>	<b>(208,000)</b>	<b>586,219,800</b>	<b>584,427,300</b>	<b>(208,000)</b>	<b>584,219,300</b>
Total federal revenues	283	9	7,997,300	0	7,997,300	7,997,300	0	7,997,300
Total local revenues	283	10	3,587,700	0	3,587,700	3,587,700	0	3,587,700
Total private revenues	283	11	190,100	0	190,100	190,100	0	190,100
Total other state restricted revenues	283	12	95,771,900	0	95,771,900	95,771,900	0	95,771,900
State general fund/general purpose	283	13	478,880,800	(208,000)	478,672,800	476,880,300	(208,000)	476,672,300
<i>State general fund/general purpose schedule:</i>								
Ongoing state general fund/general purpose	283	15	476,880,300	(208,000)	476,672,300	476,880,300	(208,000)	476,672,300
One-time state general fund/general purpose	283	16	2,000,500	0	2,000,500	0	0	0
<b>Sec. 18-103. DEPARTMENT SERVICES</b>								
Administrative services-132.5 FTE positions	283	32	17,570,900	(208,000)	17,362,900	39,572,500	(208,000)	39,364,500
<b>GROSS APPROPRIATION</b>	<b>284</b>	<b>11</b>	<b>264,951,200</b>	<b>(208,000)</b>	<b>264,743,200</b>	<b>264,951,200</b>	<b>(208,000)</b>	<b>264,743,200</b>
State general fund/general purpose	284	32	39,572,500	(208,000)	39,364,500	39,572,500	(208,000)	39,364,500

**BOILERPLATE:**

**GENERAL SECTIONS**

Sec. 18-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2015-2016 is ~~\$674,662,700.00~~ \$574,444,700.00 and state spending from state resources to be paid to local units of government for fiscal year 2015-2016 is \$0.00.

**DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET**

Sec. 18-822a. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2016 is ~~\$76,448,100.00~~ \$76,306,000.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at ~~\$43,360,600.00~~ \$43,277,600.00. Total agency appropriations for retiree health care legacy costs are estimated at ~~\$33,087,500.00~~ \$33,028,400.00.

**EXPLANATION:**

Transfers out support funding in the Department of Technology, Management and Budget for the Office for New Americans to the Department of Licensing and Regulatory Affairs per Executive Order 2014-12

FISCAL YEARS 2016 and 2017 EXECUTIVE BUDGET REVISION

DEPARTMENT OF TREASURY  
Article 20

	Page	Line	FY 2016 Original Exec. Rec.	Revision 1	FY 2016 Revised Exec. Rec.	FY 2017 Original Exec. Rec.	Revision 1	FY 2017 Revised Exec. Rec.
<b>DEPARTMENT OF TREASURY</b>								
<b>APPROPRIATION SUMMARY</b>								
Full-time equated unclassified positions	334	3	10 0	0 0	10 0	10 0	0 0	10 0
Full-time equated classified positions	334	4	2,657.5	(756 0)	1,901.5	2,657.5	(756 0)	1,901.5
<b>GROSS APPROPRIATION</b>	334	5	<b>2,947,694,700</b>	<b>(1,014,141,500)</b>	<b>1,933,553,200</b>	<b>2,912,450,300</b>	<b>(971,241,500)</b>	<b>1,941,208,800</b>
Total interdepartmental grants and interdepartmental transfers	334	7	9,500,700	0	9,500,700	9,500,700	0	9,500,700
<b>ADJUSTED GROSS APPROPRIATION</b>	334	8	<b>2,938,194,000</b>	<b>(1,014,141,500)</b>	<b>1,924,052,500</b>	<b>2,902,949,600</b>	<b>(971,241,500)</b>	<b>1,931,708,100</b>
Total federal revenues	334	9	666,966,500	(627,305,000)	39,661,500	666,966,500	(627,305,000)	39,661,500
Total local revenues	334	10	13,463,200	(4,433,500)	9,029,700	13,463,200	(4,433,500)	9,029,700
Total private revenues	334	11	5,674,400	(5,649,000)	25,400	5,674,400	(5,649,000)	25,400
Total other state restricted revenues	334	12	1,746,803,600	(142,847,000)	1,605,956,600	1,776,359,200	(142,847,000)	1,633,512,200
State general fund/general purpose	334	13	503,286,300	(233,907,000)	269,379,300	440,486,300	(191,007,000)	249,479,300
<i>State general fund/general purpose schedule:</i>								
Ongoing state general fund/general purpose	334	15	440,486,300	(191,007,000)	249,479,300	440,486,300	(191,007,000)	249,479,300
One-time state general fund/general purpose	334	16	62,800,000	(42,900,000)	19,900,000	0	0	0
<b>Sec. 20-102. EXECUTIVE DIRECTION</b>								
Executive direction and operations-24.0 FTE positions	334	21	4,978,100	(259,000)	4,719,100	4,978,100	(259,000)	4,719,100
<b>GROSS APPROPRIATION</b>	334	22	<b>6,094,100</b>	<b>(259,000)</b>	<b>5,835,100</b>	<b>6,094,100</b>	<b>(259,000)</b>	<b>5,835,100</b>
Appropriated from:								
Special revenue funds:								
Michigan state housing development authority fees and charges	334	30	259,000	(259,000)	0	259,000	(259,000)	0
<b>Sec. 20-109. GRANTS</b>								
Facility for rare isotope beams	338	18	7,300,000	(7,300,000)	0	7,300,000	(7,300,000)	0
<b>GROSS APPROPRIATION</b>	338	20	<b>144,270,000</b>	<b>(7,300,000)</b>	<b>136,970,000</b>	<b>144,270,000</b>	<b>(7,300,000)</b>	<b>136,970,000</b>
Appropriated from:								
Special revenue funds:								
State general fund/general purpose	338	26	17,320,000	(7,300,000)	10,020,000	17,320,000	(7,300,000)	10,020,000
<b>Sec. 20-113. MICHIGAN STRATEGIC FUND</b>								
Full-time equated classified positions	339	32	403 0	(403 0)	0 0	403 0	(403 0)	0 0
Administrative services-22.0 FTE positions	340	1	3,124,700	(3,124,700)	0	3,124,700	(3,124,700)	0
Job creation services-139.0 FTE positions	340	2	18,971,400	(18,971,400)	0	18,971,400	(18,971,400)	0
Pure Michigan	340	3	30,000,000	(30,000,000)	0	30,000,000	(30,000,000)	0
Entrepreneurship eco-system	340	4	25,000,000	(25,000,000)	0	25,000,000	(25,000,000)	0
Business attraction and community revitalization	340	5	111,100,000	(111,100,000)	0	111,100,000	(111,100,000)	0
Community ventures-7.0 FTE positions	340	6	9,800,000	(9,800,000)	0	9,800,000	(9,800,000)	0
Michigan film office-6.0 FTE positions	340	7	653,800	(653,800)	0	653,800	(653,800)	0
Film incentives	340	8	25,000,000	(25,000,000)	0	25,000,000	(25,000,000)	0
Community development block grants	340	9	47,000,000	(47,000,000)	0	47,000,000	(47,000,000)	0
Arts and cultural program	340	10	10,150,000	(10,150,000)	0	10,150,000	(10,150,000)	0
Community college skilled trades equipment program	340	11	4,600,000	(4,600,000)	0	4,600,000	(4,600,000)	0
Skilled trades training program	340	12	10,000,000	(10,000,000)	0	10,000,000	(10,000,000)	0
Energy programs	340	13	3,610,900	(3,610,900)	0	3,610,900	(3,610,900)	0
Workforce program administration-229.0 FTE positions	340	14	33,688,600	(33,688,600)	0	33,688,600	(33,688,600)	0
Workforce development programs	340	15	391,473,900	(391,473,900)	0	391,473,900	(391,473,900)	0
Workforce development agency rent and property mana	340	16	870,500	(870,500)	0	870,500	(870,500)	0
Information technology services and projects	340	17	921,700	(921,700)	0	921,700	(921,700)	0
<b>GROSS APPROPRIATION</b>	340	18	<b>725,965,500</b>	<b>(725,965,500)</b>	<b>0</b>	<b>725,965,500</b>	<b>(725,965,500)</b>	<b>0</b>
Appropriated from:								
Federal revenues:								
DAG, employment and training	340	21	3,499,400	(3,499,400)	0	3,499,400	(3,499,400)	0
DED-OESE, GEAR-UP	340	22	4,730,700	(4,730,700)	0	4,730,700	(4,730,700)	0
DED-OVAE, adult education	340	23	20,000,000	(20,000,000)	0	20,000,000	(20,000,000)	0
DED-OVAE, basic grants to states	340	24	19,000,000	(19,000,000)	0	19,000,000	(19,000,000)	0
DOE-OEERE, multiple grants	340	25	3,794,500	(3,794,500)	0	3,794,500	(3,794,500)	0
DOL, federal funds	340	26	112,769,500	(112,769,500)	0	112,769,500	(112,769,500)	0
DOL-ETA workforce investment act	340	27	173,988,600	(173,988,600)	0	173,988,600	(173,988,600)	0
Federal funds	340	28	5,940,200	(5,940,200)	0	5,940,200	(5,940,200)	0
Social security act, temporary assistance for needy families	340	30	64,898,800	(64,898,800)	0	64,898,800	(64,898,800)	0
HUD-CPD community development block grant	340	31	49,773,300	(49,773,300)	0	49,773,300	(49,773,300)	0
NFAH-NEA, promotion of the arts, partnership agreemer	340	32	1,050,000	(1,050,000)	0	1,050,000	(1,050,000)	0
Special revenue funds:								
Local revenues	341	2	4,433,500	(4,433,500)	0	4,433,500	(4,433,500)	0
Private special project advances	341	3	250,000	(250,000)	0	250,000	(250,000)	0
Private-Michigan council for the arts fund	341	4	100,000	(100,000)	0	100,000	(100,000)	0

Private funds	341	5	5,269,000	(5,269,000)	0	5,269,000	(5,269,000)	0
Private-oil overcharge	341	6	30,000	(30,000)	0	30,000	(30,000)	0
Defaulted loan collection fees	341	7	149,800	(149,800)	0	149,800	(149,800)	0
Industry support fees	341	8	5,500	(5,500)	0	5,500	(5,500)	0
21st century jobs trust fund	341	9	75,000,000	(75,000,000)	0	75,000,000	(75,000,000)	0
Michigan film promotion fund	341	10	653,800	(653,800)	0	653,800	(653,800)	0
Public utility assessments	341	11	871,900	(871,900)	0	871,900	(871,900)	0
State general fund/general purpose	341	12	179,757,000	(179,757,000)	0	179,757,000	(179,757,000)	0

**Sec. 20-115. MICHIGAN STRATEGIC FUND - MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY**

Full-time equated classified positions	341	25	353 0	(353 0)	0 0	353 0	(353 0)	0 0
Payments on behalf of tenants	341	26	166,860,000	(166,860,000)	0	166,860,000	(166,860,000)	0
Housing and rental assistance-347.0 FTE positions	341	27	57,897,100	(57,897,100)	0	57,897,100	(57,897,100)	0
Lighthouse preservation program	341	28	307,500	(307,500)	0	307,500	(307,500)	0
Rent and administrative support	341	29	3,847,900	(3,847,900)	0	3,847,900	(3,847,900)	0
Michigan state housing development authority technology services and project	341	31	3,556,700	(3,556,700)	0	3,556,700	(3,556,700)	0
Land bank fast track authority-6.0 FTE positions	341	32	5,247,800	(5,247,800)	0	5,247,800	(5,247,800)	0
<b>GROSS APPROPRIATION</b>	<b>342</b>	<b>1</b>	<b>237,717,000</b>	<b>(237,717,000)</b>	<b>0</b>	<b>237,717,000</b>	<b>(237,717,000)</b>	<b>0</b>

Appropriated from:

Federal revenues:								
Federal funds	342	4	1,000,000	(1,000,000)		1,000,000	(1,000,000)	
HUD, lower income housing assistance	342	5	166,860,000	(166,860,000)		166,860,000	(166,860,000)	
Special revenue funds:								
Michigan state housing development authority fees and charges	342	8	65,301,700	(65,301,700)	0	65,301,700	(65,301,700)	0
Michigan lighthouse preservation fund	342	9	307,500	(307,500)	0	307,500	(307,500)	0
Land bank fast track fund	342	10	297,800	(297,800)	0	297,800	(297,800)	0
State general fund/general purpose	342	11	3,950,000	(3,950,000)	0	3,950,000	(3,950,000)	0

**Sec. 20-119. ONE-TIME APPROPRIATIONS**

MSF – business attraction and community revitalization	343	13	17,900,000	(17,900,000)	0	0	0	0
MSF – film incentives	343	14	25,000,000	(25,000,000)	0	0	0	0
<b>GROSS APPROPRIATION</b>	<b>343</b>	<b>17</b>	<b>62,800,000</b>	<b>(42,900,000)</b>	<b>19,900,000</b>	<b>0</b>	<b>0</b>	<b>0</b>

Appropriated from:

Special revenue funds:								
State general fund/general purpose	343	20	62,800,000	(42,900,000)	19,900,000	0	0	0

**BOILERPLATE:**

**GENERAL SECTIONS**

Sec. 20-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2015-2016 is \$2,262,080,000.00 \$1,875,335,900.00 and state spending from state resources to be paid to local units of government for fiscal year 2015-2016 is \$4,466,649,400.00 \$1,450,394,300.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

**DEPARTMENT OF TREASURY**

Welfare-to-work programs—15,224,800

Sec. 20-203. As used in this article:

- (a) "DAC" means the United States department of agriculture.
- (e) "DED-OESE" means the DED office of elementary and secondary education.
- (e) "DED-OVAE" means the DED office of vocational and adult education.
- (h) "DOE-OERE" means the United States department of energy, office of energy efficiency and renewable energy.
- (i) "DOL" means the United States department of labor.
- (j) "DOL-ETA" means the DOL employment and training administration.
- (m) "FTE" means full-time equated.
- (p) "HHS-SSA" means HHS social security administration.
- (q) "HUD" means the United States department of housing and urban development. (p) "HUD" means the United States department of housing and urban development.
- (t) "LCSA" means local community stabilization authority.
- (w) "MDOT" means Michigan department of transportation.
- (x) "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, (Ex-Sess) PA 7, MCL 124.501 to 124.512, by contractual interlocal agreement effective April 5, 1990, between local participating economic development corporations formed under the economic development corporations act, 1974 PA 338, MCL 126.1601 to 126.1636, and the Michigan strategic fund.
- (y) "MSF" means the Michigan strategic fund.
- (z) "NFAH-NEA" means the national foundation of the arts and the humanities—national endowment for the arts.

**MICHIGAN STRATEGIC FUND - HOUSING AND COMMUNITY DEVELOPMENT**

Sec. 20-984. 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. 20-985. In addition to the amounts appropriated in part 1, the land bank fast track authority may expend revenues received under the land bank fast track act, 2003 PA 268, 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.

**MICHIGAN STRATEGIC FUND**

Sec. 20-1004. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$20,000,000.00 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 303(2) of the management and budget act, 1984 PA 431, MCL 18-1303.

(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 303(2) of the management and budget act, 1984 PA 431, MCL 18-1303.

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$400,000.00 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 303(2) of the management and budget act, 1984 PA 431, MCL 18-1303.

(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 303(2) of the management and budget act, 1984 PA 431, MCL 18-1303.

Sec. 20-1005. 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 the state as a travel destination. The funds are available for expenditure when they are received by the department of treasury. 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 shall provide a detailed list of expenditures of revenues received under this section. The report shall be provided to the appropriations subcommittees on general government, the fiscal agencies, and the state budget office by June 1.

Sec. 20-1007. (1) The fund shall provide reports to the relevant subcommittees, the state budget director, and the fiscal agencies concerning the activities of the MEDC grants and investment programs financed from the fund using investment, Indian gaming revenues, or other revenues. The report shall provide a list of individual grants, loans, and investments made from the fund or by the MEDC from the funds appropriated in part 1 and shall include the name of the recipient, the amount awarded to the recipient, and the purpose of the grant. The activities report shall also include, but not be limited to, the following programs funded in part 1:

- (a) Travel Michigan, including any expenditures authorized under section 89b of the Michigan strategic fund act, 1984 PA 270, MCL 126-2089b, to supplement the Michigan promotion or Pure Michigan programs. The report shall include the number of commercials produced, types of media purchased, and target of tourism promoted used in Michigan tourism promotion material.
- (b) Business attraction, retention, and growth, including any expenditures authorized under section 89b of the Michigan strategic fund act, 1984 PA 270, MCL 126-2089b, to supplement the Michigan business marketing program. The report shall include the number of commercials produced, the markets in which media buys have been made, and any web-based products that were created as a result of this appropriation.
- (c) Business services.
- (d) Community development block grants.
- (e) Strategic fund administration.
- (f) Renaissance zones.
- (g) 21st-century investment program.
- (h) Business and clean air ombudsman.
- (i) Michigan business development program.
- (j) Community revitalization program.
- (k) Film incentives.
- (l) Any other programs of the fund.

(2) As a condition of the expenditure of funds appropriated in part 1 for business attraction and community revitalization and film incentives, the fund shall submit a report to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office that provides performance metrics for the Michigan business development program, community revitalization program, and film incentives. The report shall include, but is not limited to, all of the following for all appropriated funds that are available during the fiscal year:

- (a) Total verified jobs created, as required by statute, compared to total committed jobs.
  - (b) Total actual private investment compared to total projected private investment.
  - (c) An estimate of the return on investment to the state as a result of the incentives.
  - (d) A listing of projects previously awarded incentives that were revoked and the reason for revocation.
  - (e) A listing of projects that had incentive contracts amended by the fund or MEDC. The listing shall include a detailed listing of the amendments made to the contract.
- (3) The reports in subsections (1) and (2) shall be submitted by February 15. The report for each program in subsection (1)(a) through (l) shall include details on all revenue sources, actual expenditures, and number of FTEs for that program for the previous fiscal year.

Sec. 20-1008. As a condition of receiving funds under part 1, any interlocal agreement entered into by the fund shall include language which states that if a local unit of government has a contract or memorandum of understanding with a private economic development agency, the MEDC will work cooperatively with that private organization in that local area.

Sec. 20-1009. (1) Of the funds appropriated to the fund or through grants to the MEDC, no funds shall be expended for the purchase of options on land or the purchase of land unless at least 1 of the following conditions applies:

- (a) The land is located in an economically distressed area.
  - (b) The land is obtained through a purchase or exercise of an option at the invitation of the local unit of government and local economic development agency.
- (2) Consideration may be given to purchases where the proposed use of the land is consistent with a regional land use plan, will result in the redevelopment of an economically distressed area, can be supported by existing infrastructure, and will not cause shifts in population away from the area's population centers.
- (3) As used in this section, "economically distressed area" means an area in a city, village, or township that has been designated as blighted; a city, village, or township that shows negative population change from 1970 and a poverty rate and unemployment rate greater than the statewide average; or an area certified as a neighborhood enterprise zone under the neighborhood enterprise zone act, 1992 PA 147, MCL 207-771 to 207-785.

Sec. 20-1010. As a condition for receiving funds in part 1, not later than February 15, the fund shall provide a report for the immediately preceding fiscal year on the jobs for Michigan investment fund, created in section 88h of the Michigan strategic fund act, 1984 PA 270, MCL 126-2088h. The report shall be submitted to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office. The report shall 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 shall 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. 20-1011. (1) From the appropriations in part 1 to the fund and granted or transferred to the MEDC, any unexpended or unencumbered balance shall be disposed of in accordance with the requirements in the management and budget act, 1984 PA 431, MCL 18-1401 to 18-1604, unless carryforward authorization has been otherwise provided for.

(2) Any encumbered funds shall be used for the same purposes for which funding was originally appropriated in this part and part 1.

Sec. 20-1012. (1) As a condition of receiving funds under part 1, the fund shall 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 his or her 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. 20-1013.** As a condition for receiving the appropriations in part 1, any staff of the MEDC involved in private fund-raising activities shall not be party to any decisions regarding the awarding of grants, incentives, or tax abatements from the fund, or the MEDC.

**Sec. 20-1014.** (1) All funds received from repayment of loans, unused grants, revenues received from sales or cash flow participation agreements, guarantees, or any combination of these or accrued interest originally distributed as part of the core communities fund, created by 2000 PA 291, shall be received, held, and applied by the fund for the purposes described in 2000 PA 291.

(2) The fund shall provide an annual report on the status of this fund which includes information that details the awards made. The report shall be provided to the appropriations subcommittees on general government, the fiscal agencies, and the state budget office by February 15.

**Sec. 20-1020.** 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 fund 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 fund shall report the amount and source of the funds to the senate appropriation subcommittee on economic development, the house appropriation subcommittee on general government, the senate and house fiscal agencies, and the state budget office within 10 business days after receiving any additional pass-through funds.

**Sec. 20-1024.** From the funds appropriated in part 1 for business attraction and community revitalization, not less than \$20,000,000.00 shall be granted by the fund board for brownfield redevelopment and historic preservation projects under the community revitalization program authorized by chapter 8C of the Michigan strategic fund act, 1984 PA 270, MCL 125.2000 to 125.2000d.

**Sec. 20-1031.** The fund shall report to the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by April 15 on the spending plan for the line items for entrepreneurship eco-system and business attraction and community revitalization. If the spending plan for the fiscal year is changed after that date, the fund shall notify the report recipients listed previously within 10 business days.

**Sec. 20-1032.** (1) The Michigan film office shall report to the subcommittees, the state budget director, and the fiscal agencies on the status of the film incentives at the same time as it submits the annual report required under section 455 of the Michigan business tax act, 2007 PA 36, MCL 208.1455. The department of treasury and the fund shall provide the Michigan film office with the data necessary to prepare the report. Incentives included in the report shall include all of the following:

(a) The tax credit provided under section 455 of the Michigan business tax act, 2007 PA 36, MCL 208.1455.

(b) The tax credit provided under section 457 of the Michigan business tax act, 2007 PA 36, MCL 208.1457.

(c) The tax credit provided under section 459 of the Michigan business tax act, 2007 PA 36, MCL 208.1459.

(d) The amount of any tax credit claimed under former section 367 of the income tax act of 1967, 1967 PA 281.

(e) Any tax credits provided for film and digital media production under the Michigan economic growth authority act, 1995 PA 24, MCL 207.801 to 207.810.

(f) Any spending or activities supported by the appropriations in part 1 for film incentives.

(2) The report shall include all of the following information:

(a) For each tax credit, the number of contracts signed, the projected expenditures qualifying for the credit, and the estimated value of the credits. For each film incentive awarded, including any program to support and promote a qualified facility and other film infrastructure as defined in section 29h of the Michigan strategic fund act, 1984 PA 270, MCL 125.2029h, the total funding awarded for each of the following:

(i) Direct production expenditures.

(ii) Michigan personnel expenditures.

(iii) Crew personnel expenditures.

(iv) Qualified personnel expenditures.

(v) Postproduction expenditures.

(vi) Qualified facility or infrastructure expenditures.

(vii) Spending for program administration.

(b) For credits authorized under section 455 of the Michigan business tax act, 2007 PA 36, MCL 208.1455, for productions completed by December 31, the expenditures of each production eligible for the credit that has filed a request for certificate of completion with the film office, broken down into expenditures for goods, services, or salaries and wages and showing separately expenditures in each local unit of government, including expenditures for personnel, whether or not they were made to a Michigan entity, and whether or not they were taxable under the laws of this state.

(c) For each of the tax credit incentives and film incentives listed in subsection (1), a breakdown for each project or production showing each of the following:

(i) The number of temporary jobs created.

(ii) The number of permanent jobs created.

(iii) The number of persons employed in Michigan as a result of the incentive, on a full-time equated basis.

(3) For any information not included in the report due to the provisions of section 455(6), 457(6), or 459(6) of the Michigan business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, the report shall do all of the following:

(a) Indicate how the information would describe the commercial and financial operations or intellectual property of the company.

(b) Attest that the information has not been publicly disseminated at any time.

(c) Describe how disclosure of the information may put the company at a competitive disadvantage.

(4) Any information not disclosed due to the provisions of section 455(6), 457(6), or 459(6) of the Michigan business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, shall be presented at the lowest level of aggregation that would no longer describe the commercial and financial operations or intellectual property of the company.

**Sec. 20-1033.** The Michigan film office shall report to the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the state budget director, and the senate and house fiscal agencies on the status of the film incentives approved under section 29h of the Michigan strategic fund act, 1984 PA 270, MCL 125.2029h, not later than 30 days following the end of each quarter of the fiscal year. The report shall include all of the following:

(a) Direct economic impacts in this state attributable to the assistance.

(b) Direct job creation in this state attributable to the assistance.

(c) Direct private investment in this state attributable to the assistance.

(d) The name of each eligible production company and the amount of each incentive disbursed for each state-certified qualified production.

**Sec. 20-1033b.** For funds appropriated in part 1 from the general fund/general purpose revenue and used for the purpose of the Michigan strategic fund—film incentive program, the applicable percentage of the state-certified qualified production expenditures provided in section 29h(3)(d) of the Michigan strategic fund act, 1984 PA 270, MCL 125.2029h, shall be determined based on the effective date of the agreement.

Sec. 20-1034. Each business incubator or accelerator that received an award from the fund shall maintain and update a dashboard of indicators to measure the effectiveness of the business incubator and accelerator programs. Indicators shall 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 MEDG. Dashboard indicators shall be reported for the prior 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 to the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by March 15.

Sec. 20-1035. (1) From the appropriation in part 1, the Michigan council for arts and cultural affairs 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) On or before October 1, the fund shall publish proposed application criteria, instructions, and forms for use by eligible applicants. The fund shall provide at least a 2-week period for public comment before finalizing the application criteria, instructions, and forms.
- (b) A nonrefundable application fee may be assessed for each application. Application fees shall 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 following fiscal year.
- (c) Grants are to be made to public and private arts and cultural entities.
- (d) Within 4 business days after the award announcements, the council shall 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.

(2) The appropriation in part 1 for arts and cultural program shall not be used for the administration of the grant program.

Sec. 20-1036. (1) The general fund/general purpose funds appropriated in part 1 to the fund for the programs listed below shall be transferred to the specific funds designated by statute for those programs as follows:

- (a) The business attraction and community revitalization funds shall be transferred to the 21st-century jobs trust fund per section 90b(3) of the Michigan strategic fund act, 1984 PA 270, MCL 126-2090b.
- (b) The film incentives program funds shall be transferred to the Michigan film promotion fund established in the Michigan strategic fund act, 1984 PA 270, MCL 126-2029d.
- (2) Funds transferred to the 21st-century jobs trust fund or Michigan film promotion fund under subsection (1) are appropriated and available for allocation as authorized in the Michigan strategic fund act, 1984 PA 270, MCL 126-2001 to 126-2094.

Sec. 20-1039. The fund shall provide a report by February 15 to the senate and house of representatives standing committees on appropriations subcommittees on general government, the state budget director, and the fiscal agencies on the status of the skilled trades training program funded in part 1. The report shall include the following:

- (a) The number of awardees participating in the program and the names of those awardees organized by major industry group.
- (b) The amount of funding received by each awardee under the program.
- (c) Amount of funding leveraged from each awardee or other funding source for each awardee project.
- (d) Training models established by each awardee.
- (e) The number of individuals enrolled in a skilled trades training program by awardee.
- (f) The number of individuals who completed the program and were hired by awardee.
- (g) The number of applications received and the number of applications approved for each region.

Sec. 20-1039b. As a condition of receiving funds in part 1 for the skilled trades training program, the fund shall administer the program as follows:

- (a) The fund shall work cooperatively with grantees to maximize the amount of funds from part 1 that are available for direct training.
- (b) The fund, workforce development partners, including regional Michigan Works! Agencies, and employers shall collaborate and work cooperatively to prioritize and streamline the expenditure of the funds appropriated in part 1. The fund shall ensure that the skilled trades training program provides a collaborative statewide network of workforce and employee skill development partners that addresses the employee talent needs throughout the state.
- (c) The fund shall ensure that grants are utilized for individual skill enhancement for employees of Michigan businesses, including the development of additional opportunities for apprenticeship programs and the Michigan advanced technician training program. Funds shall not be distributed to program and process centered training organization employees.
- (d) The fund shall develop program goals and detailed guidance for prospective participants to follow to qualify under the program. The program goals and detailed guidance shall be posted on the fund website and distributed to workforce development partners including the local Michigan Works! agencies by October 1. Periodic assessments of employer and employee needs shall be evaluated on a regional basis, and the fund shall identify solutions and goals to be implemented to satisfy these needs. The fund shall notify the senate and house of representatives standing committees on appropriations, the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office on any program goal, solution, or guidance changes not fewer than 14 days prior to the finalization and publication of the changes. Revenues received by the fund for the skilled trades training program are appropriated and may be expended for purposes of the program.
- (e) Up to \$6,000,000.00 of the funds may be expended to match federal funds when a Michigan company has utilized its favored status designation from the investing in manufacturing communities partnership to receive an award from the federal government. Advance Michigan is the multi-jurisdictional collaborative working with this partnership. The intent of Advance Michigan is to assist businesses in securing federal funding opportunities and provide matching funds in support of advancing Michigan as a global center for advanced automotive manufacturing. The intent of these funds will involve improving and increasing the skill level of employees in skilled trades in the automotive industry and the manufacturing processes within the changing manufacturing environment.

Sec. 20-1040. As a condition of receiving funds in part 1, the fund shall utilize MAIN, or a successor DTMB administered administrative information system used across state government, as an appropriation and expenditure reporting system to track all financial transactions with individual vendors, contractual partners, grantees, recipients of business incentives, and recipients of other economic assistance. Encumbrances and expenditures shall be reported in a timely manner.

Sec. 20-1042. For the funds appropriated in part 1 for business attraction and community revitalization, the fund shall report quarterly on the amount of funds considered appropriated, pre-encumbered, encumbered, and expended. The report shall also include a listing of appropriations for business attraction and community revitalization, or a predecessor, in 2011 PA 63, 2012 PA 200, and 2013 PA 69, that were considered appropriated, pre-encumbered, encumbered, or expended that have lapsed back to the fund for any purpose. The report shall be submitted to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office.

Sec. 20-1045. Total authorized appropriations from all Michigan strategic fund sources under part 1 for legacy costs for the fiscal year ending September 30, 2016 are \$18,488,200.00. From this amount, Michigan strategic fund agency appropriations for pension-related legacy costs are estimated at \$10,482,500.00. Total Michigan strategic fund appropriations for retiree health care legacy costs are estimated at \$7,985,700.00.

Sec. 20-1050. (1) The fund shall publish the "activities classification structure data book" for Michigan community colleges on or before March 1.

- (2) The fund shall compile information received from community colleges on North American Indian tuition waivers granted pursuant to 1978 PA 174, MCL 300-1251 to 300-1253, and shall submit this compilation to the house and senate appropriations subcommittee on community colleges, the fiscal agencies, and the state budget director by March 1.
- (3) The fund shall compile information received from community colleges on the number and types of associate degrees and other certificates awarded during the previous fiscal year and shall submit this compilation to the house and senate appropriations subcommittees on community colleges, the fiscal agencies, and the state budget director by March 1.
- (4) The fund shall place the reports required in this section on a publicly available website.

~~Sec. 20-1052. The fund shall provide a report to the senate and house of representatives appropriations general government subcommittees, senate and house fiscal agencies, and the state budget director no later than April 15, 2016 on the status of projects by award recipient in an annual report to the legislature as required in the Michigan strategic fund act, 1984 PA 270, MCL 126-2001 to 126-2004.~~

~~Sec. 20-1054. From the funds appropriated in part 1 for workforce programs subgrantees, the fund may allocate funding for grants to nonprofit organizations that offer programs to workforce investment act or workforce investment opportunity act, eligible youth focusing on pre-apprenticeship and apprenticeship activities, entrepreneurship, work readiness skills, job shadowing, and 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 bureau of the census 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 fund shall develop other appropriate eligibility requirements to ensure compliance with applicable federal rules and regulations.~~

~~Sec. 20-1060. The fund 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 state social welfare act, 1939 PA 280, MCL 400-1 to 400-119b, and all other applicable laws and regulations.~~

~~Sec. 20-1062. The fund shall make available, in person or by telephone, 1 disabled veterans outreach program specialist or local veterans employment representative to Michigan work 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. 20-1063. (1) In addition to the funds appropriated in part 1, any unencumbered and unrestricted federal workforce investment act, workforce investment opportunity act, or trade adjustment assistance funds available from prior fiscal years are appropriated for the purposes originally intended.~~

~~(2) The fund shall report by February 15 to the subcommittees, the fiscal agencies, and the state budget office on the amount by fiscal year of federal workforce investment act or workforce investment opportunity act funds appropriated under this section.~~

~~Sec. 20-1068. (1) Of the funds appropriated in part 1 for the workforce training programs, the fund shall provide a report by February 15th to the senate and house of representatives standing committees on appropriations subcommittees on general government, the state budget director, and the fiscal agencies on the status of the workforce training programs. The report shall include the following:~~

~~(a) The amount of funding allocated to each Michigan work 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 work agency.~~

~~(c) The average duration of training for training program participants by each Michigan work 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 4-year institutions.~~

~~(g) The number of participants enrolled in proprietary schools or other technical training programs.~~

~~(h) The number of participants that have completed education or training programs.~~

~~(i) The number of participants who secured employment in Michigan within 1 year of completing a training program.~~

~~(j) The number of participants who completed a training program and secured employment in a field related to their training.~~

~~(k) The average wage earned by participants who completed a training program and secured employment within 1 year.~~

~~(2) Data collection for the report shall be for the prior state fiscal year.~~

~~Sec. 20-1071. (1) From the one-time funds appropriated in part 1 for business attraction and community revitalization, the Michigan strategic fund shall continue with strategic investments that create jobs and support community re-development to grow Michigan's economy.~~

~~(2) The Michigan strategic fund shall identify specific outcomes and performance metrics for this initiative, including, but not limited to, the following:~~

~~(a) Monthly total jobs.~~

~~(b) Private investment for community projects.~~

~~Sec. 20-1072. (1) From the one-time funds appropriated in part 1 for film incentives, the Michigan strategic fund shall continue with investments that create industry jobs for Michigan talent and promote and market locations that showcase Michigan's diverse attractions.~~

~~(2) The Michigan strategic fund shall identify specific outcomes and performance metrics for this initiative, including, but not limited to, the following:~~

~~(a) Direct jobs created.~~

~~(b) Private investment.~~

**Explanation:**

Implementation of Executive Order 2014-12 which transfers various programs, including the Michigan Strategic Fund and the Michigan State Housing Development Authority, and the facility for rare isotope beams grant, to create the Department of Talent and Economic Development.