

EXECUTIVE BUDGET BILL

A bill to make appropriations for various state departments and agencies; the judicial branch, and the legislative branch for the fiscal years ending September 30, 2018; to provide anticipated appropriations for the fiscal year ending September 30, 2019; to provide for certain conditions on appropriations; to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

	For Fiscal	For Fiscal
	Year Ending	Year Ending
	Sept. 30, 2018	Sept. 30, 2019
APPROPRIATION SUMMARY		
GROSS APPROPRIATION	\$ 56,267,284,800	\$ 56,107,581,100
Total interdepartmental grants and interdepartmental		
transfers.....	880,233,700	880,233,700
ADJUSTED GROSS APPROPRIATION	\$ 55,387,051,100	\$ 55,227,347,400
Total federal revenues	23,096,003,500	22,961,727,700
Total local revenues	214,888,900	213,388,900
Total private revenues	168,256,300	168,256,300
Total other state restricted revenues	21,758,509,400	21,897,244,900
State general fund/general purpose	\$ 10,149,393,000	\$ 9,986,729,600

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Article 1

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 1-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of agriculture and rural development are appropriated for the fiscal year ending September 30, 2018, and are anticipated to be appropriated for the fiscal year ending September 30, 2019, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT	
2	APPROPRIATION SUMMARY	
3	Full-time equated unclassified positions.....	6.0 6.0
4	Full-time equated classified positions.....	493.5 493.5
5	GROSS APPROPRIATION	\$ 104,928,800 \$ 100,748,700
6	Total interdepartmental grants and interdepartmental	
7	transfers.....	310,300 310,300
8	ADJUSTED GROSS APPROPRIATION	\$ 104,618,500 \$ 100,438,400
9	Total federal revenues	11,273,900 11,273,900
10	Total local revenues	0 0
11	Total private revenues	101,600 101,600
12	Total other state restricted revenues	36,661,000 36,660,900
13	State general fund/general purpose	\$ 56,582,000 \$ 52,402,000
14	<i>State general fund/general purpose schedule:</i>	
15	<i>Ongoing state general fund/general purpose</i>	<i>52,402,000 52,402,000</i>
16	<i>One-time state general fund/general purpose</i>	<i>4,180,000 0</i>
17	Sec. 1-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
18	Full-time equated unclassified positions.....	6.0 6.0
19	Full-time equated classified positions.....	36.0 36.0
20	Unclassified salaries-6.0 FTE positions	\$ 562,300 \$ 562,300
21	Accounting service center	1,150,400 1,150,400
22	Commissions and boards	23,800 23,800
23	Emergency management-4.0 FTE positions	979,600 979,600
24	Executive direction-11.0 FTE positions	1,426,100 1,426,100
25	Operational services-20.0 FTE positions	2,008,800 2,008,800
26	Property management	709,000 709,000
27	Statistical reporting service-1.0 FTE position	<u>204,700 204,700</u>
28	GROSS APPROPRIATION	\$ 7,064,700 \$ 7,064,700
29	Appropriated from:	
30	Federal revenues:	
31	Other federal revenues	334,400 334,400
32	Special revenue funds:	

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Private revenues	50,000	50,000
2 Other state restricted revenues	1,050,500	1,050,500
3 State general fund/general purpose	\$ 5,629,800	\$ 5,629,800
4 Sec. 1-103. INFORMATION TECHNOLOGY		
5 Information technology services and projects	\$ <u>1,778,500</u>	\$ <u>1,778,500</u>
6 GROSS APPROPRIATION	\$ 1,778,500	\$ 1,778,500
7 Appropriated from:		
8 Interdepartmental grant revenues:		
9 IDG from department of licensing and regulatory affairs	3,200	3,200
10 Special revenue funds:		
11 Other state restricted revenues	187,600	187,600
12 State general fund/general purpose	\$ 1,587,700	\$ 1,587,700
13 Sec. 1-104. FOOD AND DAIRY		
14 Full-time equated classified positions.....	125.0	125.0
15 Food safety and quality assurance-94.0 FTE positions .	\$ 16,648,400	\$ 16,648,400
16 Milk safety and quality assurance-31.0 FTE positions .	<u>4,510,300</u>	<u>4,510,300</u>
17 GROSS APPROPRIATION	\$ 21,158,700	\$ 21,158,700
18 Appropriated from:		
19 Federal revenues:		
20 Other federal revenues	2,437,800	2,437,800
21 Special revenue funds:		
22 Other state restricted revenues	5,729,700	5,729,700
23 State general fund/general purpose	\$ 12,991,200	\$ 12,991,200
24 Sec. 1-105. ANIMAL INDUSTRY		
25 Full-time equated classified positions.....	61.0	61.0
26 Animal agriculture initiative	\$ 399,000	\$ 399,000
27 Animal disease prevention and response-61.0 FTE		
28 positions.....	9,267,300	9,267,300
29 Indemnification - livestock depredation	<u>50,000</u>	<u>50,000</u>
30 GROSS APPROPRIATION	\$ 9,716,300	\$ 9,716,300
31 Appropriated from:		
32 Federal revenues:		

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Other federal revenues	616,000	616,000
2 Special revenue funds:		
3 Private revenues	30,500	30,500
4 Other state restricted revenues	263,000	263,000
5 State general fund/general purpose	\$ 8,806,800	\$ 8,806,800
6 Sec. 1-106. PESTICIDE AND PLANT PEST MANAGEMENT		
7 Full-time equated classified positions.....	94.0	94.0
8 Pesticide and plant pest management-88.0 FTE positions	\$ 14,073,800	\$ 14,073,800
9 Producer security/grain dealers-6.0 FTE positions	<u>618,500</u>	<u>618,500</u>
10 GROSS APPROPRIATION	\$ 14,692,300	\$ 14,692,300
11 Appropriated from:		
12 Federal revenues:		
13 Other federal revenues	1,678,500	1,678,500
14 Special revenue funds:		
15 Private revenues	21,100	21,100
16 Other state restricted revenues	7,148,800	7,148,800
17 State general fund/general purpose	\$ 5,843,900	\$ 5,843,900
18 Sec. 1-107. ENVIRONMENTAL STEWARDSHIP		
19 Full-time equated classified positions.....	65.5	65.5
20 Environmental stewardship - MAEAP-25.0 FTE positions .	\$ 10,236,600	\$ 10,236,600
21 Farmland and open space preservation-10.0 FTE positions	1,623,100	1,623,100
22 Intercounty drain-6.0 FTE positions	802,900	802,900
23 Migrant labor housing-9.0 FTE positions	1,206,800	1,206,800
24 Qualified forest program-9.0 FTE positions	2,697,300	2,697,300
25 Right-to-farm-6.5 FTE positions	<u>950,800</u>	<u>950,800</u>
26 GROSS APPROPRIATION	\$ 17,517,500	\$ 17,517,500
27 Appropriated from:		
28 Interdepartmental grant revenues:		
29 IDG from department of environmental quality	88,500	88,500
30 Federal revenues:		
31 Other federal revenues	1,477,300	1,477,300
32 Special revenue funds:		

		For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	Other state restricted revenues	9,719,500	9,719,500
2	State general fund/general purpose	\$ 6,232,200	\$ 6,232,200
3	Sec. 1-108. LABORATORY SERVICES		
4	Full-time equated classified positions.....	96.0	96.0
5	Consumer protection program-41.0 FTE positions	\$ 6,711,200	\$ 6,711,200
6	Laboratory services-42.0 FTE positions	6,829,000	6,829,000
7	USDA monitoring-13.0 FTE positions	<u>1,622,100</u>	<u>1,622,100</u>
8	GROSS APPROPRIATION	\$ 15,162,300	\$ 15,162,300
9	Appropriated from:		
10	Interdepartmental grant revenues:		
11	IDG from department of licensing and regulatory affairs	218,600	218,600
12	Federal revenues:		
13	Other federal revenues	2,422,200	2,422,200
14	Special revenue funds:		
15	Other state restricted revenues	5,874,100	5,874,100
16	State general fund/general purpose	\$ 6,647,400	\$ 6,647,400
17	Sec. 1-109. AGRICULTURE DEVELOPMENT		
18	Full-time equated classified positions.....	16.0	16.0
19	Agriculture development-12.0 FTE positions	\$ 4,019,800	\$ 4,019,800
20	Food and agriculture investment program	2,743,900	2,743,900
21	Grape and wine program-3.0 FTE positions	927,000	927,000
22	Rural development fund grant program-1.0 FTE position	<u>2,000,000</u>	<u>2,000,000</u>
23	GROSS APPROPRIATION	\$ 9,690,700	\$ 9,690,700
24	Appropriated from:		
25	Federal revenues:		
26	Other federal revenues	2,307,700	2,307,700
27	Special revenue funds:		
28	Other state restricted revenues	3,020,500	3,020,500
29	State general fund/general purpose	\$ 4,362,500	\$ 4,362,500
30	Sec. 1-110. FAIRS AND EXPOSITIONS		
31	County fairs, shows, and expositions grants	\$ 300,500	\$ 300,500
32	Fairs and racing	256,600	256,600

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Licensed tracks - light horse racing	40,300	40,300
2 Light horse racing - breeders' awards	20,000	20,000
3 Purses and supplements - fairs/licensed tracks	708,300	708,300
4 Standardbred breeders' awards	345,900	345,900
5 Standardbred purses and supplements - licensed tracks	671,800	671,800
6 Standardbred sire stakes	275,000	275,000
7 Thoroughbred breeders' awards	368,600	368,600
8 Thoroughbred sire stakes	378,800	378,800
9 Thoroughbred supplements - licensed tracks	601,900	601,900
10 GROSS APPROPRIATION	\$ 3,967,700	\$ 3,967,700
11 Appropriated from:		
12 Special revenue funds:		
13 Other state restricted revenues	3,667,200	3,667,200
14 State general fund/general purpose	\$ 300,500	\$ 300,500
15 Sec. 1-111. ONE-TIME APPROPRIATIONS		
16 Double up food bucks (statewide)	\$ 750,000	\$ 0
17 Drinking water declaration of emergency	680,100	0
18 Enhanced wildlife risk management project	1,000,000	0
19 Intercounty drain	250,000	0
20 Tree fruit commission	1,500,000	0
21 GROSS APPROPRIATION	\$ 4,180,100	\$ 0
22 Appropriated from:		
23 Special revenue funds:		
24 Other state restricted revenues	100	0
25 State general fund/general purpose	\$ 4,180,000	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2018

GENERAL SECTIONS

Sec. 1-201. Pursuant to section 30 of article IX of the state constitution of 1963,

1 total state spending from state resources under part 1 for the fiscal year 2018 is
2 \$93,243,000.00 and state spending from state resources to be paid to local units of
3 government for fiscal year 2018 is \$7,350,000.00. The itemized statement below identifies
4 appropriations from which spending to local units of government will occur:

5 DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

6	Environmental stewardship - MAEAP.....	\$	4,250,000
7	Enhanced wildlife risk management project.....		1,000,000
8	Qualified forest program.....		1,500,000
9	Rural development fund grant program.....		<u>600,000</u>
10	TOTAL	\$	7,350,000

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

13 Sec. 1-203. As used in this article:

- 14 (a) "Department" means the department of agriculture and rural development.
- 15 (b) "Director" means the director of the department.
- 16 (c) "FTE" means full-time equated.
- 17 (d) "IDG" means interdepartmental grant.
- 18 (e) "MAEAP" means the Michigan agriculture environmental assurance program.
- 19 (f) "TB" means tuberculosis.
- 20 (g) "USDA" means the United States Department of Agriculture.

21 Sec. 1-204. The departments and agencies receiving appropriations in part 1 shall use
22 the Internet to fulfill the reporting requirements of this article. This requirement may
23 include transmission of reports via electronic mail to the recipients identified for each
24 reporting requirement, or it may include placement of reports on an Internet or Intranet
25 site.

26 Sec. 1-205. Funds appropriated in part 1 shall not be used for the purchase of
27 foreign goods or services, or both, if competitively priced and of comparable quality
28 American goods or services, or both, are available. Preference shall be given to goods or
29 services, or both, manufactured or provided by Michigan businesses, if they are
30 competitively priced and of comparable quality. In addition, preference should be given to
31 goods or services, or both, that are manufactured or provided by Michigan businesses owned
32 and operated by veterans, if they are competitively priced and of comparable quality.

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

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

13 (a) The dates of each travel occurrence.

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

18 Sec. 1-208. Funds appropriated in part 1 shall not be used by a principal executive
19 department, state agency, or authority to hire a person to provide legal services that are
20 the responsibility of the attorney general. This prohibition does not apply to legal
21 services for bonding activities and for those outside services that the attorney general
22 authorizes.

23 Sec. 1-209. Not later than November 30, the state budget office shall prepare and
24 transmit a report that provides for estimates of the total general fund/general purpose
25 appropriation lapses at the close of the prior fiscal year. This report shall summarize the
26 projected year-end general fund/general purpose appropriation lapses by major departmental
27 program or program areas. The report shall be transmitted to the chairpersons of the senate
28 and house appropriations committees and the senate and house fiscal agencies.

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

1 MCL 18.1393.

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

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

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

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

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

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

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

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

22 (e) Job specifications and wage rates.

23 Sec. 1-212. Within 14 days after the release of the executive budget recommendation,
24 the department shall cooperate with the state budget office to provide the senate and house
25 appropriations chairs, the senate and house appropriations subcommittees chairs, and the
26 senate and house fiscal agencies with an annual report on estimated state restricted fund
27 balances, state restricted fund projected revenues, and state restricted fund expenditures
28 for the fiscal years ending September 30, 2017 and September 30, 2018.

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

32 Sec. 1-214. Total authorized appropriations from all sources under part 1 for legacy

1 costs for the fiscal year ending September 30, 2018 are estimated at \$12,400,000.00. From
2 this amount, total agency appropriations for pension-related legacy costs are estimated at
3 \$6,381,100.00. Total agency appropriations for retiree health care legacy costs are
4 estimated at \$6,018,900.00.

5

6 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

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

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

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

13 (c) Laboratory support testing for testing horses in draft horse pulling contests at
14 county fairs when local jurisdictions request state assistance.

15 (d) Laboratory support analyses to determine foreign substances in horses engaged in
16 racing or pulling contests at tracks.

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

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

22 (2) The department may receive and expend revenue from the fees authorized under
23 subsection (1), subject to appropriation, for the purpose of recovering expenses associated
24 with the work activities and services described in subsection (1). Fee revenue collected by
25 the department under subsection (1) shall not lapse to the state general fund at the end of
26 the fiscal year but shall carry forward for appropriation by the legislature in the
27 subsequent fiscal year.

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

31 (4) On or before February 1 of each year, the department shall provide a report to
32 the subcommittees, fiscal agencies, and the state budget office detailing all the fees

1 charged by the department under the authorization provided in this section, including, but
2 not limited to, rates, number of individuals paying each fee, and the revenue generated by
3 each fee in the previous fiscal year.

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

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

14

15 **FOOD AND DAIRY**

16 Sec. 1-401. (1) The department shall report on the previous calendar year's
17 activities of the food and dairy division. The report shall include information on
18 activities and outcomes of the dairy safety and inspection program, the food safety
19 inspection program, the foodborne illness and emergency response program, and the food
20 service program.

21 (2) The report shall include information on significant foodborne outbreaks and
22 emergencies, including any enforcement actions taken related to food safety during the
23 prior calendar year.

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

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28 **ANIMAL INDUSTRY**

29 Sec. 1-452. The department shall report on the previous calendar year's activities of
30 the animal industry division. The report shall be transmitted to the subcommittees, fiscal
31 agencies, and the state budget office and posted to the department's website on or before
32 April 1 of each year.

1 Sec. 1-453. (1) The department shall not make an indemnification payment exceeding
2 \$100,000 in accordance with the animal industry act, 1988 PA 466, MCL 287.701 to 287.746,
3 until the department provides all of the following information to the subcommittees, fiscal
4 agencies, and the state budget office:

5 (a) The reason for the indemnification.

6 (b) The amount of the indemnification.

7 (2) From the funds appropriated in part 1 for indemnification - livestock
8 depredation, the department shall make indemnification payments for livestock killed by a
9 wolf, coyote, or cougar pursuant to the wildlife depredation indemnification act, 2012 PA
10 487, MCL 285.361 to 285.365.

11 (3) The department shall include in their annual report required in section 452 all
12 indemnification payments for livestock depredation made in the previous fiscal year. The
13 report shall include all of the following information:

14 (a) The reason for the indemnification.

15 (b) The amount of the indemnification.

16 (c) The person to whom the indemnification was paid.

17 Sec. 1-454. The department shall use its resources to collaborate with the USDA to
18 monitor bovine TB, consistent with the May 2016 memorandum of understanding between the
19 department and the USDA.

20 Sec. 1-458. From the funds appropriated in part 1 for animal industry, the department
21 shall provide inspection and testing of aquaculture facilities and aquaculture researchers
22 as provided under section 7 of the Michigan aquaculture development act, 1996 PA 199, MCL
23 286.877.

24

25 **PESTICIDE AND PLANT PEST MANAGEMENT**

26 Sec. 1-501. The department shall report on the previous calendar year's activities of
27 the pesticide and plant pest management division. The report shall be transmitted to the
28 subcommittees, fiscal agencies, and the state budget office and posted to the department's
29 website on or before April 1 of each year.

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31 **ENVIRONMENTAL STEWARDSHIP**

32 Sec. 1-601. The funds appropriated in part 1 for environmental stewardship/MAEAP

1 shall be used to support department agriculture pollution prevention programs, including
2 groundwater and freshwater protection programs under part 87 of the Michigan natural
3 resources and environmental protection act, 1994 PA 451, MCL 324.8701 to 324.8717, and
4 technical assistance in implementing conservation grants available under the federal farm
5 bill of 2014.

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

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

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

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

21 Sec. 1-651. The department shall report on the previous calendar year's activities of
22 the laboratory division. The report shall be transmitted to the subcommittees, fiscal
23 agencies, and the state budget office and posted to the department's website on or before
24 April 1 of each year.

25

26 **AGRICULTURE DEVELOPMENT**

27 Sec. 1-706. (1) From the funds appropriated in part 1 for agriculture development,
28 the department shall increase trade show and export business visit attendance by 10 trade
29 shows and 10 export business visits from the 2016-2017 fiscal year. The purpose of this
30 expansion is to promote the business of Michigan companies and their products in global
31 markets.

32 (2) The department shall report on the previous calendar year's activities of the

1 agriculture development division. The report shall be transmitted to the subcommittees,
2 fiscal agencies, and the state budget office and posted to the department's website on or
3 before April 1 of each year.

4 (3) The report shall include the following information on any grants awarded during
5 the prior fiscal year:

6 (a) The name of the grantee.

7 (b) The amount of the grant.

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

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

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

12 Sec. 1-711. (1) From the funds appropriated in part 1 for the food and agriculture
13 investment program, the department shall establish and administer a food and agriculture
14 investment program.

15 (2) The food and agriculture investment program shall expand the Michigan food and
16 agriculture sector, grow Michigan exports, and increase food processing activities within
17 the state by accelerating projects and infrastructure development that supports growth in
18 the food and agriculture processing industry.

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

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

29 (5) The department shall include in the agriculture development annual report a
30 report on the food and agriculture investment program for the previous fiscal year which
31 shall include a listing of the grantees, award amounts, match funding, and project
32 outcomes.

1 (6) The food and agriculture investment program shall be administered by the
2 department and provide support for food and agriculture projects that will enable growth in
3 the industry and Michigan's economy.

4 (7) The unexpended portion of the food and agriculture investment program shall be
5 considered a work project appropriation in accordance with section 451a(1) of the
6 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

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

10 (b) All projects will be funded in accordance with this section and the project
11 guidelines approved by the Michigan agriculture commission prior to an award.

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

13 (d) The tentative completion date for the work project is September 30, 2020.

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

16 (a) grants

17 (b) loans or loan guarantees

18 (c) infrastructure development

19 (d) other economic assistance

20 (e) program administration

21 (f) export assistance, including staffing and the promotion of agriculture exports
22 and agriculture products at trade shows, buyers missions, food shows, trade missions and
23 other trade and export activities within the United States and internationally.

24

25 **FAIRS AND EXPOSITIONS**

26 Sec. 1-802. All appropriations from the agriculture equine industry development fund,
27 except for the Michigan gaming control board's regulatory expenses and the department's
28 expenses to administer horse racing programs and laboratory analysis, shall be reduced
29 proportionately if revenues to the agriculture equine industry development fund decline
30 during the preceding fiscal year to a level lower than the amounts appropriated in part 1.

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

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

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

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

11 (3) From the amount appropriated in part 1 for county fairs, shows, and expositions,
12 up to \$20,000.00 shall be expended for the purpose of financial support, promotion, prizes,
13 and premiums of equine, livestock, and other agricultural commodity expositions in this
14 state.

15 (4) All fairs receiving grants under this section shall provide a report to the
16 department on the financial impact resulting from the capital improvement project on both
17 fair and non-fair events. These reports are due for three years immediately following the
18 completion of the capital improvement project.

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

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

23 (7) The unexpended portion of the county fairs, shows, and expositions grants is
24 considered a work project appropriation in accordance with section 451a of the management
25 and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

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

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

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

31 (d) The tentative completion date for the work project is September 30, 2020.

32 (8) The department shall provide a year-end report on the county fairs, shows, and

1 expositions grants no later than December 1, 2018 to the subcommittees, fiscal agencies,
2 and state budget office, which shall include a listing of the grantees, award amounts,
3 match funding, and project outcomes.

4

5 **ONE-TIME APPROPRIATIONS**

6 Sec. 1-901. (1) From the funds appropriated in part 1 for the drinking water
7 declaration of emergency, the department shall allocate funds to address needs in a city in
8 which a declaration of emergency was issued because of drinking water contamination. These
9 funds may support, but are not limited to, the following activities:

10 (a) Genesee County food inspectors to perform water testing at local food service
11 establishments.

12 (b) Nutritional incentives provided to local residents through the Double Up Food
13 Bucks expansion program.

14 (2) The unexpended funds appropriated for drinking water declaration of emergency are
15 designated as a work project appropriation, and any unencumbered or unexpended funds shall
16 not lapse at the end of the fiscal year and shall be available for expenditure for projects
17 under this section until the projects have been completed. The following is in compliance
18 with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

19 (a) The purpose of the project is to address needs in a city in which a declaration
20 of emergency was issued because of drinking water contamination.

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

23 (c) The total estimated cost of the project is appropriated in Part 1.

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

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Article 2

DEPARTMENT OF ATTORNEY GENERAL

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 2-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of attorney general are appropriated for the fiscal year ending September 30, 2018, and are anticipated to be appropriated for the fiscal year ending September 30, 2019, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	DEPARTMENT OF ATTORNEY GENERAL	
2	APPROPRIATION SUMMARY	
3	Full-time equated unclassified positions.....	6.0 6.0
4	Full-time equated classified positions.....	533.0 533.0
5	GROSS APPROPRIATION	\$ 101,068,800 \$ 100,443,800
6	Total interdepartmental grants and interdepartmental	
7	transfers.....	29,915,300 29,915,300
8	ADJUSTED GROSS APPROPRIATION	\$ 71,153,500 \$ 70,528,500
9	Total federal revenues	9,518,000 9,518,000
10	Total local revenues	0 0
11	Total private revenues	0 0
12	Total other state restricted revenues	21,336,900 21,461,900
13	State general fund/general purpose	\$ 40,298,600 \$ 39,548,600
14	<i>State general fund/general purpose schedule:</i>	
15	<i>Ongoing state general fund/general purpose</i>	<i>39,548,600 39,548,600</i>
16	<i>One-time state general fund/general purpose</i>	<i>750,000 0</i>
17	Sec. 2-102. ATTORNEY GENERAL OPERATIONS	
18	Full-time equated unclassified positions.....	6.0 6.0
19	Full-time equated classified positions.....	533.0 533.0
20	Attorney general-1.0 FTE position	\$ 112,500 \$ 112,500
21	Unclassified salaries-5.0 FTE positions	776,600 776,600
22	Attorney general operations-490.0 FTE positions	89,565,900 89,690,900
23	Child support enforcement-25.0 FTE positions	3,525,000 3,525,000
24	Prosecuting attorneys coordinating council-12.0 FTE	
25	positions.....	2,155,500 2,155,500
26	Public safety initiative-1.0 FTE position	906,200 906,200
27	Sexual assault law enforcement-5.0 FTE positions	<u>1,716,400</u> <u>1,716,400</u>
28	GROSS APPROPRIATION	\$ 98,758,100 \$ 98,883,100
29	Appropriated from:	
30	Interdepartmental grant revenues:	
31	IDG from department of corrections	664,500 664,500
32	IDG from department of education	599,200 599,200

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 IDG from department of environmental quality	2,020,000	2,020,000
2 IDG from department of health and human services	7,032,400	7,032,400
3 IDG from department of insurance and financial services	1,218,700	1,218,700
4 IDG from department of licensing and regulatory affairs	4,951,800	4,951,800
5 IDG from department of military and veterans affairs .	166,100	166,100
6 IDG from department of state	45,000	45,000
7 IDG from department of state police	260,100	260,100
8 IDG from department of talent and economic development	952,900	952,900
9 IDG from department of technology, management and		
10 budget.....	2,252,000	2,252,000
11 IDG from department of transportation	2,832,000	2,832,000
12 IDG from department of treasury	6,920,600	6,920,600
13 Federal revenues:		
14 Other federal revenues	9,518,000	9,518,000
15 Special revenue funds:		
16 Michigan merit award trust fund	499,500	499,500
17 Other state restricted revenues	20,837,400	20,962,400
18 State general fund/general purpose	\$ 37,987,900	\$ 37,987,900
19 Sec. 2-103. INFORMATION TECHNOLOGY		
20 Information technology services and projects	\$ <u>1,560,700</u>	\$ <u>1,560,700</u>
21 GROSS APPROPRIATION	\$ 1,560,700	\$ 1,560,700
22 Appropriated from:		
23 Special revenue funds:		
24 State general fund/general purpose	\$ 1,560,700	\$ 1,560,700
25 Sec. 2-104. ONE-TIME APPROPRIATIONS		
26 PACC juvenile life without parole cases	\$ <u>750,000</u>	\$ <u>0</u>
27 GROSS APPROPRIATION	\$ 750,000	\$ 0
28 Appropriated from:		
29 Special revenue funds:		
30 State general fund/general purpose	\$ 750,000	\$ 0

1
2 PROVISIONS CONCERNING APPROPRIATIONS

3 FISCAL YEAR 2018
4

5 GENERAL SECTIONS

6 Sec. 2-201. Pursuant to section 30 of article IX of the state constitution of 1963,
7 total state spending from state resources under part 1 for the fiscal year 2018 is
8 \$61,635,500.00 and state spending from state resources to be paid to local units of
9 government for fiscal year 2018 is \$0.00.

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

12 Sec. 2-203. As used in this article:

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

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

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

16 (d) "IDG" means interdepartmental grant.

17 (e) "PACC" means prosecuting attorneys coordinating council.

18 Sec. 2-204. The departments and agencies receiving appropriations in part 1 shall use
19 the Internet to fulfill the reporting requirements of this article. This requirement may
20 include transmission of reports via electronic mail to the recipients identified for each
21 reporting requirement, or it may include placement of reports on an Internet or Intranet
22 site.

23 Sec. 2-205. Funds appropriated in part 1 shall not be used for the purchase of
24 foreign goods or services, or both, if competitively priced and of comparable quality
25 American goods or services, or both, are available. Preference shall be given to goods or
26 services, or both, manufactured or provided by Michigan businesses, if they are
27 competitively priced and of comparable quality. In addition, preference should be given to
28 goods or services, or both, that are manufactured or provided by Michigan businesses owned
29 and operated by veterans, if they are competitively priced and of comparable quality.

30 Sec. 2-206. The director shall take all reasonable steps to ensure businesses in
31 deprived and depressed communities compete for and perform contracts to provide services or
32 supplies, or both. Each director shall strongly encourage firms with which the department

1 contracts to subcontract with certified businesses in depressed and deprived communities
2 for services, supplies, or both.

3 Sec. 2-207. The departments and agencies receiving appropriations in part 1 shall
4 prepare a report on out-of-state travel expenses not later than January 1 of each year. The
5 travel report shall be a listing of all travel by classified and unclassified employees
6 outside this state in the immediately preceding fiscal year that was funded in whole or in
7 part with funds appropriated in the department's budget. The report shall be submitted to
8 the senate and house appropriations committees, the house and senate fiscal agencies, and
9 the state budget director. The report shall include the following information:

10 (a) The dates of each travel occurrence.

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

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

20 Sec. 2-209. Not later than November 30, the state budget office shall prepare and
21 transmit a report that provides for estimates of the total general fund/general purpose
22 appropriation lapses at the close of the prior fiscal year. This report shall summarize the
23 projected year-end general fund/general purpose appropriation lapses by major departmental
24 program or program areas. The report shall be transmitted to the chairpersons of the senate
25 and house appropriations committees and the senate and house fiscal agencies.

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

31 (2) In addition to the funds appropriated in part 1, there is appropriated an amount
32 not to exceed \$1,500,000.00 for state restricted contingency funds. These funds are not

1 available for expenditure until they have been transferred to another line item in this
2 article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

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

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

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

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

19 (e) Job specifications and wage rates.

20 Sec. 2-212. Within 14 days after the release of the executive budget recommendation,
21 the department shall cooperate with the state budget office to provide the senate and house
22 appropriations chairs, the senate and house appropriations subcommittees chairs, and the
23 senate and house fiscal agencies with an annual report on estimated state restricted fund
24 balances, state restricted fund projected revenues, and state restricted fund expenditures
25 for the fiscal years ending September 30, 2017 and September 30, 2018.

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

29 Sec. 2-214. Total authorized appropriations from all sources under part 1 for legacy
30 costs for the fiscal year ending September 30, 2018 are estimated at \$17,281,300.00. From
31 this amount, total agency appropriations for pension-related legacy costs are estimated at
32 \$8,893,100.00. Total agency appropriations for retiree health care legacy costs are

1 estimated at \$8,388,200.00.

2

3 **DEPARTMENT OF ATTORNEY GENERAL**

4 Sec. 2-301. From the funds appropriated in part 1 for attorney general operations,
5 the Attorney General shall maintain a minimum of 24 drug investigations and may prosecute
6 when sufficient evidence is obtained. The purpose of this investment is to establish a
7 specialized drug investigation and prosecution unit.

8 Sec. 2-302. (1) The attorney general shall perform all legal services, including
9 representation before courts and administrative agencies rendering legal opinions and
10 providing legal advice to a principal executive department or state agency. A principal
11 executive department or state agency shall not employ or enter into a contract with any
12 other person for services described in this section.

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

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

19 Sec. 2-303. The attorney general may sell copies of the biennial report in excess of
20 the 350 copies that the attorney general may distribute on a gratis basis. Gratis copies
21 shall not be provided to members of the legislature. Electronic copies of biennial reports
22 shall be made available on the department of attorney general's website. The attorney
23 general shall sell copies of the report at not less than the actual cost of the report and
24 shall deposit the money received into the general fund.

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

30 Sec. 2-305. In addition to the funds appropriated in part 1, not more than
31 \$400,000.00 shall be reimbursed per fiscal year for food stamp fraud cases heard by the
32 third circuit court of Wayne County that were initiated by the department of attorney

1 general pursuant to the existing contract between the department of health and human
2 services, the Prosecuting Attorneys Association of Michigan, and the department of attorney
3 general. The source of this funding is money earned by the department of attorney general
4 under the agreement after the allowance for reimbursement to the department of attorney
5 general for costs associated with the prosecution of food stamp fraud cases. It is
6 recognized that the federal funds are earned by the department of attorney general for its
7 documented progress on the prosecution of food stamp fraud cases according to the United
8 States Department of Agriculture regulations and that, once earned by this state, the funds
9 become state funds.

10 Sec. 2-306. Any proceeds from a lawsuit initiated by or settlement agreement entered
11 into on behalf of this state against a manufacturer of tobacco products by the attorney
12 general are state funds and are subject to appropriation as provided by law.

13 Sec. 2-307. (1) In addition to the antitrust revenues in part 1, antitrust,
14 securities fraud, consumer protection or class action enforcement revenues, or attorney
15 fees recovered by the department, not to exceed \$250,000.00, are appropriated to the
16 department for antitrust, securities fraud, and consumer protection or class action
17 enforcement cases.

18 (2) Any unexpended funds from antitrust, securities fraud, or consumer protection or
19 class action enforcement revenues at the end of the fiscal year, including antitrust funds
20 in part 1, may be carried forward for expenditure in the following fiscal year up to the
21 maximum authorization of \$250,000.00.

22 Sec. 2-308. (1) In addition to the funds appropriated in part 1, there is
23 appropriated up to \$1,000,000.00 from litigation expense reimbursements awarded to the
24 state.

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

32 (3) Unexpended funds at the end of the fiscal year may be carried forward for

1 expenditure in the following year, up to a maximum authorization of \$1,000,000.00.

2 Sec. 2-309. From the prisoner reimbursement funds appropriated in part 1, the
3 department may spend up to \$627,400.00 on activities related to the state correctional
4 facility reimbursement act, 1935 PA 253, MCL 800.401 to 800.406. In addition to the funds
5 appropriated in part 1, if the department collects in excess of \$1,131,000.00 in gross
6 annual prisoner reimbursement receipts provided to the general fund, the excess, up to a
7 maximum of \$1,000,000.00, is appropriated to the department of attorney general and may be
8 spent on the representation of the department of corrections and its officers, employees,
9 and agents, including, but not limited to, the defense of litigation against the state, its
10 departments, officers, employees, or agents in civil actions filed by prisoners.

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

15 (2) The attorney general or his or her designee shall, to the extent allowable under
16 federal law, have access to any information used by the state to locate parents who fail to
17 pay court-ordered child support.

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

22 Sec. 2-314. From the lawsuit settlement proceeds fund appropriated in part 1, the
23 department may spend the funds for the costs of all associated expenses related to the
24 declaration of emergency due to drinking water contamination up to \$2,600,000.00.

25 Sec. 2-314a. (1) From the funds appropriated in part 1 for one-time appropriations
26 for the attorney general, the department of attorney general shall allocate \$750,000.00 for
27 investigations, crime victim rights, prosecutions, and appeals for retroactive juvenile
28 life without parole cases.

29 (2) The attorney general's office shall submit a detailed expenditure report to the
30 house and senate appropriations subcommittees on general government and the judiciary, the
31 senate and house fiscal agencies, and the state budget director by September 30 detailing
32 how the funds provided in subsection (1) were expended.

1 Sec. 2-317. (1) The department of attorney general shall report all legal costs and
2 associated expenses related to the declaration of emergency due to drinking water
3 contamination, and the investigations and any resulting prosecutions, for publication in
4 the Flint water emergency-financial and activities tracking and reporting document that is
5 posted by the state budget director on the public website, michigan.gov/flintwater. The
6 tracking and reporting documents shall include the budget line item source for each
7 expenditure.

8 (2) At the conclusion of all attorney general investigations related to the
9 declaration of emergency due to drinking water contamination, all materials related to any
10 investigations shall be preserved pursuant to applicable document retention policies.

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Article 3

DEPARTMENT OF CIVIL RIGHTS

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 3-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of civil rights are appropriated for the fiscal year ending September 30, 2018, and are anticipated to be appropriated for the fiscal year ending September 30, 2019, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	DEPARTMENT OF CIVIL RIGHTS	
2	APPROPRIATION SUMMARY	
3	Full-time equated unclassified positions.....	6.0 6.0
4	Full-time equated classified positions.....	127.0 127.0
5	GROSS APPROPRIATION	\$ 16,099,600 \$ 16,099,600
6	Total interdepartmental grants and interdepartmental	
7	transfers.....	296,600 296,600
8	ADJUSTED GROSS APPROPRIATION	\$ 15,803,000 \$ 15,803,000
9	Total federal revenues	2,775,800 2,775,800
10	Total local revenues	0 0
11	Total private revenues	18,700 18,700
12	Total other state restricted revenues	151,900 151,900
13	State general fund/general purpose	\$ 12,856,600 \$ 12,856,600
14	<i>State general fund/general purpose schedule:</i>	
15	<i>Ongoing state general fund/general purpose</i>	<i>12,856,600 12,856,600</i>
16	<i>One-time state general fund/general purpose</i>	<i>0 0</i>
17	Sec. 3-102. CIVIL RIGHTS OPERATIONS	
18	Full-time equated unclassified positions.....	6.0 6.0
19	Full-time equated classified positions.....	127.0 127.0
20	Unclassified salaries-6.0 FTE positions	\$ 680,100 \$ 680,100
21	Civil rights operations-121.0 FTE positions	13,906,500 13,906,500
22	Division on deaf and hard of hearing-6.0 FTE positions	<u>800,400 800,400</u>
23	GROSS APPROPRIATION	\$ 15,387,000 \$ 15,387,000
24	Appropriated from:	
25	Interdepartmental grant revenues:	
26	IDG from department of technology, management and	
27	budget.....	296,600 296,600
28	Federal revenues:	
29	Other federal revenues	2,760,800 2,760,800
30	Special revenue funds:	
31	Private revenues	18,700 18,700
32	Other state restricted revenues	151,900 151,900

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 State general fund/general purpose	\$ 12,159,000	\$ 12,159,000
2 Sec. 3-103. INFORMATION TECHNOLOGY		
3 Information technology services and projects	\$ <u>712,600</u>	\$ <u>712,600</u>
4 GROSS APPROPRIATION	\$ 712,600	\$ 712,600
5 Appropriated from:		
6 Federal revenues:		
7 Other federal revenues	15,000	15,000
8 Special revenue funds:		
9 State general fund/general purpose	\$ 697,600	\$ 697,600

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11 PART 2
12 PROVISIONS CONCERNING APPROPRIATIONS
13 FISCAL YEAR 2018
14

15 **GENERAL SECTIONS**

16 Sec. 3-201. Pursuant to section 30 of article IX of the state constitution of 1963,
17 total state spending from state resources under part 1 for the fiscal year 2018 is
18 \$13,008,500.00 and state spending from state resources to be paid to local units of
19 government for fiscal year 2018 is \$0.00.

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

- 22 Sec. 3-203. As used in this article:
- 23 (a) "Department" means the department of civil rights.
 - 24 (b) "Director" means the director of the department.
 - 25 (c) "FTE" means full-time equated.
 - 26 (d) "IDG" means interdepartmental grant.

27 Sec. 3-204. The departments and agencies receiving appropriations in part 1 shall use
28 the Internet to fulfill the reporting requirements of this article. This requirement may
29 include transmission of reports via electronic mail to the recipients identified for each
30 reporting requirement, or it may include placement of reports on an Internet or Intranet
31 site.

32 Sec. 3-205. Funds appropriated in part 1 shall not be used for the purchase of

1 foreign goods or services, or both, if competitively priced and of comparable quality
2 American goods or services, or both, are available. Preference shall be given to goods or
3 services, or both, manufactured or provided by Michigan businesses, if they are
4 competitively priced and of comparable quality. In addition, preference should be given to
5 goods or services, or both, that are manufactured or provided by Michigan businesses owned
6 and operated by veterans, if they are competitively priced and of comparable quality.

7 Sec. 3-206. The director shall take all reasonable steps to ensure businesses in
8 deprived and depressed communities compete for and perform contracts to provide services or
9 supplies, or both. Each director shall strongly encourage firms with which the department
10 contracts to subcontract with certified businesses in depressed and deprived communities
11 for services, supplies, or both.

12 Sec. 3-207. The departments and agencies receiving appropriations in part 1 shall
13 prepare a report on out-of-state travel expenses not later than January 1 of each year. The
14 travel report shall be a listing of all travel by classified and unclassified employees
15 outside this state in the immediately preceding fiscal year that was funded in whole or in
16 part with funds appropriated in the department's budget. The report shall be submitted to
17 the senate and house appropriations committees, the house and senate fiscal agencies, and
18 the state budget director. The report shall include the following information:

19 (a) The dates of each travel occurrence.

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

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

29 Sec. 3-209. Not later than November 30, the state budget office shall prepare and
30 transmit a report that provides for estimates of the total general fund/general purpose
31 appropriation lapses at the close of the prior fiscal year. This report shall summarize the
32 projected year-end general fund/general purpose appropriation lapses by major departmental

1 program or program areas. The report shall be transmitted to the chairpersons of the senate
2 and house appropriations committees and the senate and house fiscal agencies.

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

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

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

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

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

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

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

20 (e) Job specifications and wage rates.

21 Sec. 3-212. Within 14 days after the release of the executive budget recommendation,
22 the department shall cooperate with the state budget office to provide the senate and house
23 appropriations chairs, the senate and house appropriations subcommittees chairs, and the
24 senate and house fiscal agencies with an annual report on estimated state restricted fund
25 balances, state restricted fund projected revenues, and state restricted fund expenditures
26 for the fiscal years ending September 30, 2017 and September 30, 2018.

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

30 Sec. 3-214. Total authorized appropriations from all sources under part 1 for legacy
31 costs for the fiscal year ending September 30, 2018 are estimated at \$2,695,600.00. From
32 this amount, total agency appropriations for pension-related legacy costs are estimated at

1 \$1,387,200.00. Total agency appropriations for retiree health care legacy costs are
2 estimated at \$1,308,400.00.

3

4 **CIVIL RIGHTS OPERATIONS**

5 Sec. 3-402. (1) In addition to the appropriations contained in part 1, the department
6 of civil rights may receive and expend funds from local or private sources for all of the
7 following purposes:

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

10 (b) The publication and sale of civil rights related informational material.

11 (c) The provision of copy material made available under freedom of information
12 requests.

13 (d) Other copy fees, subpoena fees, and witness fees.

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

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

18 (g) Staffing costs for all activities included in this subsection.

19 (2) The department of civil rights shall annually report to the state budget
20 director, the senate and house of representatives standing committees on appropriations,
21 and the senate and house fiscal agencies the amount of funds received and expended for
22 purposes authorized under this section.

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

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Article 4

DEPARTMENT OF CORRECTIONS

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 4-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of corrections are appropriated for the fiscal year ending September 30, 2018, and are anticipated to be appropriated for the fiscal year ending September 30, 2019, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	DEPARTMENT OF CORRECTIONS	
2	APPROPRIATION SUMMARY	
3	Full-time equated unclassified positions.....	16.0 16.0
4	Full-time equated classified positions.....	13,803.9 13,803.9
5	GROSS APPROPRIATION	\$ 2,014,419,200 \$ 2,010,060,200
6	Total interdepartmental grants and interdepartmental	
7	transfers.....	0 0
8	ADJUSTED GROSS APPROPRIATION	\$ 2,014,419,200 \$ 2,010,060,200
9	Total federal revenues	5,293,800 5,293,800
10	Total local revenues	8,842,400 8,842,400
11	Total private revenues	0 0
12	Total other state restricted revenues	36,149,400 36,149,400
13	State general fund/general purpose	\$ 1,964,133,600 \$ 1,959,774,600
14	<i>State general fund/general purpose schedule:</i>	
15	<i>Ongoing state general fund/general purpose</i>	<i>1,959,774,600 1,959,774,600</i>
16	<i>One-time state general fund/general purpose</i>	<i>4,359,000 0</i>
17	Sec. 4-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
18	Full-time equated unclassified positions.....	16.0 16.0
19	Full-time equated classified positions.....	270.0 270.0
20	Unclassified salaries-16.0 FTE positions	\$ 1,847,600 \$ 1,847,600
21	Administrative hearings officers	3,231,400 3,231,400
22	Budget and operations administration-188.0 FTE	
23	positions.....	25,322,500 25,322,500
24	Compensatory buyout and union leave bank	100 100
25	County jail reimbursement program	15,064,600 15,064,600
26	Equipment and special maintenance	1,559,700 1,559,700
27	Executive direction-20.0 FTE positions	4,238,300 4,238,300
28	Judicial data warehouse user fees	50,600 50,600
29	New custody staff training	9,411,200 9,411,200
30	Prison industries operations-62.0 FTE positions	9,893,600 9,893,600
31	Property management	2,413,100 2,413,100
32	Prosecutorial and detainer expenses	5,001,000 5,001,000

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Sheriffs' coordinating and training office	100,000	100,000
2 Worker's compensation	<u>10,482,200</u>	<u>10,482,200</u>
3 GROSS APPROPRIATION	\$ 88,615,900	\$ 88,615,900
4 Appropriated from:		
5 Federal revenues:		
6 Other federal revenues	674,700	674,700
7 Special revenue funds:		
8 Other state restricted revenues	16,508,600	16,508,600
9 State general fund/general purpose	\$ 71,432,600	\$ 71,432,600
10 Sec. 4-103. PRISONER REENTRY AND COMMUNITY SUPPORT		
11 Full-time equated classified positions.....	338.4	338.4
12 Community corrections comprehensive plans and services	\$ 12,158,000	\$ 12,158,000
13 Education program-266.4 FTE positions	37,739,100	37,739,100
14 Felony drunk driver jail reduction and community		
15 treatment program.....	1,440,100	1,440,100
16 Prisoner reentry federal grants	751,000	751,000
17 Prisoner reentry local service providers	13,208,600	13,208,600
18 Prisoner reentry MDOC programs	9,624,100	9,624,100
19 Public safety initiative	4,500,000	4,500,000
20 Reentry services-72.0 FTE positions	15,264,300	15,264,300
21 Residential services	<u>15,475,500</u>	<u>15,475,500</u>
22 GROSS APPROPRIATION	\$ 110,160,700	\$ 110,160,700
23 Appropriated from:		
24 Federal revenues:		
25 Other federal revenues	2,274,600	2,274,600
26 Special revenue funds:		
27 Other state restricted revenues	5,213,200	5,213,200
28 State general fund/general purpose	\$ 102,672,900	\$ 102,672,900
29 Sec. 4-104. FIELD OPERATIONS ADMINISTRATION		
30 Full-time equated classified positions.....	2,192.6	2,192.6
31 Criminal justice reinvestment	\$ 4,573,300	\$ 4,573,300
32 Detroit Detention Center-63.1 FTE positions	8,567,400	8,567,400

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019	
1	Detroit Reentry Center-223.0 FTE positions	28,129,400	28,129,400
2	Field operations-1,873.5 FTE positions	214,438,600	214,438,600
3	Parole board operations-33.0 FTE positions	3,850,100	3,850,100
4	Parole sanction certainty program	1,440,000	1,440,000
5	Parole/probation services	940,000	940,000
6	Residential alternative to prison program	<u>1,500,000</u>	<u>1,500,000</u>
7	GROSS APPROPRIATION	\$ 263,438,800	\$ 263,438,800
8	Appropriated from:		
9	Special revenue funds:		
10	Local revenues	8,842,400	8,842,400
11	Other state restricted revenues	7,858,500	7,858,500
12	State general fund/general purpose	\$ 246,737,900	\$ 246,737,900
13	Sec. 4-105. CORRECTIONAL FACILITIES ADMINISTRATION		
14	Full-time equated classified positions.....	311.0	311.0
15	Central records-44.0 FTE positions	\$ 5,178,100	\$ 5,178,100
16	Correctional facilities administration-21.0 FTE		
17	positions.....	5,084,000	5,084,000
18	Housing inmates in federal institutions	611,000	611,000
19	Inmate housing fund	100	100
20	Inmate legal services	590,900	590,900
21	Leased beds and alternatives to leased beds	100	100
22	Prison food service	58,491,900	58,491,900
23	Prison store operations-34.0 FTE positions	3,323,600	3,323,600
24	Public works programs	1,000,000	1,000,000
25	Transportation-212.0 FTE positions	<u>25,570,300</u>	<u>25,570,300</u>
26	GROSS APPROPRIATION	\$ 99,850,000	\$ 99,850,000
27	Appropriated from:		
28	Federal revenues:		
29	Other federal revenues	683,000	683,000
30	Special revenue funds:		
31	Other state restricted revenues	4,894,500	4,894,500
32	State general fund/general purpose	\$ 94,272,500	\$ 94,272,500

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	Sec. 4-106. HEALTH CARE	
2	Full-time equated classified positions.....	1,466.1 1,466.1
3	Clinical complexes-1,052.1 FTE positions	\$ 145,809,400 \$ 145,809,400
4	Health care administration-22.0 FTE positions	3,818,700 3,818,700
5	Healthy Michigan plan administration-12.0 FTE positions	1,107,300 1,107,300
6	Hepatitis C treatment	11,735,500 11,735,500
7	Interdepartmental grant to health and human services,	
8	eligibility specialists.....	116,000 116,000
9	Mental health services and support-372.0 FTE positions	61,244,200 61,244,200
10	Prisoner health care services	73,942,800 73,942,800
11	Substance abuse testing and treatment services-8.0 FTE	
12	positions.....	21,596,300 21,596,300
13	Vaccination program	691,200 691,200
14	GROSS APPROPRIATION	\$ 320,061,400 \$ 320,061,400
15	Appropriated from:	
16	Federal revenues:	
17	Other federal revenues	626,700 626,700
18	Special revenue funds:	
19	Other state restricted revenues	257,200 257,200
20	State general fund/general purpose	\$ 319,177,500 \$ 319,177,500
21	Sec. 4-107. CORRECTIONAL FACILITIES	
22	Full-time equated classified positions.....	9,225.8 9,225.8
23	Alger Correctional Facility - Munising-260.0 FTE	
24	positions.....	\$ 30,945,800 \$ 30,945,800
25	Baraga Correctional Facility - Baraga-294.8 FTE	
26	positions.....	35,688,200 35,688,200
27	Bellamy Creek Correctional Facility - Ionia-390.2 FTE	
28	positions.....	44,219,200 44,219,200
29	Carson City Correctional Facility - Carson City-425.4	
30	FTE positions.....	48,952,600 48,952,600
31	Central Michigan Correctional Facility - St. Louis-	
32	388.6 FTE positions.....	46,460,280 46,460,280

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Charles E. Egeler Correctional Facility - Jackson-		
2 382.6 FTE positions.....	45,690,000	45,690,000
3 Chippewa Correctional Facility - Kincheloe-445.6 FTE		
4 positions.....	51,628,100	51,628,100
5 Cooper Street Correctional Facility - Jackson-263.1		
6 FTE positions.....	29,999,800	29,999,800
7 Earnest C. Brooks Correctional Facility - Muskegon-		
8 440.9 FTE positions.....	51,192,500	51,192,500
9 G. Robert Cotton Correctional Facility - Jackson-394.0		
10 FTE positions.....	45,054,700	45,054,700
11 Gus Harrison Correctional Facility - Adrian-442.6 FTE		
12 positions.....	49,856,800	49,856,800
13 Ionia Correctional Facility - Ionia-286.3 FTE positions	34,259,900	34,259,900
14 Kinross Correctional Facility - Kincheloe-257.6 FTE		
15 positions.....	32,747,300	32,747,300
16 Lakeland Correctional Facility - Coldwater-278.4 FTE		
17 positions.....	33,505,000	33,505,000
18 Macomb Correctional Facility - New Haven-294.8 FTE		
19 positions.....	35,016,900	35,016,900
20 Marquette Branch Prison - Marquette-321.7 FTE positions	39,625,000	39,625,000
21 Michigan Reformatory - Ionia-310.7 FTE positions	35,645,200	35,645,200
22 Muskegon Correctional Facility - Muskegon-205.0 FTE		
23 positions.....	25,637,900	25,637,900
24 Newberry Correctional Facility - Newberry-200.1 FTE		
25 positions.....	24,618,700	24,618,700
26 Oaks Correctional Facility - Eastlake-290.4 FTE		
27 positions.....	34,425,900	34,425,900
28 Ojibway Correctional Facility - Marenisco-203.1 FTE		
29 positions.....	23,689,900	23,689,900
30 Parnall Correctional Facility - Jackson-262.1 FTE		
31 positions.....	28,947,300	28,947,300
32 Richard A. Handlon Correctional Facility - Ionia-252.7		

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 FTE positions.....	30,442,600	30,442,600
2 Saginaw Correctional Facility - Freeland-274.9 FTE		
3 positions.....	33,291,500	33,291,500
4 Special alternative incarceration program - Camp		
5 Cassidy Lake-119.0 FTE positions.....	13,869,400	13,869,400
6 St. Louis Correctional Facility - St. Louis-303.6 FTE		
7 positions.....	37,497,500	37,497,500
8 Thumb Correctional Facility - Lapeer-283.6 FTE		
9 positions.....	33,353,100	33,353,100
10 Womens Huron Valley Correctional Complex - Ypsilanti-		
11 506.1 FTE positions.....	60,163,400	60,163,400
12 Woodland Correctional Facility - Whitmore Lake-278.9		
13 FTE positions.....	32,824,220	32,824,220
14 Northern region administration and support-48.0 FTE		
15 positions.....	4,789,600	4,789,600
16 Southern region administration and support-121.0 FTE		
17 positions.....	<u>23,503,100</u>	<u>23,503,100</u>
18 GROSS APPROPRIATION	\$ 1,097,541,400	\$ 1,097,541,400
19 Appropriated from:		
20 Federal revenues:		
21 Other federal revenues	1,034,800	1,034,800
22 Special revenue funds:		
23 Other state restricted revenues	102,100	102,100
24 State general fund/general purpose	\$ 1,096,404,500	\$ 1,096,404,500
25 Sec. 4-108. INFORMATION TECHNOLOGY		
26 Information technology services and projects	<u>\$ 30,392,000</u>	<u>\$ 30,392,000</u>
27 GROSS APPROPRIATION	\$ 30,392,000	\$ 30,392,000
28 Appropriated from:		
29 Special revenue funds:		
30 Other state restricted revenues	1,315,300	1,315,300
31 State general fund/general purpose	\$ 29,076,700	\$ 29,076,700
32 Sec. 4-109. ONE-TIME APPROPRIATIONS		

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 New custody staff training	\$ 4,359,000	\$ 0
2 GROSS APPROPRIATION	\$ 4,359,000	\$ 0
3 Appropriated from:		
4 Special revenue funds:		
5 State general fund/general purpose	\$ 4,359,000	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2018

GENERAL SECTIONS

Sec. 4-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for the fiscal year 2018 is \$2,000,283,000.00 and state spending from state resources to be paid to local units of government for fiscal year 2018 is \$114,388,800.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF CORRECTIONS

18 Public safety initiative.....	\$ 4,500,000
19 Residential services.....	15,475,500
20 Field operations.....	62,750,500
21 Community corrections comprehensive plans and services.....	12,158,000
22 Reentry services.....	1,500,000
23 Felony drunk driver jail reduction and community treatment program....	1,440,100
24 Leased beds and alternatives to leased beds.....	100
25 County jail reimbursement program.....	15,064,600
26 Residential alternative to prison program.....	<u>1,500,000</u>
27 TOTAL	\$ 114,388,800

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

Sec. 4-203. As used in this article:

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

1 participating in programs of the facility.

2 (b) "Cost per prisoner" means the sum total of the funds appropriated under part 1
3 for the following, divided by the projected prisoner population in fiscal year 2017-2018:

4 (i) Correctional facilities.

5 (ii) Northern and southern region administration and support.

6 (iii) Clinical and mental health services and support.

7 (iv) Prisoner health care services.

8 (v) Vaccination program.

9 (vi) Prison food service.

10 (vii) Transportation.

11 (viii) Inmate legal services.

12 (ix) Correctional facilities administration.

13 (x) Central records.

14 (xi) Worker's compensation.

15 (xii) New custody staff training.

16 (xiii) Prison store operations.

17 (xiv) Education program.

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

19 (d) "EPIC program" means the department's effective process improvement and
20 communications program.

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

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

24 (g) "Goal" means the intended or projected result of a comprehensive corrections plan
25 or community corrections program to reduce repeat offending, criminogenic and high-risk
26 behaviors, prison commitment rates, to reduce the length of stay in a jail, or to improve
27 the utilization of a jail.

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

30 (i) "MDHHS" means the Michigan department of health and human services.

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

1 (k) "Objective risk and needs assessment" means an evaluation of an offender's
2 criminal history; the offender's noncriminal history; and any other factors relevant to the
3 risk the offender would present to the public safety, including, but not limited to, having
4 demonstrated a pattern of violent behavior, and a criminal record that indicates a pattern
5 of violent offenses.

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

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

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

20 (o) "Offender who would likely be sentenced to imprisonment" means either of the
21 following:

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

25 (ii) A currently incarcerated felon or misdemeanor who is granted early release from
26 incarceration to a community corrections program or who is granted early release from
27 incarceration as a result of a community corrections program.

28 (p) "Programmatic success" means that the department program or initiative has
29 ensured that the offender has accomplished all of the following:

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

32 (ii) Obtained housing.

1 (iii) Obtained a state identification card.

2 (q) "Recidivism" means the return of an individual to prison within 3 years after he
3 or she is released either with a new sentence to prison or as a technical violator of
4 parole conditions.

5 (r) "Serious emotional disturbance" means that term as defined in section 100d(2) of
6 the mental health code, 1974 PA 328, MCL 330.1100d.

7 (s) "Serious mental illness" means that term as defined in section 100d(3) of the
8 mental health code, 1974 PA 328, MCL 330.1100d.

9 Sec. 4-204. The departments and agencies receiving appropriations in part 1 shall use
10 the Internet to fulfill the reporting requirements of this article. This requirement may
11 include transmission of reports via electronic mail to the recipients identified for each
12 reporting requirement, or it may include placement of reports on an Internet or Intranet
13 site.

14 Sec. 4-205. Funds appropriated in part 1 shall not be used for the purchase of
15 foreign goods or services, or both, if competitively priced and of comparable quality
16 American goods or services, or both, are available. Preference shall be given to goods or
17 services, or both, manufactured or provided by Michigan businesses, if they are
18 competitively priced and of comparable quality. In addition, preference should be given to
19 goods or services, or both, that are manufactured or provided by Michigan businesses owned
20 and operated by veterans, if they are competitively priced and of comparable quality.

21 Sec. 4-207. The departments and agencies receiving appropriations in part 1 shall
22 prepare a report on out-of-state travel expenses not later than January 1 of each year. The
23 travel report shall be a listing of all travel by classified and unclassified employees
24 outside this state in the immediately preceding fiscal year that was funded in whole or in
25 part with funds appropriated in the department's budget. The report shall be submitted to
26 the senate and house appropriations committees, the house and senate fiscal agencies, and
27 the state budget director. The report shall include the following information:

28 (a) The dates of each travel occurrence.

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

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

6 Sec. 4-209. Not later than November 30, the state budget office shall prepare and
7 transmit a report that provides for estimates of the total general fund/general purpose
8 appropriation lapses at the close of the prior fiscal year. This report shall summarize the
9 projected year-end general fund/general purpose appropriation lapses by major departmental
10 program or program areas. The report shall be transmitted to the chairpersons of the senate
11 and house appropriations committees and the senate and house fiscal agencies.

12 Sec. 4-210. (1) In addition to the funds appropriated in part 1, there is
13 appropriated an amount not to exceed \$10,000,000.00 for federal contingency funds. These
14 funds are not available for expenditure until they have been transferred to another line
15 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
16 MCL 18.1393.

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

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

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

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

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

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

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

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

5 (e) Job specifications and wage rates.

6 Sec. 4-212. Within 14 days after the release of the executive budget recommendation,
7 the department shall cooperate with the state budget office to provide the senate and house
8 appropriations chairs, the senate and house appropriations subcommittees chairs, and the
9 senate and house fiscal agencies with an annual report on estimated state restricted fund
10 balances, state restricted fund projected revenues, and state restricted fund expenditures
11 for the fiscal years ending September 30, 2017 and September 30, 2018.

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

15 Sec. 4-214. Total authorized appropriations from all sources under part 1 for legacy
16 costs for the fiscal year ending September 30, 2018 are estimated at \$283,300,700.00. From
17 this amount, total agency appropriations for pension-related legacy costs are estimated at
18 \$145,788,300.00. Total agency appropriations for retiree health care legacy costs are
19 estimated at \$137,512,400.00.

20 Sec. 4-219. (1) Any contract for prisoner telephone services entered into after the
21 effective date of this section shall include a condition that fee schedules for prisoner
22 telephone calls, including rates and any surcharges other than those necessary to meet
23 program and special equipment costs, be the same as fee schedules for calls placed from
24 outside of correctional facilities.

25 (2) Revenues appropriated and collected for program and special equipment funds shall
26 be considered state restricted revenue. Funding shall be used for prisoner programming,
27 special equipment, and security projects. Unexpended funds remaining at the close of the
28 fiscal year shall not lapse to the general fund but shall be carried forward and be
29 available for appropriation in subsequent fiscal years.

30 (3) The department shall submit a report to the senate and house appropriations
31 subcommittees on corrections, the senate and house fiscal agencies, the legislative
32 corrections ombudsman, and the state budget director by February 1 outlining revenues and

1 expenditures from program and special equipment funds. The report shall include all of the
2 following:

3 (a) A list of all individual projects and purchases financed with program and special
4 equipment funds in the immediately preceding fiscal year, the amounts expended on each
5 project or purchase, and the name of each vendor the products or services were purchased
6 from.

7 (b) A list of planned projects and purchases to be financed with program and special
8 equipment funds during the current fiscal year, the amounts to be expended on each project
9 or purchase, and the name of each vendor for which the products or services were purchased.

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

12 Sec. 4-220. The department may charge fees and collect revenues in excess of
13 appropriations in part 1 not to exceed the cost of offender services and programming,
14 employee meals, parolee loans, academic/vocational services, custody escorts, compassionate
15 visits, union steward activities, and public works programs and services provided to local
16 units of government or private nonprofit organizations. The revenues and fees collected are
17 appropriated for all expenses associated with these services and activities.

18 Sec. 4-247. In cooperation with the State Court Administrative Office, the department
19 shall assist with the data compilation for the Swift and Sure Sanctions Program.

20

21 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

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

29 Sec. 4-304. The department shall maintain a staff savings initiative program in
30 conjunction with the EPIC program for employees to submit suggestions for efficiencies for
31 the department. The department shall consider each suggestion in a timely manner. By March
32 1, the department shall report to the senate and house appropriations subcommittees on

1 corrections, the legislative corrections ombudsman, the senate and house fiscal agencies,
2 and the state budget director on process improvements that were implemented based on
3 suggestions that were recommended for implementation from the staff savings initiative and
4 EPIC programs.

5 Sec. 4-305. From the funds appropriated in part 1 for prosecutorial and detainer
6 expenses, the department shall reimburse counties for housing and custody of parole
7 violators and offenders being returned by the department from community placement who are
8 available for return to institutional status and for prisoners who volunteer for placement
9 in a county jail.

10 Sec. 4-306. Funds included in part 1 for the sheriffs' coordinating and training
11 office are appropriated for and may be expended to defray costs of continuing education,
12 certification, recertification, decertification, and training of local corrections
13 officers, the personnel and administrative costs of the sheriffs' coordinating and training
14 office, the local corrections officers advisory board, and the sheriffs' coordinating and
15 training council under the local corrections officers training act, 2003 PA 125, MCL
16 791.531 to 791.546.

17 Sec. 4-307. The department shall issue an annual report for all vendor contracts to
18 the senate and house appropriations subcommittees on corrections, the senate and house
19 fiscal agencies, the legislative corrections ombudsman, and the state budget office. The
20 report shall cover service contracts with a value of \$5 million or more and include all of
21 the following:

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

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

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

27

28 **PRISONER REENTRY AND COMMUNITY SUPPORT**

29 Sec. 4-401. The department shall submit 3-year and 5-year prison population
30 projection updates concurrent with submission of the executive budget recommendation to the
31 senate and house appropriations subcommittees on corrections, the legislative corrections
32 ombudsman, the senate and house fiscal agencies, and the state budget director. The report

1 shall include explanations of the methodology and assumptions used in developing the
2 projection updates.

3 Sec. 4-402. By March 1, the department shall provide a report on prisoner reentry
4 expenditures and allocations to the members of the senate and house appropriations
5 subcommittees on corrections, the legislative corrections ombudsman, the senate and house
6 fiscal agencies, and the state budget director. At a minimum, the report shall include
7 information on both of the following:

8 (a) Details on prior-year expenditures, including amounts spent on each project
9 funded, itemized by service provided and service provider.

10 (b) Allocations and planned expenditures for each project funded and for each project
11 to be funded, itemized by service to be provided and service provider. The department shall
12 provide an amended report quarterly, if any revisions to allocations or planned
13 expenditures occurred during that quarter.

14 Sec. 4-407. By June 30, the department shall place the statistical report from the
15 immediately preceding calendar year on an Internet site. The statistical report shall
16 include, but not be limited to, the information as provided in the 2004 statistical report.

17 Sec. 4-408. The department shall measure the recidivism rates of offenders.

18 Sec. 4-409. (1) The department shall engage with the talent investment agency within
19 the department of talent and economic development and local entities to design services and
20 shall use appropriations provided in part 1 for reentry and vocational education programs.
21 The department shall ensure that the collaboration provides relevant professional
22 development opportunities to prisoners to ensure that the programs are high quality, demand
23 driven, locally receptive, and responsive to the needs of communities where the prisoners
24 are expected to reside after their release from correctional facilities. The programs shall
25 begin upon the intake of the prisoner into a department facility.

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

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

32 Sec. 4-410. (1) The funds included in part 1 for community corrections comprehensive

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

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

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

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

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

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

18 (f) Contribute to offender success.

19 (2) The award of community corrections comprehensive plans and residential services
20 funds shall be based on criteria that include, but are not limited to, the prison
21 commitment rate by category of offenders, trends in prison commitment rates and jail
22 utilization, historical trends in community corrections program capacity and program
23 utilization, and the projected impact and outcome of annual policies and procedures of
24 programs on offender success, prison commitment rates, and jail utilization.

25 (3) Funds awarded for residential services in part 1 shall provide for a per diem
26 reimbursement of not more than \$47.50 for nonaccredited facilities, or of not more than
27 \$48.50 for facilities that have been accredited by the American Corrections Association or
28 a similar organization as approved by the department.

29 Sec. 4-413. (1) The department shall identify and coordinate information regarding
30 the availability of and the demand for community corrections programs, jail-based community
31 corrections programs, jail-based probation violation sanctions, and all state-required jail
32 data.

1 (2) The department is responsible for the collection, analysis, and reporting of all
2 state-required jail data.

3 (3) As a prerequisite to participation in the programs and services offered through
4 the department, counties shall provide necessary jail data to the department.

5 Sec. 4-414. (1) The department shall administer a county jail reimbursement program
6 from the funds appropriated in part 1 for the purpose of reimbursing counties for housing
7 in jails certain felons who otherwise would have been sentenced to prison.

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

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

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

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

23 (3) State reimbursement under this subsection shall be \$65.00 per diem per diverted
24 offender for offenders with a presumptive prison guideline score, \$55.00 per diem per
25 diverted offender for offenders with a straddle cell guideline for a group 1 crime, and
26 \$40.00 per diem per diverted offender for offenders with a straddle cell guideline for a
27 group 2 crime. Reimbursements shall be paid for sentences up to a 1-year total.

28 (4) As used in this subsection:

29 (a) "Group 1 crime" means a crime in 1 or more of the following offense categories:
30 arson, assault, assaultive other, burglary, criminal sexual conduct, homicide or resulting
31 in death, other sex offenses, robbery, and weapon possession as determined by the
32 department of corrections based on specific crimes for which counties received

1 reimbursement under the county jail reimbursement program in fiscal year 2007 and fiscal
2 year 2008, and listed in the county jail reimbursement program document titled "FY 2007 and
3 FY 2008 Group One Crimes Reimbursed", dated March 31, 2009.

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

7 (c) "In the custody of the sheriff" means that the convicted felon has been sentenced
8 to the county jail and is either housed in the county jail or has been released from jail
9 and is being monitored through the use of the sheriff's electronic monitoring system.

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

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

20 Sec. 4-416. Allowable uses of felony drunk driver jail reduction and community
21 treatment program funding shall include reimbursing counties for transportation, treatment
22 costs, and housing felony drunk drivers during a period of assessment for treatment and
23 case planning. Reimbursements for housing during the assessment process shall be at the
24 rate of \$43.50 per day per offender, up to a maximum of 5 days per offender.

25 Sec. 4-418. (1) The department shall collaborate with the state court administrative
26 office on facilitating changes to Michigan court rules that would require the court to
27 collect at the time of sentencing the state operator's license, state identification card,
28 or other documentation used to establish the identity of the individual to be admitted to
29 the department. The department shall maintain those documents in the prisoner's personal
30 file.

31 (2) The department shall cooperate with MDHHS to create and maintain a process by
32 which prisoners can obtain their Michigan birth certificates if necessary. The department

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

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

7 Sec. 4-419. The department shall provide monthly electronic mail reports to the
8 senate and house appropriations subcommittees on corrections, the legislative corrections
9 ombudsman, the senate and house fiscal agencies, and the state budget director. The reports
10 shall include information on end-of-month prisoner populations in county jails, the net
11 operating capacity according to the most recent certification report, identified by date,
12 and end-of-month data, year to date data, and comparisons to the prior year for the
13 following:

14 (a) Community residential program populations, separated by centers and electronic
15 monitoring.

16 (b) Parole populations.

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

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

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

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

24 (g) Prisoner exits, identifying transfers to community placement, paroles from
25 prisons and camps, paroles from community placement, total movements to parole, prison
26 intake, prisoner deaths, prisoners discharging on the maximum sentence, and other prisoner
27 exits.

28 (h) Prison intake and returns, including probation violators, new court commitments,
29 violators with new sentences, escaper new sentences, total prison intake, returns from
30 court with additional sentences, community placement returns, technical parole violator
31 returns, and total returns to prison and camp.

32 Sec. 4-421. (1) Funds appropriated in part 1 for the parole sanction certainty

1 program shall be distributed to an American Correctional Association accredited
2 rehabilitation organization operating in any of the following counties: Berrien, Calhoun,
3 Genesee, Kalamazoo, Kent, Macomb, Muskegon, Oakland, Saginaw, and Wayne for operations and
4 administration of the program. The program may be utilized as a condition of parole for
5 technical parole violators to ensure public safety and justice through a program based on
6 evidence-based tactics and programs.

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

13 Sec. 4-422. On an annual basis, the department shall issue a report to the senate and
14 house appropriations subcommittees on corrections, the senate and house fiscal agencies,
15 and the legislative corrections ombudsman, for the previous fiscal year detailing the
16 outcomes of prisoners who have been reviewed for parole. The report shall include all of
17 the following:

18 (a) How many prisoners were reviewed.

19 (b) How many prisoners were granted parole.

20 (c) How many prisoners were denied parole.

21 (d) How many parole decisions were deferred.

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

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

27 (g) The reason for denying or deferring parole.

28 Sec. 4-425. (1) From the funds appropriated in part 1, the department shall establish
29 a medication-assisted treatment reentry pilot program to provide prerelease treatment and
30 postrelease referral for opioid-addicted and alcohol-addicted offenders who voluntarily
31 participate in the medication-assisted treatment reentry pilot program. The department
32 shall collaborate with residential and nonresidential substance abuse treatment providers

1 and with community-based clinics to provide postrelease treatment. The program shall employ
2 a multifaceted approach to treatment, including a long-acting nonaddictive medication
3 approved by the Food and Drug Administration for the treatment of opioid and alcohol
4 dependence, counseling, and postrelease referral to community-based providers.

5 (2) The manufacturer of a long-acting nonaddictive medication approved by the Food
6 and Drug Administration for opioid and alcohol dependence shall provide the department with
7 samples of the medication, at no cost to the department, during the duration of the
8 medication-assisted treatment reentry pilot program. Offenders shall receive 1 injection
9 prior to being released from custody and shall be connected with an aftercare plan and
10 assistance with obtaining insurance to cover subsequent injections.

11 (3) Participants of the program shall be required to attend substance abuse treatment
12 programming as directed by their agent, shall be subject to routine drug and alcohol
13 testing, shall not be allowed to consume drugs or alcohol, and shall possess a strong will
14 to overcome addiction.

15 (4) The department shall submit a report by September 30 to the senate and house
16 appropriations subcommittees on corrections, the senate and house fiscal agencies, the
17 legislative corrections ombudsman, and the state budget director on the number of offenders
18 who received injections upon release, the number of offenders who received injections and
19 tested positive for drugs or alcohol, the number of offenders who received injections in
20 the community for a duration of at least 3 months, and the number of offenders who received
21 injections and were subsequently returned to prison.

22

23 **FIELD OPERATIONS ADMINISTRATION**

24 Sec. 4-603. (1) All prisoners, probationers, and parolees involved with the curfew
25 monitoring program shall reimburse the department for costs associated with their
26 participation in the program. The department may require community service work
27 reimbursement as a means of payment for those able-bodied individuals unable to pay for the
28 costs of the equipment.

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

32 (3) Included in the appropriation in part 1 is adequate funding to implement the

1 curfew monitoring program to be administered by the department. The curfew monitoring
2 program is intended to provide sentencing judges and county sheriffs in coordination with
3 local community corrections advisory boards access to the state's curfew monitoring program
4 to reduce prison admissions and improve local jail utilization. The department shall
5 determine the appropriate distribution of the curfew monitor units throughout the state
6 based upon locally developed comprehensive corrections plans under the community
7 corrections act, 1988 PA 511, MCL 791.401 to 791.414.

8 (4) For a fee determined by the department, the department shall provide counties
9 with the curfew monitor equipment, replacement parts, administrative oversight of the
10 equipment's operation, notification of violators, and periodic reports regarding county
11 program participants. Counties are responsible for curfew monitor equipment installation
12 and service. For an additional fee as determined by the department, the department shall
13 provide staff to install and service the equipment. Counties are responsible for the
14 coordination and apprehension of program violators.

15 (5) Any county with curfew monitor charges outstanding over 60 days shall be
16 considered in violation of the community curfew monitor program agreement and lose access
17 to the program.

18 Sec. 4-604. The funds appropriated in part 1 for criminal justice reinvestment shall
19 be used only to fund evidence-based programs designed to reduce recidivism among
20 probationers and parolees.

21 Sec. 4-615. (1) The department shall submit a report detailing the number of
22 prisoners who have received life imprisonment sentences with the possibility of parole and
23 who are currently eligible for parole to the senate and house appropriations subcommittees
24 on corrections, the senate and house fiscal agencies, the legislative corrections
25 ombudsman, and the state budget director by April 30.

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

32 Sec. 4-617. From the funds appropriated in part 1 for the residential alternative to

1 prison program, the department will provide vocational, educational, and cognitive
2 programming in a secure environment to enhance existing alternative sentencing options,
3 increase employment readiness and successful placement rates, and reduce new criminal
4 behavior for the West Michigan probation violator population. The department shall measure
5 and set the following metric goals:

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

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

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

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

13

14 **HEALTH CARE**

15 Sec. 4-804. The department shall report quarterly to the senate and house
16 appropriations subcommittees on corrections, the legislative corrections ombudsman, the
17 senate and house fiscal agencies, and the state budget director on prisoner health care
18 utilization. The report shall include the number of inpatient hospital days, outpatient
19 visits, emergency room visits, and prisoners receiving off-site inpatient medical care in
20 the previous quarter, by facility.

21 Sec. 4-807. The funds appropriated in part 1 for Hepatitis C treatment shall be used
22 only to purchase specialty medication for Hepatitis C treatment in the prison population.
23 In addition to the above appropriation, any rebates received from the medications used
24 shall be used only to purchase specialty medication for Hepatitis C treatment. On a
25 biannual basis, the department shall issue a report to the senate and house appropriations
26 subcommittees on corrections, the senate and house fiscal agencies, the legislative
27 corrections ombudsman, and the state budget office, showing for the previous 4 quarters the
28 total amount spent on specialty medication for the treatment of Hepatitis C, the number of
29 prisoners that were treated, the amount of any rebates that were received from the purchase
30 of specialty medication, and what outstanding rebates are expected to be received.

31

32 **CORRECTIONAL FACILITIES ADMINISTRATION**

1 Sec. 4-906. Any local unit of government or private nonprofit organization that
2 contracts with the department for public works services shall be responsible for financing
3 the entire cost of such an agreement.

4 Sec. 4-907. The department shall report by March 1 to the senate and house
5 appropriations subcommittees on corrections, the legislative corrections ombudsman, the
6 senate and house fiscal agencies, and the state budget director on academic and vocational
7 programs. The report shall provide information relevant to an assessment of the
8 department's academic and vocational programs, including, but not limited to, all of the
9 following:

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

12 (b) The number of prisoners enrolled in each program, the number of prisoners
13 completing each program, the number of prisoners who do not complete each program and are
14 not subsequently reenrolled, and the reason for not completing the program, the number of
15 prisoners transferred to another facility while enrolled in a program and the reason for
16 transfer, the number of prisoners enrolled who are repeating the program, and the number of
17 prisoners on waiting lists for each program, all itemized by facility.

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

20 (d) The number of prisoners paroled without a high school diploma and the number of
21 prisoners paroled without a high school equivalency.

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

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

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

29 Sec. 4-911. By March 1, the department shall report to the senate and house
30 appropriations subcommittees on corrections, the senate and house fiscal agencies, the
31 legislative corrections ombudsman, and the state budget director the number of critical
32 incidents occurring each month by type and the number and severity of assaults, escape

1 attempts, suicides, and attempted suicides occurring each month at each facility during the
2 immediately preceding calendar year.

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

9 (2) The department shall submit a quarterly report to the members of the senate and
10 house appropriations subcommittees on corrections, the senate and house fiscal agencies,
11 the state budget director, and the legislative corrections ombudsman detailing enrollment
12 in sex offender programming, assaultive offender programming, violent offender programming,
13 and thinking for a change programming. At a minimum, the report shall include the
14 following:

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

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

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

21 Sec. 4-924. The department shall evaluate all prisoners at intake for substance abuse
22 disorders, serious developmental disorders, serious mental illness, and other mental health
23 disorders. Prisoners with serious mental illness or serious developmental disorders shall
24 not be removed from the general population as a punitive response to behavior caused by
25 their serious mental illness or serious developmental disorder. Due to persistent high
26 violence risk or severe disruptive behavior that is unresponsive to treatment, prisoners
27 with serious mental illness or serious developmental disorders may be placed in secure
28 residential housing programs that will facilitate access to institutional programming and
29 ongoing mental health services. A prisoner with serious mental illness or serious
30 developmental disorder who is confined in these specialized housing programs shall be
31 evaluated or monitored by a medical professional at a frequency of not less than every 12
32 hours.

1 Sec. 4-925. By March 1, the department shall report to the senate and house
2 appropriations subcommittees on corrections, the senate and house fiscal agencies, the
3 legislative corrections ombudsman, and the state budget director on the annual number of
4 prisoners in administrative segregation between October 1, 2016 and September 30, 2017, and
5 the annual number of prisoners in administrative segregation between October 1, 2016 and
6 September 30, 2017 who at any time during the current or prior prison term were diagnosed
7 with serious mental illness or have a developmental disorder and the number of days each of
8 the prisoners with serious mental illness or a developmental disorder have been confined to
9 administrative segregation.

10 Sec. 4-929. From the funds appropriated in part 1, the department shall do all of the
11 following:

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

18 (b) Provide appropriate placement for prisoners less than 18 years of age who have
19 serious mental illness, serious emotional disturbance, or a serious developmental disorder
20 and need to be housed separately from the general population. Prisoners less than 18 years
21 of age who have serious mental illness, serious emotional disturbance, or a serious
22 developmental disorder shall not be removed from an existing placement as a punitive
23 response to behavior caused by their serious mental illness, serious emotional disturbance,
24 or a serious developmental disorder. Due to persistent high violence risk or severe
25 disruptive behavior that is unresponsive to treatment, prisoners less than 18 years of age
26 with serious emotional disturbance, serious mental illness, or serious developmental
27 disorders may be placed in secure residential housing programs that will facilitate access
28 to institutional programming and ongoing mental health services. A prisoner less than 18
29 years of age with serious mental illness, serious emotional disturbance, or a serious
30 developmental disorder who is confined in these specialized housing programs shall be
31 evaluated or monitored by a medical professional at a frequency of not less than every 12
32 hours.

1 (c) Implement a specialized reentry program that recognizes the needs of prisoners
2 less than 18 years old for supervised reentry.

3

4 **MISCELLANEOUS**

5 Sec. 4-1009. The department shall make an information packet for the families of
6 incoming prisoners available on the department's website. The information packet shall be
7 updated by February 1 of each year. The packet shall provide information on topics
8 including, but not limited to: how to put money into prisoner accounts, how to make phone
9 calls or create Jpay email accounts, how to visit in person, proper procedures for filing
10 complaints or grievances, the rights of prisoners to physical and mental health care, how
11 to utilize the offender tracking information system (OTIS), truth-in-sentencing and how it
12 applies to minimum sentences, the parole process, and guidance on the importance of the
13 role of families in the reentry process. The department is encouraged to partner with
14 external advocacy groups and actual families of prisoners in the packet-writing process to
15 ensure that the information is useful and complete.

16

17 **ONE-TIME APPROPRIATIONS**

18 Sec. 4-1100. From the funds appropriated in part 1 for new custody staff training,
19 the department shall increase the training capacity for new custody staff by 177 officers.
20 The purpose of this academy is to address higher than normal attrition of correction
21 officers and to decrease overtime costs.

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Article 5

DEPARTMENT OF EDUCATION

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 5-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of education are appropriated for the fiscal year ending September 30, 2018, and are anticipated to be appropriated for the fiscal year ending September 30, 2019, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	DEPARTMENT OF EDUCATION	
2	APPROPRIATION SUMMARY	
3	Full-time equated unclassified positions.....	6.0 6.0
4	Full-time equated classified positions.....	603.5 603.5
5	GROSS APPROPRIATION	\$ 349,309,500 \$ 349,309,400
6	Total interdepartmental grants and interdepartmental	
7	transfers.....	0 0
8	ADJUSTED GROSS APPROPRIATION	\$ 349,309,500 \$ 349,309,400
9	Total federal revenues	251,854,700 251,854,700
10	Total local revenues	5,817,200 5,817,200
11	Total private revenues	2,034,300 2,034,300
12	Total other state restricted revenues	8,567,600 8,567,500
13	State general fund/general purpose	\$ 81,035,700 \$ 81,035,700
14	<i>State general fund/general purpose schedule:</i>	
15	<i>Ongoing state general fund/general purpose</i>	<i>81,035,700 81,035,700</i>
16	<i>One-time state general fund/general purpose</i>	<i>0 0</i>
17	Sec. 5-102. STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT	
18	Full-time equated unclassified positions.....	6.0 6.0
19	Full-time equated classified positions.....	11.0 11.0
20	Unclassified salaries-6.0 FTE positions	\$ 851,900 \$ 851,900
21	Education commission of the states	120,800 120,800
22	State board of education, per diem payments	24,400 24,400
23	State board/superintendent operations-11.0 FTE	
24	positions.....	<u>2,104,200 2,104,200</u>
25	GROSS APPROPRIATION	\$ 3,101,300 \$ 3,101,300
26	Appropriated from:	
27	Federal revenues:	
28	Other federal revenues	234,800 234,800
29	Special revenue funds:	
30	Private revenues	28,100 28,100
31	Other state restricted revenues	773,300 773,300
32	State general fund/general purpose	\$ 2,065,100 \$ 2,065,100

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	Sec. 5-103. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
2	Full-time equated classified positions.....	23.6 23.6
3	Central support operations-23.6 FTE positions	\$ 3,712,000 \$ 3,712,000
4	Federal and private grants	3,000,000 3,000,000
5	Property management	3,181,700 3,181,700
6	Terminal leave payments	353,300 353,300
7	Training and orientation workshops	150,000 150,000
8	Worker's compensation	<u>25,100</u> <u>25,100</u>
9	GROSS APPROPRIATION	\$ 10,422,100 \$ 10,422,100
10	Appropriated from:	
11	Federal revenues:	
12	Other federal revenues	6,074,300 6,074,300
13	Special revenue funds:	
14	Private revenues	1,000,000 1,000,000
15	Other state restricted revenues	554,000 554,000
16	State general fund/general purpose	\$ 2,793,800 \$ 2,793,800
17	Sec. 5-104. INFORMATION TECHNOLOGY	
18	Information technology services and projects	\$ <u>4,225,200</u> \$ <u>4,225,200</u>
19	GROSS APPROPRIATION	\$ 4,225,200 \$ 4,225,200
20	Appropriated from:	
21	Federal revenues:	
22	Other federal revenues	2,460,200 2,460,200
23	Special revenue funds:	
24	Other state restricted revenues	400,600 400,600
25	State general fund/general purpose	\$ 1,364,400 \$ 1,364,400
26	Sec. 5-105. SPECIAL EDUCATION SERVICES	
27	Full-time equated classified positions.....	47.0 47.0
28	Special education operations-47.0 FTE positions	\$ <u>9,164,800</u> \$ <u>9,164,800</u>
29	GROSS APPROPRIATION	\$ 9,164,800 \$ 9,164,800
30	Appropriated from:	
31	Federal revenues:	
32	Other federal revenues	8,584,200 8,584,200

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	Special revenue funds:	
2	Private revenues	110,100 110,100
3	Other state restricted revenues	44,700 44,700
4	State general fund/general purpose	\$ 425,800 \$ 425,800
5	Sec. 5-106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND	
6	Full-time equated classified positions.....	82.0 82.0
7	Camp Tuhsmebeta-1.0 FTE position	\$ 296,100 \$ 296,100
8	Low incidence outreach program	450,000 450,000
9	Michigan schools for the deaf and blind operations-	
10	81.0 FTE positions.....	13,456,000 13,456,000
11	Private gifts - blind	200,000 200,000
12	Private gifts - deaf	<u>150,000</u> <u>150,000</u>
13	GROSS APPROPRIATION	\$ 14,552,100 \$ 14,552,100
14	Appropriated from:	
15	Federal revenues:	
16	Other federal revenues	7,431,900 7,431,900
17	Special revenue funds:	
18	Local revenues	5,805,500 5,805,500
19	Private revenues	646,100 646,100
20	Other state restricted revenues	668,600 668,600
21	State general fund/general purpose	\$ 0 \$ 0
22	Sec. 5-107. PROFESSIONAL PREPARATION SERVICES	
23	Full-time equated classified positions.....	33.0 33.0
24	Professional preparation operations-33.0 FTE positions	\$ <u>5,679,600</u> \$ <u>5,679,600</u>
25	GROSS APPROPRIATION	\$ 5,679,600 \$ 5,679,600
26	Appropriated from:	
27	Federal revenues:	
28	Other federal revenues	1,465,900 1,465,900
29	Special revenue funds:	
30	Other state restricted revenues	3,988,800 3,988,800
31	State general fund/general purpose	\$ 224,900 \$ 224,900
32	Sec. 5-108. MICHIGAN OFFICE OF GREAT START	

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Full-time equated classified positions.....	66.0	66.0
2 Child development and care external support	\$ 28,368,900	\$ 28,368,900
3 Child development and care public assistance	161,166,100	161,166,100
4 Head start collaboration office-1.0 FTE position	310,600	310,600
5 Office of great start operations-65.0 FTE positions ..	<u>24,598,400</u>	<u>24,598,400</u>
6 GROSS APPROPRIATION	\$ 214,444,000	\$ 214,444,000
7 Appropriated from:		
8 Federal revenues:		
9 Other federal revenues	172,826,100	172,826,100
10 Special revenue funds:		
11 Private revenues	250,000	250,000
12 Other state restricted revenues	64,600	64,600
13 State general fund/general purpose	\$ 41,303,300	\$ 41,303,300
14 Sec. 5-109. STATE AID AND SCHOOL FINANCE SERVICES		
15 Full-time equated classified positions.....	11.5	11.5
16 State aid and finance operations-11.5 FTE positions ..	<u>\$ 1,648,600</u>	<u>\$ 1,648,600</u>
17 GROSS APPROPRIATION	\$ 1,648,600	\$ 1,648,600
18 Appropriated from:		
19 Special revenue funds:		
20 State general fund/general purpose	\$ 1,648,600	\$ 1,648,600
21 Sec. 5-110. AUDIT SERVICES		
22 Full-time equated classified positions.....	4.5	4.5
23 Audit operations-4.5 FTE positions	<u>\$ 615,300</u>	<u>\$ 615,300</u>
24 GROSS APPROPRIATION	\$ 615,300	\$ 615,300
25 Appropriated from:		
26 Federal revenues:		
27 Other federal revenues	488,800	488,800
28 Special revenue funds:		
29 Other state restricted revenues	62,500	62,500
30 State general fund/general purpose	\$ 64,000	\$ 64,000
31 Sec. 5-111. ADMINISTRATIVE LAW SERVICES		
32 Full-time equated classified positions.....	2.0	2.0

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Administrative law operations-2.0 FTE positions	\$ 1,375,400	\$ 1,375,400
2 GROSS APPROPRIATION	\$ 1,375,400	\$ 1,375,400
3 Appropriated from:		
4 Federal revenues:		
5 Other federal revenues	568,000	568,000
6 Special revenue funds:		
7 Other state restricted revenues	707,700	707,700
8 State general fund/general purpose	\$ 99,700	\$ 99,700
9 Sec. 5-112. ACCOUNTABILITY SERVICES		
10 Full-time equated classified positions.....	64.6	64.6
11 Accountability services operations-64.6 FTE positions	\$ 16,216,300	\$ 16,216,300
12 GROSS APPROPRIATION	\$ 16,216,300	\$ 16,216,300
13 Appropriated from:		
14 Federal revenues:		
15 Other federal revenues	12,517,200	12,517,200
16 Special revenue funds:		
17 State general fund/general purpose	\$ 3,699,100	\$ 3,699,100
18 Sec. 5-113. SCHOOL SUPPORT SERVICES		
19 Full-time equated classified positions.....	83.6	83.6
20 School support services operations-83.6 FTE positions	\$ 15,571,200	\$ 15,571,200
21 GROSS APPROPRIATION	\$ 15,571,200	\$ 15,571,200
22 Appropriated from:		
23 Federal revenues:		
24 Other federal revenues	14,522,300	14,522,300
25 Special revenue funds:		
26 Local revenues	11,700	11,700
27 Other state restricted revenues	159,300	159,300
28 State general fund/general purpose	\$ 877,900	\$ 877,900
29 Sec. 5-114. FIELD SERVICES		
30 Full-time equated classified positions.....	47.0	47.0
31 Field services operations-47.0 FTE positions	\$ 9,400,800	\$ 9,400,800
32 GROSS APPROPRIATION	\$ 9,400,800	\$ 9,400,800

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019	
1	Appropriated from:		
2	Federal revenues:		
3	Other federal revenues	8,636,300	8,636,300
4	Special revenue funds:		
5	Other state restricted revenues	37,300	37,300
6	State general fund/general purpose	\$ 727,200	\$ 727,200
7	Sec. 5-115. EDUCATIONAL IMPROVEMENT AND INNOVATION SERVICES		
8	Full-time equated classified positions.....	44.7	44.7
9	Educational improvement and innovation operations-44.7		
10	FTE positions.....	\$ 9,010,100	\$ 9,010,100
11	GROSS APPROPRIATION	\$ 9,010,100	\$ 9,010,100
12	Appropriated from:		
13	Federal revenues:		
14	Other federal revenues	5,898,200	5,898,200
15	Special revenue funds:		
16	Other state restricted revenues	565,100	565,100
17	State general fund/general purpose	\$ 2,546,800	\$ 2,546,800
18	Sec. 5-116. CAREER AND TECHNICAL EDUCATION		
19	Full-time equated classified positions.....	29.0	29.0
20	Career and technical education operations-29.0 FTE		
21	positions.....	\$ 5,252,700	\$ 5,252,700
22	GROSS APPROPRIATION	\$ 5,252,700	\$ 5,252,700
23	Appropriated from:		
24	Federal revenues:		
25	Other federal revenues	3,904,900	3,904,900
26	Special revenue funds:		
27	State general fund/general purpose	\$ 1,347,800	\$ 1,347,800
28	Sec. 5-117. LIBRARY OF MICHIGAN		
29	Full-time equated classified positions.....	33.0	33.0
30	Library of Michigan operations-31.0 FTE positions	\$ 4,826,400	\$ 4,826,400
31	Library services and technology program-1.0 FTE		
32	position.....	5,611,400	5,611,400

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Michigan eLibrary-1.0 FTE position	1,753,100	1,753,100
2 Renaissance zone reimbursements	3,300,000	3,300,000
3 State aid to libraries	<u>9,876,000</u>	<u>9,876,000</u>
4 GROSS APPROPRIATION	\$ 25,366,900	\$ 25,366,900
5 Appropriated from:		
6 Federal revenues:		
7 Other federal revenues	5,611,400	5,611,400
8 Special revenue funds:		
9 Other state restricted revenues	300,000	300,000
10 State general fund/general purpose	<u>\$ 19,455,500</u>	<u>\$ 19,455,500</u>
11 Sec. 5-118. EDUCATOR TALENT AND POLICY COORDINATION		
12 Full-time equated classified positions.....	17.0	17.0
13 Educator talent and policy coordination operations-		
14 17.0 FTE positions.....	<u>\$ 2,621,200</u>	<u>\$ 2,621,200</u>
15 GROSS APPROPRIATION	\$ 2,621,200	\$ 2,621,200
16 Appropriated from:		
17 Federal revenues:		
18 Other federal revenues	630,200	630,200
19 Special revenue funds:		
20 Other state restricted revenues	241,000	241,000
21 State general fund/general purpose	<u>\$ 1,750,000</u>	<u>\$ 1,750,000</u>
22 Sec. 5-119. PARTNERSHIP DISTRICT SUPPORT		
23 Full-time equated classified positions.....	4.0	4.0
24 Partnership district support operations-4.0 FTE		
25 positions.....	<u>\$ 641,800</u>	<u>\$ 641,800</u>
26 GROSS APPROPRIATION	\$ 641,800	\$ 641,800
27 Appropriated from:		
28 Special revenue funds:		
29 State general fund/general purpose	<u>\$ 641,800</u>	<u>\$ 641,800</u>
30 Sec. 5-120. ONE-TIME APPROPRIATIONS		
31 Drinking water declaration of emergency	<u>\$ 100</u>	<u>\$ 0</u>
32 GROSS APPROPRIATION	\$ 100	\$ 0

1	Appropriated from:		
2	Special revenue funds:		
3	Other state restricted revenues	100	0
4	State general fund/general purpose	\$ 0	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2018

GENERAL SECTIONS

Sec. 5-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for the fiscal year 2018 is \$89,603,300.00 and state spending from state resources to be paid to local units of government for fiscal year 2018 is \$13,176,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF EDUCATION

State aid to libraries.....	\$ 9,876,000
Renaissance zone reimbursements.....	<u>3,300,000</u>
TOTAL	\$ 13,176,000

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

Sec. 5-203. As used in this article:

(a) "ACT" means the American College Testing Corporation.

(b) "Department" means the Michigan department of education.

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

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

Sec. 5-204. 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

1 site.

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

9 Sec. 5-206. The state superintendent of public instruction shall take all reasonable
10 steps to ensure businesses in deprived and depressed communities compete for and perform
11 contracts to provide services or supplies, or both. The state superintendent of public
12 instruction shall strongly encourage firms with which the department contracts to
13 subcontract with certified businesses in depressed and deprived communities for services,
14 supplies, or both.

15 Sec. 5-207. The departments and agencies receiving appropriations in part 1 shall
16 prepare a report on out-of-state travel expenses not later than January 1 of each year. The
17 travel report shall be a listing of all travel by classified and unclassified employees
18 outside this state in the immediately preceding fiscal year that was funded in whole or in
19 part with funds appropriated in the department's budget. The report shall be submitted to
20 the senate and house appropriations committees, the house and senate fiscal agencies, and
21 the state budget director. The report shall include the following information:

22 (a) The dates of each travel occurrence.

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

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

32 Sec. 5-209. Not later than November 30, the state budget office shall prepare and

1 transmit a report that provides for estimates of the total general fund/general purpose
2 appropriation lapses at the close of the prior fiscal year. This report shall summarize the
3 projected year-end general fund/general purpose appropriation lapses by major departmental
4 program or program areas. The report shall be transmitted to the chairpersons of the senate
5 and house appropriations committees and the senate and house fiscal agencies.

6 Sec. 5-210. (1) In addition to the funds appropriated in part 1, there is
7 appropriated an amount not to exceed \$10,000,000.00 for federal contingency funds. These
8 funds are not available for expenditure until they have been transferred to another line
9 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
10 MCL 18.1393.

11 (2) In addition to the funds appropriated in part 1, there is appropriated an amount
12 not to exceed \$700,000.00 for state restricted contingency funds. These funds are not
13 available for expenditure until they have been transferred to another line item in this
14 article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

- 26 (a) Fiscal year-to-date expenditures by category.
- 27 (b) Fiscal year-to-date expenditures by appropriation unit.
- 28 (c) Fiscal year-to-date payments to a selected vendor, including the vendor name,
29 payment date, payment amount, and payment description.
- 30 (d) The number of active department employees by job classification.
- 31 (e) Job specifications and wage rates.

32 Sec. 5-212. Within 14 days after the release of the executive budget recommendation,

1 the department shall cooperate with the state budget office to provide the senate and house
2 appropriations chairs, the senate and house appropriations subcommittees chairs, and the
3 senate and house fiscal agencies with an annual report on estimated state restricted fund
4 balances, state restricted fund projected revenues, and state restricted fund expenditures
5 for the fiscal years ending September 30, 2017 and September 30, 2018.

6 Sec. 5-213. The department shall maintain, on a publicly accessible website, a
7 department scorecard that identifies, tracks and regularly updates key metrics that are
8 used to monitor and improve the agency's performance.

9 Sec. 5-214. Total authorized appropriations from all sources under part 1 for legacy
10 costs for the fiscal year ending September 30, 2018 are estimated at \$15,429,100.00. From
11 this amount, total agency appropriations for pension-related legacy costs are estimated at
12 \$7,939,900.00. Total agency appropriations for retiree health care legacy costs are
13 estimated at \$7,489,200.00.

14 Sec. 5-215. The department shall provide through the Internet the state board of
15 education agenda and all supporting documents, and shall notify the state budget director
16 and the senate and house fiscal agencies that the agenda and supporting documents are
17 available on the Internet, at the time the agenda and supporting documents are provided to
18 state board of education members.

19 Sec. 5-217. The department may assist the department of health and human services,
20 other departments, and local school districts to secure reimbursement for eligible services
21 provided in Michigan schools from the federal Medicaid program. The department may submit
22 reports of direct expenses related to this effort to the department of health and human
23 services for reimbursement.

24 Sec. 5-220. The department shall post on its website a link to the federal Institute
25 of Education Sciences' What Works Clearinghouse. The department also shall work to
26 disseminate knowledge about the What Works Clearinghouse to districts and intermediate
27 districts so that it may be used to improve reading proficiency for pupils in grades K to
28 3.

29 Sec. 5-226. From the funds appropriated in part 1, the department shall coordinate
30 with the other departments to streamline state services and resources, reduce duplication,
31 and increase efficiency. This includes, but is not limited to, working with the department
32 of technology, management, and budget to coordinate with the school reform office, working

1 with the department of treasury to coordinate with the financial independence team and
2 overseeing deficit districts, and working with the department of health and human services
3 and department of licensing and regulatory affairs to coordinate with early childhood
4 programs and overseeing child care providers.

5

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

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

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

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

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

14

15 **SPECIAL EDUCATION SERVICES**

16 Sec. 5-350. From the funds in part 1 for special education operations, the department
17 shall perform the following activities:

18 (a) Design and distribute to all parents of a newly identified student with a
19 disability information about federal and state mandates regarding the rights and
20 protections of students with disabilities, including, but not limited to, individualized
21 education programs to ensure that parents and legal guardians are fully informed about
22 laws, rules, procedural safeguards, problem-solving options, and any other information the
23 department determines is necessary so that parents and legal guardians may be able to
24 provide meaningful input in collaboration with districts to develop and implement an
25 individualized education program.

26 (b) Train mediators who are knowledgeable about the dispute resolution system and
27 state and federal mandates pertaining to the rights and protections of students with
28 disabilities outlined in the federal individuals with disabilities education act, 20 USC
29 1400 to 1482, and the Michigan administrative rules for special education programs and
30 services, R 340.1701 to R 340.1862 of the Michigan administrative code. This annual
31 training will include coursework, resources, and materials.

32

1 MICHIGAN SCHOOLS FOR THE DEAF AND BLIND

2 Sec. 5-401. The employees at the Michigan schools for the deaf and blind who work on
3 a school-year basis are considered annual employees for purposes of service credits,
4 retirement, and insurance benefits.

5 Sec. 5-402. For each student enrolled at the Michigan schools for the deaf and blind,
6 the department shall assess the intermediate school district of residence 100% of the cost
7 of operating the student's instructional program. The amount shall exclude room and board
8 related costs and the cost of weekend transportation between the school and the student's
9 home.

10 Sec. 5-406. (1) The Michigan schools for the deaf and blind may promote its
11 residential program as a possible appropriate option for children who are deaf or hard of
12 hearing or who are blind or visually impaired. The Michigan schools for the deaf and blind
13 shall distribute information detailing its services to all intermediate school districts in
14 the state.

15 (2) Upon knowledge of or recognition by an intermediate school district that a child
16 in the district is deaf or hard of hearing or blind or visually impaired, the intermediate
17 school district shall provide to the parents of the child the literature distributed by the
18 Michigan schools for the deaf and blind to intermediate school districts under subsection
19 (1).

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

22 Sec. 5-407. Revenue received by the Michigan schools for the deaf and blind from
23 gifts, bequests, donations, and local district service fees that is unexpended at the end
24 of the state fiscal year may be carried over to the succeeding fiscal year and shall not
25 revert to the general fund.

26 Sec. 5-408. The funds collected by the Michigan schools for the deaf and blind and
27 the low incidence outreach program for document reproduction and services; conferences,
28 workshops, and training classes; and the use of specialized equipment, facilities, and
29 software are appropriated for all expenses necessary to provide the required services.
30 These funds are available for expenditure when they are received and may be carried forward
31 into the next succeeding fiscal year.

1 **PROFESSIONAL PREPARATION SERVICES**

2 Sec. 5-501. From the funds appropriated in part 1 for professional preparation
3 services, the department shall maintain certificate revocation/felony conviction files of
4 educational personnel.

5 Sec. 5-503. From the funds appropriated in part 1, the department shall coordinate
6 professional development with the Michigan Virtual Learning Research Institute and external
7 stakeholders.

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

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

17
18 **FIELD SERVICES**

19 Sec. 5-701. (1) From the funds appropriated in part 1 for field services operations,
20 the department shall produce a report detailing the progress made by districts with grades
21 K to 8 or all of the grades a district operates if the district operates less than grades K
22 to 8 receiving at-risk funding under section 31a of the state school aid act of 1979, 1979
23 PA 94, MCL 388.1631a, in implementing multitiered systems of supports in the prior school
24 fiscal year.

25 (2) The report shall include, at a minimum:

26 (a) A description of the training, coaching, and technical assistance offered by the
27 department to districts to support the implementation of effective multitiered systems of
28 supports.

29 (b) A list of districts determined by the department to have successfully implemented
30 multitiered systems of supports.

31 (c) A list of best practices that the department has identified that may be used by
32 districts to implement multitiered systems of supports.

1 (d) Other information the department determines would be useful to understanding the
2 status of districts' implementation of effective multitiered systems of supports.

3 (3) The report shall be provided to the state budget director, the house and senate
4 subcommittees that oversee the department of education and school aid budgets, and the
5 house and senate fiscal agencies by September 30, 2018.

6

7 **LIBRARY OF MICHIGAN**

8 Sec. 5-801. The funds collected by the Library of Michigan for document reproduction
9 and services; conferences, workshops, and training classes; and the use of specialized
10 equipment, facilities, and software are appropriated for all expenses necessary to provide
11 the required services. These funds are available for expenditure when they are received and
12 may be carried forward into the next succeeding fiscal year.

13 Sec. 5-804. (1) The funds appropriated in part 1 for renaissance zone reimbursements
14 shall be used to reimburse public libraries under section 12 of the Michigan renaissance
15 zone act, 1996 PA 376, MCL 125.2692, for taxes levied in 2017. The allocations shall be
16 made not later than 60 days after the department of treasury certifies to the department
17 and to the state budget director that the department of treasury has received all necessary
18 information to properly determine the amounts due to each eligible recipient.

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

22

23 **MICHIGAN OFFICE OF GREAT START**

24 Sec. 5-1004. From the funds appropriated in part 1 for child development and care
25 public assistance, the department shall increase reimbursement rates for child development
26 and care program providers. The purpose of the rate increase is to increase the number of
27 low-income children in high-quality early learning programs, to increase the number of
28 children ready for school at kindergarten entry, and to increase the number of children who
29 are reading at grade level by the end of third grade.

30 Sec. 5-1005. From the increased funds appropriated in part 1 for child development
31 and care external support, the department shall work with the department of licensing and
32 regulatory affairs to provide fingerprinting services and background checks of employees of

1 child care providers as required by the federal child care and development block grant.

2 Sec. 5-1007. (1) From the funds appropriated in part 1 for child development and care
3 - external support, the department shall create a report that shall include, but is not
4 limited to, the following:

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

8 (b) The total number of on-site visits conducted since the start of the 2017-2018
9 fiscal year. This includes required initial licensure visits, annual monitoring
10 inspections, complaint investigations, and follow up to these visits as well as other
11 necessary on-site visits.

12 (c) The average number of on-site visits per consultant by licensing type made since
13 the start of fiscal year 2017-2018. This includes required initial licensure visits, annual
14 monitoring inspections, complaint investigations, and follow up to these visits as well as
15 other necessary on-site visits.

16 (d) The number of providers that have improved their quality rating since the start
17 of fiscal year 2017-2018 compared to the same time period in fiscal year 2016-2017.

18 (e) A list of trainings and other structured activities offered by the department or
19 the department of licensing and regulatory affairs to licensing consultants and managers as
20 well as child care providers to improve performance and quality, respectively.

21 (2) The report shall be sent to the state budget director, the house and senate
22 subcommittees that oversee the department of education, and the house and senate fiscal
23 agencies by November 30, 2018.

24 Sec. 5-1008. From the amount appropriated in part 1 for office of great start
25 operations, the department shall work with the department of health and human services to
26 coordinate services provided to families for home visits, reduce duplication of state
27 services and spending, and increase efficiencies including the home visits funded under
28 section 32p of the state school aid act of 1979, 1979 PA 94, MCL 388.1632p.

29

30 **ACCOUNTABILITY SERVICES**

31 Sec. 5-1021. Using the funds appropriated in part 1, the department shall work in
32 collaboration with the department of technology, management, and budget to renegotiate the

1 contract with the ACT to ensure that it registers, issues, and ships to schools a printed
2 national career readiness certificate (NCRC) to each Michigan student who takes the ACT
3 WorkKeys test, successfully completes the exam, qualifies for the certificate, and ensures
4 that the renegotiated contract results in minimal or no additional costs to the state. If a
5 renegotiation cannot be completed that results in minimal or no additional costs to the
6 state, the department shall rebid the contract for the workskills portion of the Michigan
7 merit exam (MME).

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Article 6

DEPARTMENT OF ENVIRONMENTAL QUALITY

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 6-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of environmental quality are appropriated for the fiscal year ending September 30, 2018, and are anticipated to be appropriated for the fiscal year ending September 30, 2019, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

1	DEPARTMENT OF ENVIRONMENTAL QUALITY		
2	APPROPRIATION SUMMARY		
3	Full-time equated unclassified positions.....	6.0	6.0
4	Full-time equated classified positions.....	1,254.0	1,254.0
5	GROSS APPROPRIATION	\$ 510,842,000	\$ 432,941,900
6	Total interdepartmental grants and interdepartmental		
7	transfers.....	3,100,500	3,100,500
8	ADJUSTED GROSS APPROPRIATION	\$ 507,741,500	\$ 429,841,400
9	Total federal revenues	170,042,600	170,042,600
10	Total local revenues	0	0
11	Total private revenues	555,300	555,300
12	Total other state restricted revenues	285,825,300	208,925,200
13	State general fund/general purpose	\$ 51,318,300	\$ 50,318,300
14	<i>State general fund/general purpose schedule:</i>		
15	<i>Ongoing state general fund/general purpose</i>	<i>50,318,300</i>	<i>50,318,300</i>
16	<i>One-time state general fund/general purpose</i>	<i>1,000,000</i>	<i>0</i>
17	Sec. 6-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
18	Full-time equated unclassified positions.....	6.0	6.0
19	Full-time equated classified positions.....	52.0	52.0
20	Unclassified salaries-6.0 FTE positions	\$ 776,600	\$ 776,600
21	Accounting service center	1,401,300	1,401,300
22	Administrative hearings officers	383,900	383,900
23	Central support services-34.0 FTE positions	4,184,100	4,184,100
24	Communications and community outreach-5.0 FTE		
25	positions.....	1,013,800	1,013,800
26	Environmental support projects	5,000,000	5,000,000
27	Executive direction-13.0 FTE positions	2,117,800	2,117,800
28	Facilities management	1,000,000	1,000,000
29	Property management	<u>7,070,500</u>	<u>7,070,500</u>
30	GROSS APPROPRIATION	\$ 22,948,000	\$ 22,948,000
31	Appropriated from:		
32	Interdepartmental grant revenues:		

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019	
1	IDG from department of state police	61,000	61,000
2	Federal revenues:		
3	Other federal revenues	27,600	27,600
4	Special revenue funds:		
5	Other state restricted revenues	18,116,200	18,116,200
6	State general fund/general purpose	\$ 4,743,200	\$ 4,743,200
7	Sec. 6-103. OFFICE OF THE GREAT LAKES		
8	Full-time equated classified positions.....	11.0	11.0
9	Coastal management grants	\$ 1,250,000	\$ 1,250,000
10	Office of the Great Lakes-11.0 FTE positions	<u>2,033,700</u>	<u>2,033,700</u>
11	GROSS APPROPRIATION	\$ 3,283,700	\$ 3,283,700
12	Appropriated from:		
13	Federal revenues:		
14	Other federal revenues	2,043,600	2,043,600
15	Special revenue funds:		
16	Other state restricted revenues	484,800	484,800
17	State general fund/general purpose	\$ 755,300	\$ 755,300
18	Sec. 6-104. GREAT LAKES RESTORATION INITIATIVE		
19	Full-time equated classified positions.....	6.0	6.0
20	Great Lakes restoration initiative-6.0 FTE positions .	<u>\$ 15,095,600</u>	<u>\$ 15,095,600</u>
21	GROSS APPROPRIATION	\$ 15,095,600	\$ 15,095,600
22	Appropriated from:		
23	Federal revenues:		
24	Other federal revenues	15,095,600	15,095,600
25	Special revenue funds:		
26	State general fund/general purpose	\$ 0	\$ 0
27	Sec. 6-105. OFFICE OF ENVIRONMENTAL ASSISTANCE		
28	Full-time equated classified positions.....	37.0	37.0
29	Office of environmental assistance-37.0 FTE positions	\$ 6,140,700	\$ 6,140,700
30	Pollution prevention local grants	<u>250,000</u>	<u>250,000</u>
31	GROSS APPROPRIATION	\$ 6,390,700	\$ 6,390,700
32	Appropriated from:		

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	Federal revenues:	
2	Other federal revenues	704,700 704,700
3	Special revenue funds:	
4	Private revenues	364,200 364,200
5	Other state restricted revenues	2,581,700 2,581,700
6	State general fund/general purpose	\$ 2,740,100 \$ 2,740,100
7	Sec. 6-106. WATER RESOURCES DIVISION	
8	Full-time equated classified positions.....	316.0 316.0
9	Aquatic nuisance control program-6.0 FTE positions ...	\$ 918,800 \$ 918,800
10	Contaminated lake and river sediment cleanup program .	1,565,000 1,565,000
11	Expedited water/wastewater permits-1.0 FTE position ..	50,900 50,900
12	Federal - Great Lakes remedial action plan grants	583,800 583,800
13	Federal - nonpoint source water pollution grants	4,083,300 4,083,300
14	Fish contaminant monitoring	316,100 316,100
15	Groundwater discharge-22.0 FTE positions	3,214,800 3,214,800
16	Land and water interface permit programs-82.0 FTE	
17	positions.....	11,671,500 11,671,500
18	Nonpoint source pollution prevention and control	
19	project program.....	2,000,000 2,000,000
20	NPDES nonstormwater program-83.0 FTE positions	13,060,600 13,060,600
21	Program direction and project assistance-27.0 FTE	
22	positions.....	3,055,100 3,055,100
23	Real-time beach monitoring program	500,000 500,000
24	Surface water-86.0 FTE positions	15,557,000 15,557,000
25	Water quality and use initiative/general-5.0 FTE	
26	positions.....	1,645,700 1,645,700
27	Water quality protection grants	100,000 100,000
28	Water withdrawal assessment program-4.0 FTE positions	1,428,600 1,428,600
29	Wetland mitigation banking grants and loans	3,000,000 3,000,000
30	Wetlands program	<u>1,000,000</u> <u>1,000,000</u>
31	GROSS APPROPRIATION	\$ 63,751,200 \$ 63,751,200
32	Appropriated from:	

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	Interdepartmental grant revenues:	
2	IDG from department of transportation	1,259,800 1,259,800
3	Federal revenues:	
4	Other federal revenues	20,268,800 20,268,800
5	Special revenue funds:	
6	Other state restricted revenues	23,931,700 23,931,700
7	State general fund/general purpose	\$ 18,290,900 \$ 18,290,900
8	Sec. 6-107. LAW ENFORCEMENT	
9	Full-time equated classified positions.....	14.0 14.0
10	Environmental investigations-14.0 FTE positions	\$ <u>2,830,100</u> \$ <u>2,830,100</u>
11	GROSS APPROPRIATION	\$ 2,830,100 \$ 2,830,100
12	Appropriated from:	
13	Federal revenues:	
14	Other federal revenues	575,600 575,600
15	Special revenue funds:	
16	Other state restricted revenues	1,701,500 1,701,500
17	State general fund/general purpose	\$ 553,000 \$ 553,000
18	Sec. 6-108. AIR QUALITY DIVISION	
19	Full-time equated classified positions.....	189.0 189.0
20	Air quality programs-189.0 FTE positions	\$ <u>27,132,400</u> \$ <u>27,132,400</u>
21	GROSS APPROPRIATION	\$ 27,132,400 \$ 27,132,400
22	Appropriated from:	
23	Federal revenues:	
24	Other federal revenues	7,196,800 7,196,800
25	Special revenue funds:	
26	Other state restricted revenues	14,121,600 14,121,600
27	State general fund/general purpose	\$ 5,814,000 \$ 5,814,000
28	Sec. 6-109. RESOURCE MANAGEMENT DIVISION	
29	Full-time equated classified positions.....	325.0 325.0
30	Drinking water and environmental health-126.0 FTE	
31	positions.....	\$ 18,044,900 \$ 18,044,900
32	Drinking water program grants	830,000 830,000

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Hazardous waste management program-45.0 FTE positions	6,506,900	6,506,900
2 Low-level radioactive waste authority-2.0 FTE		
3 positions.....	233,400	233,400
4 Medical waste program-2.0 FTE positions	303,500	303,500
5 Municipal assistance-29.0 FTE positions	4,818,800	4,818,800
6 Noncommunity water grants	1,905,700	1,905,700
7 Oil, gas, and mineral services-59.0 FTE positions	10,680,900	10,680,900
8 Radiological protection program-12.0 FTE positions ...	1,977,200	1,977,200
9 Recycling initiative-3.0 FTE positions	1,011,800	1,011,800
10 Scrap tire grants	3,500,000	3,500,000
11 Scrap tire regulatory program-10.0 FTE positions	1,343,700	1,343,700
12 Septage waste compliance grants	275,000	275,000
13 Solid waste management program-37.0 FTE positions	5,077,800	5,077,800
14 Strategic water quality initiative grants and loans ..	62,000,000	0
15 Water state revolving funds	<u>120,000,000</u>	<u>120,000,000</u>
16 GROSS APPROPRIATION	\$ 238,509,600	\$ 176,509,600
17 Appropriated from:		
18 Interdepartmental grant revenues:		
19 IDG from department of state police	1,667,800	1,667,800
20 Federal revenues:		
21 Other federal revenues	116,450,300	116,450,300
22 Special revenue funds:		
23 Other state restricted revenues	106,001,200	44,001,200
24 State general fund/general purpose	\$ 14,390,300	\$ 14,390,300
25 Sec. 6-110. REMEDIATION AND REDEVELOPMENT DIVISION		
26 Full-time equated classified positions.....	299.0	299.0
27 Contaminated site investigations, cleanup and		
28 revitalization-135.0 FTE positions.....	\$ 16,351,300	\$ 16,351,300
29 Emergency cleanup actions	4,000,000	4,000,000
30 Environmental cleanup and redevelopment program	15,000,000	15,000,000
31 Environmental cleanup support	1,840,000	1,840,000
32 Federal cleanup project management-40.0 FTE positions	6,986,500	6,986,500

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Laboratory services-39.0 FTE positions	6,328,000	6,328,000
2 Refined petroleum product cleanup program-85.0 FTE		
3 positions.....	34,491,100	34,491,100
4 Superfund cleanup	<u>1,000,000</u>	<u>1,000,000</u>
5 GROSS APPROPRIATION	\$ 85,996,900	\$ 85,996,900
6 Appropriated from:		
7 Federal revenues:		
8 Other federal revenues	6,354,900	6,354,900
9 Special revenue funds:		
10 Private revenues	191,100	191,100
11 Other state restricted revenues	76,885,400	76,885,400
12 State general fund/general purpose	<u>\$ 2,565,500</u>	<u>\$ 2,565,500</u>
13 Sec. 6-111. UNDERGROUND STORAGE TANK AUTHORITY		
14 Full-time equated classified positions.....	5.0	5.0
15 Underground storage tank cleanup program-5.0 FTE		
16 positions.....	<u>\$ 20,016,800</u>	<u>\$ 20,016,800</u>
17 GROSS APPROPRIATION	\$ 20,016,800	\$ 20,016,800
18 Appropriated from:		
19 Special revenue funds:		
20 Other state restricted revenues	20,016,800	20,016,800
21 State general fund/general purpose	<u>\$ 0</u>	<u>\$ 0</u>
22 Sec. 6-112. INFORMATION TECHNOLOGY		
23 Information technology services and projects	<u>\$ 8,986,900</u>	<u>\$ 8,986,900</u>
24 GROSS APPROPRIATION	\$ 8,986,900	\$ 8,986,900
25 Appropriated from:		
26 Interdepartmental grant revenues:		
27 IDG from department of state police	25,800	25,800
28 IDG from department of transportation	86,100	86,100
29 Federal revenues:		
30 Other federal revenues	1,324,700	1,324,700
31 Special revenue funds:		
32 Other state restricted revenues	7,084,300	7,084,300

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 State general fund/general purpose	\$ 466,000	\$ 466,000
2 Sec. 6-113. ONE-TIME APPROPRIATIONS		
3 Drinking water declaration of emergency	\$ 1,000,100	\$ 0
4 Environmental cleanup and redevelopment program	<u>14,900,000</u>	<u>0</u>
5 GROSS APPROPRIATION	\$ 15,900,100	\$ 0
6 Appropriated from:		
7 Special revenue funds:		
8 Other state restricted revenues	14,900,100	0
9 State general fund/general purpose	\$ 1,000,000	\$ 0

10

11 **PART 2**

12 **PROVISIONS CONCERNING APPROPRIATIONS**

13 **FISCAL YEAR 2018**

14

15 **GENERAL SECTIONS**

16 Sec. 6-201. Pursuant to section 30 of article IX of the state constitution of 1963,

17 total state spending from state resources under part 1 for the fiscal year 2018 is

18 \$337,143,600.00 and state spending from state resources to be paid to local units of

19 government for fiscal year 2018 is \$4,531,000.00. The itemized statement below identifies

20 appropriations from which spending to local units of government will occur:

21 DEPARTMENT OF ENVIRONMENTAL QUALITY

22 Real-time beach monitoring program.....	\$	500,000
23 Medical waste program.....		65,000
24 Noncommunity water grants.....		1,800,000
25 Scrap tire grants.....		500,000
26 Drinking water program grants.....		600,000
27 Pollution prevention local grants.....		250,000
28 Surface water.....		160,000
29 Emergency cleanup actions.....		106,000
30 Recycling initiative.....		450,000
31 Septage waste compliance grants.....		<u>100,000</u>
32 TOTAL	\$	4,531,000

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

3 Sec. 6-203. As used in this article:

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

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

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

7 (d) "IDG" means interdepartmental grant.

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

9 Sec. 6-204. The departments and agencies receiving appropriations in part 1 shall use
10 the Internet to fulfill the reporting requirements of this article. This requirement may
11 include transmission of reports via electronic mail to the recipients identified for each
12 reporting requirement, or it may include placement of reports on an Internet or Intranet
13 site.

14 Sec. 6-205. Funds appropriated in part 1 shall not be used for the purchase of
15 foreign goods or services, or both, if competitively priced and of comparable quality
16 American goods or services, or both, are available. Preference shall be given to goods or
17 services, or both, manufactured or provided by Michigan businesses, if they are
18 competitively priced and of comparable quality. In addition, preference should be given to
19 goods or services, or both, that are manufactured or provided by Michigan businesses owned
20 and operated by veterans, if they are competitively priced and of comparable quality.

21 Sec. 6-206. The director shall take all reasonable steps to ensure businesses in
22 deprived and depressed communities compete for and perform contracts to provide services or
23 supplies, or both. Each director shall strongly encourage firms with which the department
24 contracts to subcontract with certified businesses in depressed and deprived communities
25 for services, supplies, or both.

26 Sec. 6-207. The departments and agencies receiving appropriations in part 1 shall
27 prepare a report on out-of-state travel expenses not later than January 1 of each year. The
28 travel report shall be a listing of all travel by classified and unclassified employees
29 outside this state in the immediately preceding fiscal year that was funded in whole or in
30 part with funds appropriated in the department's budget. The report shall be submitted to
31 the senate and house appropriations committees, the house and senate fiscal agencies, and
32 the state budget director. The report shall include the following information:

1 (a) The dates of each travel occurrence.

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

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

11 Sec. 6-209. Not later than November 30, the state budget office shall prepare and
12 transmit a report that provides for estimates of the total general fund/general purpose
13 appropriation lapses at the close of the prior fiscal year. This report shall summarize the
14 projected year-end general fund/general purpose appropriation lapses by major departmental
15 program or program areas. The report shall be transmitted to the chairpersons of the senate
16 and house appropriations committees and the senate and house fiscal agencies.

17 Sec. 6-210. (1) In addition to the funds appropriated in part 1, there is
18 appropriated an amount not to exceed \$30,000,000.00 for federal contingency funds. These
19 funds are not available for expenditure until they have been transferred to another line
20 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
21 MCL 18.1393.

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

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

30 (4) In addition to the funds appropriated in part 1, there is appropriated an amount
31 not to exceed \$500,000.00 for private contingency funds. These funds are not available for
32 expenditure until they have been transferred to another line item in this article under

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

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

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

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

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

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

10 (e) Job specifications and wage rates.

11 Sec. 6-212. Within 14 days after the release of the executive budget recommendation,
12 the department shall cooperate with the state budget office to provide the senate and house
13 appropriations chairs, the senate and house appropriations subcommittees chairs, and the
14 senate and house fiscal agencies with an annual report on estimated state restricted fund
15 balances, state restricted fund projected revenues, and state restricted fund expenditures
16 for the fiscal years ending September 30, 2017 and September 30, 2018.

17 Sec. 6-213. The department shall maintain, on a publicly accessible website, a
18 department scorecard that identifies, tracks and regularly updates key metrics that are
19 used to monitor and improve the agency's performance.

20 Sec. 6-214. Total authorized appropriations from all sources under part 1 for legacy
21 costs for the fiscal year ending September 30, 2018 are estimated at \$32,219,000.00. From
22 this amount, total agency appropriations for pension-related legacy costs are estimated at
23 \$16,580,100.00. Total agency appropriations for retiree health care legacy costs are
24 estimated at \$15,638,900.00.

25 Sec. 6-216. (1) The department shall report all of the following information relative
26 to allocations made from appropriations for the environmental cleanup and redevelopment
27 program, state cleanup, emergency actions, superfund cleanup, the revitalization revolving
28 loan program, the brownfield grants and loans program, the leaking underground storage tank
29 cleanup program, the contaminated lake and river sediments cleanup program, the refined
30 petroleum product cleanup program, and the environmental protection bond projects under
31 section 19508(7) of the natural resources and environmental protection act, 1994 PA 451,
32 MCL 324.19508, to the state budget director, the senate and house appropriations

1 subcommittees on environmental quality, and the senate and house fiscal agencies:

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

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

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

6 (d) The estimated date that site closure activities will be completed.

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

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

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

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

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

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

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

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

22 Sec. 6-217. (1) The department may expend amounts remaining from the current and
23 prior fiscal year appropriations to meet funding needs of legislatively approved sites for
24 the environmental cleanup and redevelopment program, the refined petroleum product cleanup
25 program, brownfield grants and loans, waterfront grants, and the environmental bond site
26 reclamation program.

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

31 (3) Unexpended and unencumbered amounts remaining from appropriations from the clean
32 Michigan initiative fund - response activities contained in 2000 PA 52, 2004 PA 309, 2005

1 PA 11, 2006 PA 343, 2007 PA 121, 2011 PA 63, 2013 PA 59, 2014 PA 252, 2015 PA 84, and 2016
2 PA 268 are appropriated for expenditure for any site listed in this part and part 1 and any
3 site listed in the public acts referenced in this section.

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

9 (5) Unexpended and unencumbered amounts remaining from the appropriations from the
10 strategic water quality initiatives fund contained in 2011 PA 50, 2011 PA 63, 2012 PA 200,
11 2013 PA 59, 2014 PA 252, 2015 PA 84, and 2016 PA 268 are appropriated for expenditure for
12 any site listed in this part and part 1 and any site listed in the public acts referenced
13 in this section.

14 Sec. 6-219. Unexpended settlement revenues at the end of the fiscal year may be
15 carried forward into the settlement fund in the succeeding fiscal year up to a maximum
16 carryforward of \$2,500,000.00.

17

18 **REMEDICATION AND REDEVELOPMENT DIVISION**

19 Sec. 6-301. Revenues remaining in the interdepartmental transfers, laboratory
20 services at the end of the fiscal year shall carry forward into the succeeding fiscal year.

21 Sec. 6-302. The unexpended funds appropriated in part 1 for emergency cleanup
22 actions, the environmental cleanup and redevelopment program, and the refined petroleum
23 product cleanup program are considered work project appropriations and any unencumbered or
24 unallotted funds are carried forward into the succeeding fiscal year. The following is in
25 compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL
26 18.1451a:

27 (a) The purpose of the projects to be carried forward is to provide contaminated site
28 cleanup.

29 (b) The projects will be accomplished by contract.

30 (c) The total estimated cost of all projects is identified in each line-item
31 appropriation.

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

1 Sec. 6-303. Effective October 1, 2017, surplus funds not to exceed \$1,000,000.00 in
2 the cleanup and redevelopment trust fund are appropriated to the environmental protection
3 fund created in section 503a of the natural resources and environmental protection act,
4 1994 PA 451, MCL 324.503a.

5 Sec. 6-304. Effective October 1, 2017, surplus funds not to exceed \$1,000,000.00 in
6 the community pollution prevention fund created in section 3f of 1976 IL 1, MCL 445.573f,
7 are appropriated to the environmental protection fund created in section 503a of the
8 natural resources and environmental protection act, 1994 PA 451, MCL 324.503a.

9 Sec. 6-310. (1) Upon approval by the state budget director, the department may expend
10 from the general fund of the state an amount to meet the cash-flow requirements of projects
11 funded under any of the following that are financed from bond proceeds and for which bonds
12 have been authorized but not yet issued:

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

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

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

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

22 Sec. 6-313. From the funds appropriated in part 1 for the vapor intrusion program,
23 the department shall investigate at least 120 sites to determine whether chemical vapors
24 have migrated from the original location of exposure. The purpose of this program is to
25 evaluate, investigate, and mitigate sites statewide where vapor intrusion issues are or may
26 be present.

27

28 **WATER RESOURCES DIVISION**

29 Sec. 6-405. If a certified health department does not exist in a city, county, or
30 district or does not fulfill its responsibilities under part 117 of the natural resources
31 and environmental protection act, 1994 PA 451, MCL 324.11701 to 324.11720, then the
32 department may spend funds appropriated in part 1 under the septage waste compliance

1 program in accordance with section 11716 of the natural resources and environmental
2 protection act, 1994 PA 451, MCL 324.11716.

3 Sec. 6-407. The unexpended funds appropriated in part 1 for the contaminated lake and
4 river sediment cleanup program are considered work project appropriations and any
5 unencumbered or unallotted funds are carried forward into the succeeding fiscal year. The
6 following is in compliance with section 451a(1) of the management and budget act, 1984 PA
7 431, MCL 18.1451a:

8 (a) The purpose of the projects to be carried forward is to provide contaminated
9 sediment cleanup.

10 (b) The projects will be accomplished by contract.

11 (c) The total estimated cost of all projects is \$1,565,000.

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

13

14 **RESOURCE MANAGEMENT DIVISION**

15 Sec. 6-603. From the funds appropriated in part 1, by December 31, 2017, the
16 department shall compile and make available to the public on a publicly accessible website
17 a report containing a summary document of each completed asset management plan for any
18 stormwater, asset management, or wastewater grant awarded to a local unit of government to
19 fund the development of a plan. As a condition of receiving a stormwater, asset management,
20 or wastewater grant, a local unit of government shall make its asset management plan
21 available to the department upon request when completed and shall retain copies of the plan
22 that can be made available to the public for a minimum of 15 years. The department shall
23 make available a summary document of each plan on a publicly accessible website by
24 September 30 of the year it was completed. The summary document shall include a summary of
25 the plan and contact.

26 Sec. 6-604. From the funds appropriated in part 1, the department will host three
27 training sessions to public water supply owners and operators to provide technical
28 assistance on the Lead and Copper Rule (LCR) of the Safe Drinking Water Act and contact
29 100% of public water supplies that are subject to the Lead and Copper Rule with information
30 on current LCR requirements including any modifications to Michigan's LCR and associated
31 guidance and policies. The purpose of the program is to ensure that water is in accordance
32 with Safe Drinking Water Act.

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UNDERGROUND STORAGE TANK AUTHORITY

Sec. 6-701. The unexpended funds appropriated in part 1 for the underground storage tank cleanup program are considered work project appropriations, and any unencumbered or unallotted funds are carried forward into the succeeding fiscal year. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the projects to be carried forward is to provide contaminated site cleanup.
- (b) The projects will be accomplished by contract.
- (c) The total estimated cost of all projects is \$20,000,000.00.
- (d) The tentative completion date is September 30, 2022.

ONE-TIME APPROPRIATIONS

Sec. 6-801. (1) From the funds appropriated in part 1 for the drinking water declaration of emergency, the department shall allocate funds to address needs in a city in which a declaration of emergency was issued because of drinking water contamination. These funds may support, but are not limited to, the following activities:

- (a) Operational, managerial, and training expertise to water treatment plant operators and managers.
- (b) Water system needs.

(2) The unexpended funds appropriated for drinking water declaration of emergency are designated as a work project appropriation, and any unencumbered or unexpended funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to address needs in a city in which a declaration of emergency was issued because of drinking water contamination.
- (b) The projects will be accomplished by utilizing state employees or contracts with service providers, or both.
- (c) The total estimated cost of the project is appropriated in Part 1.
- (d) The tentative completion date is September 30, 2019.

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Article 7

EXECUTIVE OFFICE

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 7-101. Subject to the conditions set forth in this article, the amounts listed in this part for the executive office are appropriated for the fiscal year ending September 30, 2018, and are anticipated to be appropriated for the fiscal year ending September 30, 2019, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	EXECUTIVE OFFICE	
2	APPROPRIATION SUMMARY	
3	Full-time equated unclassified positions.....	10.0 10.0
4	Full-time equated classified positions.....	79.2 79.2
5	GROSS APPROPRIATION	\$ 6,848,500 \$ 6,848,500
6	Total interdepartmental grants and interdepartmental	
7	transfers.....	0 0
8	ADJUSTED GROSS APPROPRIATION	\$ 6,848,500 \$ 6,848,500
9	Total federal revenues	0 0
10	Total local revenues	0 0
11	Total private revenues	0 0
12	Total other state restricted revenues	0 0
13	State general fund/general purpose	\$ 6,848,500 \$ 6,848,500
14	<i>State general fund/general purpose schedule:</i>	
15	<i>Ongoing state general fund/general purpose</i>	<i>6,848,500 6,848,500</i>
16	<i>One-time state general fund/general purpose</i>	<i>0 0</i>
17	Sec. 7-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
18	Full-time equated unclassified positions.....	10.0 10.0
19	Full-time equated classified positions.....	79.2 79.2
20	Governor-1.0 FTE position	\$ 159,300 \$ 159,300
21	Lieutenant governor-1.0 FTE position	111,600 111,600
22	Unclassified salaries-8.0 FTE positions	1,307,300 1,307,300
23	Executive office-79.2 FTE positions	<u>5,270,300</u> <u>5,270,300</u>
24	GROSS APPROPRIATION	\$ 6,848,500 \$ 6,848,500
25	Appropriated from:	
26	Special revenue funds:	
27	State general fund/general purpose	\$ 6,848,500 \$ 6,848,500

29 PART 2
30 PROVISIONS CONCERNING APPROPRIATIONS
31 FISCAL YEAR 2018
32

1 **GENERAL SECTIONS**

2 Sec. 7-201. Pursuant to section 30 of article IX of the state constitution of 1963,
3 total state spending from state resources under part 1 for the fiscal year 2018 is
4 \$6,848,500.00 and state spending from state resources to be paid to local units of
5 government for fiscal year 2018 is \$0.00.

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Article 8

DEPARTMENT OF HEALTH AND HUMAN SERVICES

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 8-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of health and human services are appropriated for the fiscal year ending September 30, 2018, and are anticipated to be appropriated for the fiscal year ending September 30, 2019, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	DEPARTMENT OF HEALTH AND HUMAN SERVICES	
2	APPROPRIATION SUMMARY	
3	Full-time equated unclassified positions.....	6.0 6.0
4	Full-time equated classified positions.....	15,614.5 15,671.0
5	GROSS APPROPRIATION	\$ 25,537,414,500 \$ 25,402,423,000
6	Total interdepartmental grants and interdepartmental	
7	transfers.....	13,640,900 13,640,900
8	ADJUSTED GROSS APPROPRIATION	\$ 25,523,773,600 \$ 25,388,782,100
9	Total federal revenues	18,351,244,100 18,226,968,300
10	Total local revenues	118,751,000 118,751,000
11	Total private revenues	149,873,300 149,873,300
12	Total other state restricted revenues	2,442,169,800 2,359,903,400
13	State general fund/general purpose	\$ 4,461,735,400 \$ 4,533,286,100
14	<i>State general fund/general purpose schedule:</i>	
15	<i>Ongoing state general fund/general purpose</i>	<i>4,455,670,400 4,533,286,100</i>
16	<i>One-time state general fund/general purpose</i>	<i>6,065,000 0</i>
17	Sec. 8-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
18	Full-time equated unclassified positions.....	6.0 6.0
19	Full-time equated classified positions.....	759.1 773.1
20	Unclassified salaries-6.0 FTE positions	\$ 1,153,000 \$ 1,153,000
21	Administrative hearings officers	11,219,700 11,219,700
22	Demonstration projects-7.0 FTE positions	7,355,100 7,355,100
23	Departmental administration and management-565.1 FTE	
24	positions.....	109,477,900 130,678,400
25	Developmental disabilities council and projects-10.0	
26	FTE positions.....	3,073,700 3,073,700
27	Office of inspector general-177.0 FTE positions	21,892,200 21,892,200
28	Property management	64,339,500 64,339,500
29	Terminal leave payments	5,686,100 5,686,100
30	Worker's compensation	<u>7,502,800</u> <u>7,502,800</u>
31	GROSS APPROPRIATION	\$ 231,700,000 \$ 252,900,500
32	Appropriated from:	

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	Interdepartmental grant revenues:	
2	IDG from department of education	1,919,500 1,919,500
3	Federal revenues:	
4	Social security act, temporary assistance for needy	
5	families.....	22,973,500 22,973,500
6	Other federal revenues	105,206,600 123,531,000
7	Special revenue funds:	
8	Local revenues	16,400 16,400
9	Private revenues	3,843,200 3,843,200
10	Other state restricted revenues	841,400 841,400
11	State general fund/general purpose	\$ 96,899,400 \$ 99,775,500
12	Sec. 8-103. CHILD SUPPORT ENFORCEMENT	
13	Full-time equated classified positions.....	185.7 185.7
14	Child support enforcement operations-179.7 FTE	
15	positions.....	\$ 22,312,200 \$ 22,312,200
16	Child support incentive payments	24,409,600 24,409,600
17	Legal support contracts	113,607,100 113,607,100
18	State disbursement unit-6.0 FTE positions	<u>8,112,800</u> <u>8,112,800</u>
19	GROSS APPROPRIATION	\$ 168,441,700 \$ 168,441,700
20	Appropriated from:	
21	Federal revenues:	
22	Other federal revenues	144,379,500 144,379,500
23	Special revenue funds:	
24	State general fund/general purpose	\$ 24,062,200 \$ 24,062,200
25	Sec. 8-104. COMMUNITY SERVICES AND OUTREACH	
26	Full-time equated classified positions.....	74.6 74.6
27	Bureau of community services and outreach-20.0 FTE	
28	positions.....	\$ 2,529,300 \$ 2,529,300
29	Child advocacy centers-0.5 FTE position	1,500,000 1,500,000
30	Community services and outreach administration-11.0	
31	FTE positions.....	1,465,000 1,465,000
32	Community services block grant	25,840,000 25,840,000

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Crime victim grants administration services-13.0 FTE		
2 positions.....	2,177,100	2,177,100
3 Crime victim justice assistance grants	59,279,300	59,279,300
4 Crime victim rights services grants	16,870,000	16,870,000
5 Domestic violence prevention and treatment-14.6 FTE		
6 positions.....	15,817,200	15,817,200
7 Homeless programs	19,466,700	23,211,500
8 Housing and support services	13,031,000	13,031,000
9 Michigan community service commission-15.0 FTE		
10 positions.....	11,628,700	11,628,700
11 Rape prevention and services-0.5 FTE position	5,097,300	5,097,300
12 School success partnership program	450,000	450,000
13 Weatherization assistance	16,340,000	16,340,000
14 GROSS APPROPRIATION	\$ 191,491,600	\$ 195,236,400
15 Appropriated from:		
16 Federal revenues:		
17 Social security act, temporary assistance for needy		
18 families.....	11,690,500	11,690,500
19 Other federal revenues	142,505,700	142,505,700
20 Special revenue funds:		
21 Private revenues	44,100	44,100
22 Other state restricted revenues	20,877,500	20,877,500
23 State general fund/general purpose	\$ 16,373,800	\$ 20,118,600
24 Sec. 8-105. CHILDREN'S SERVICES AGENCY - CHILD WELFARE		
25 Full-time equated classified positions.....	3,844.2	3,844.2
26 Adoption subsidies	\$ 212,142,600	\$ 212,142,600
27 Adoption support services-10.0 FTE positions	27,283,500	27,283,500
28 Attorney general contract	4,366,500	4,366,500
29 Child abuse and neglect - children's justice act-1.0		
30 FTE position.....	622,600	622,600
31 Child care fund	180,653,700	180,653,700
32 Child protection	800,300	800,300

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019	
1	Child welfare administration travel	375,000	375,000
2	Child welfare field staff - caseload compliance-2,461.0		
3	FTE positions.....	229,613,400	229,613,400
4	Child welfare field staff - noncaseload compliance-		
5	330.0 FTE positions.....	34,559,000	34,559,000
6	Child welfare first line supervisors-578.0 FTE		
7	positions.....	72,890,500	72,890,500
8	Child welfare institute-45.0 FTE positions	8,203,600	8,203,600
9	Child welfare licensing-59.0 FTE positions	6,914,000	6,914,000
10	Child welfare medical/psychiatric evaluations	10,435,500	10,435,500
11	Children's services administration-172.2 FTE positions	20,075,100	20,075,100
12	Children's trust fund-12.0 FTE positions	3,327,700	3,327,700
13	Contractual services, supplies, and materials	9,300,000	9,300,000
14	Education planners-15.0 FTE positions	1,530,100	1,530,100
15	Family preservation and prevention services		
16	administration-9.0 FTE positions.....	1,299,300	1,299,300
17	Family preservation programs-13.0 FTE positions	38,877,000	38,877,000
18	Family support subsidy	16,951,400	16,951,400
19	Foster care payments	197,226,800	197,226,800
20	Guardianship assistance program	12,004,800	12,004,800
21	Interstate compact	179,600	179,600
22	Peer coaches-45.5 FTE positions	5,737,300	5,737,300
23	Performance based funding implementation-3.0 FTE		
24	positions.....	1,444,800	1,444,800
25	Permanency resource managers-28.0 FTE positions	3,197,900	3,197,900
26	Prosecuting attorney contracts	3,879,500	3,879,500
27	Psychotropic oversight	618,200	618,200
28	Second line supervisors and technical staff-54.0 FTE		
29	positions.....	8,912,000	8,912,000
30	Settlement monitor	1,885,800	1,885,800
31	Strong families/safe children	12,350,100	12,350,100
32	Title IV-E compliance and accountability office-4.0		

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 FTE positions.....	424,700	424,700
2 Youth in transition-4.5 FTE positions	<u>15,026,300</u>	<u>15,026,300</u>
3 GROSS APPROPRIATION	\$ 1,143,108,600	\$ 1,143,108,600
4 Appropriated from:		
5 Interdepartmental grant revenues:		
6 IDG from department of education	90,200	90,200
7 Federal revenues:		
8 Social security act, temporary assistance for needy		
9 families.....	348,965,600	348,965,600
10 Other federal revenues	358,978,500	358,978,500
11 Special revenue funds:		
12 Local revenues	16,375,700	16,375,700
13 Private revenues	2,927,400	2,927,400
14 Other state restricted revenues	2,091,900	2,091,900
15 State general fund/general purpose	<u>\$ 413,679,300</u>	<u>\$ 413,679,300</u>
16 Sec. 8-106. CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE		
17 Full-time equated classified positions.....	120.5	120.5
18 Bay pines center-47.0 FTE positions	<u>\$ 5,468,900</u>	<u>\$ 5,468,900</u>
19 Committee on juvenile justice administration-2.5 FTE		
20 positions.....	351,400	351,400
21 Committee on juvenile justice grants	3,000,000	3,000,000
22 Community support services-3.0 FTE positions	2,116,600	2,116,600
23 County juvenile officers	3,904,300	3,904,300
24 Juvenile justice, administration and maintenance-21.0		
25 FTE positions.....	3,739,300	3,739,300
26 Shawono center-47.0 FTE positions	5,565,400	5,565,400
27 W.J. Maxey training school	<u>250,000</u>	<u>250,000</u>
28 GROSS APPROPRIATION	\$ 24,395,900	\$ 24,395,900
29 Appropriated from:		
30 Federal revenues:		
31 Other federal revenues	8,330,600	8,330,600
32 Special revenue funds:		

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019	
1	Local revenues	6,376,000	6,376,000
2	State general fund/general purpose	\$ 9,689,300	\$ 9,689,300
3	Sec. 8-107. PUBLIC ASSISTANCE		
4	Full-time equated classified positions.....	8.0	8.0
5	Emergency services local office allocations	\$ 10,357,500	\$ 10,357,500
6	Family independence program	78,699,500	78,699,500
7	Food assistance program benefits	2,348,117,400	2,348,117,400
8	Food Bank Council of Michigan	2,045,000	2,045,000
9	Indigent burial	4,375,000	4,375,000
10	Low-income home energy assistance program	181,718,400	181,718,400
11	Michigan energy assistance program-1.0 FTE position ..	50,000,000	50,000,000
12	Multicultural integration funding	15,303,800	15,303,800
13	Refugee assistance program-7.0 FTE positions	27,993,400	27,993,400
14	State disability assistance payments	11,422,400	11,422,400
15	State supplementation	61,696,700	61,696,700
16	State supplementation administration	2,381,100	2,381,100
17	GROSS APPROPRIATION	\$ 2,794,110,200	\$ 2,794,110,200
18	Appropriated from:		
19	Federal revenues:		
20	Social security act, temporary assistance for needy		
21	families.....	46,086,200	46,086,200
22	Other federal revenues	2,545,756,900	2,545,756,900
23	Special revenue funds:		
24	Other state restricted revenues	72,326,600	72,326,600
25	State general fund/general purpose	\$ 129,940,500	\$ 129,940,500
26	Sec. 8-108. FIELD OPERATIONS AND SUPPORT SERVICES		
27	Full-time equated classified positions.....	6,395.5	6,432.5
28	Administrative support workers-221.0 FTE positions ...	\$ 12,872,400	\$ 12,872,400
29	Adult services field staff-520.0 FTE positions	56,171,200	56,171,200
30	Contractual services, supplies, and materials	16,524,300	16,574,000
31	Donated funds positions-288.0 FTE positions	32,702,700	32,702,700
32	Elder law of Michigan MiCAFE contract	350,000	350,000

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019	
1	Electronic benefit transfer (EBT)	8,509,000	8,509,000
2	Employment and training support services	4,219,100	4,219,100
3	Field policy and administration-66.0 FTE positions ...	11,103,600	11,103,600
4	Field staff travel	8,103,900	8,103,900
5	Independent living	10,031,600	10,031,600
6	Medical/psychiatric evaluations	1,420,100	1,420,100
7	Michigan rehabilitation services-526.0 FTE positions .	128,750,800	128,750,800
8	Nutrition education-2.0 FTE positions	33,045,300	33,045,300
9	Public assistance field staff-4,752.5 FTE positions ..	483,553,300	487,427,400
10	Training and program support-20.0 FTE positions	2,448,000	2,448,000
11	Volunteer services and reimbursement	<u>942,400</u>	<u>942,400</u>
12	GROSS APPROPRIATION	\$ 810,747,700	\$ 814,671,500
13	Appropriated from:		
14	Interdepartmental grant revenues:		
15	IDG from department of corrections	116,000	116,000
16	IDG from department of education	7,769,500	7,769,500
17	Federal revenues:		
18	Social security act, temporary assistance for needy		
19	families.....	67,495,500	67,495,500
20	Other federal revenues	427,846,000	429,451,500
21	Special revenue funds:		
22	Local revenues	11,083,500	11,083,500
23	Private revenues	10,132,000	10,132,000
24	Other state restricted revenues	78,300	78,300
25	State general fund/general purpose	<u>\$ 286,226,900</u>	<u>\$ 288,545,200</u>
26	Sec. 8-109. DISABILITY DETERMINATION SERVICES		
27	Full-time equated classified positions.....	587.4	587.4
28	Disability determination operations-583.3 FTE positions \$	112,005,400	\$ 112,005,400
29	Retirement disability determination-4.1 FTE positions	<u>608,500</u>	<u>608,500</u>
30	GROSS APPROPRIATION	\$ 112,613,900	\$ 112,613,900
31	Appropriated from:		
32	Interdepartmental grant revenues:		

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 IDG from department of technology, management and		
2 budget.....	785,600	785,600
3 Federal revenues:		
4 Other federal revenues	108,362,800	108,362,800
5 Special revenue funds:		
6 State general fund/general purpose	\$ 3,465,500	\$ 3,465,500
7 Sec. 8-110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS		
8 Full-time equated classified positions.....	97.0	97.0
9 Behavioral health program administration-77.0 FTE		
10 positions.....	\$ 58,033,200	\$ 58,033,200
11 Federal and other special projects	2,535,600	2,535,600
12 Gambling addiction-1.0 FTE position	3,006,500	3,006,500
13 Office of recipient rights-19.0 FTE positions	2,721,900	2,721,900
14 Protection and advocacy services support	<u>194,400</u>	<u>194,400</u>
15 GROSS APPROPRIATION	\$ 66,491,600	\$ 66,491,600
16 Appropriated from:		
17 Federal revenues:		
18 Other federal revenues	34,685,000	34,685,000
19 Special revenue funds:		
20 Private revenues	1,004,700	1,004,700
21 Other state restricted revenues	3,006,500	3,006,500
22 State general fund/general purpose	\$ 27,795,400	\$ 27,795,400
23 Sec. 8-111. BEHAVIORAL HEALTH SERVICES		
24 Full-time equated classified positions.....	9.5	9.5
25 Autism services	\$ 105,097,300	\$ 105,097,300
26 Children with serious emotional disturbance waiver ...	10,000,000	10,000,000
27 Children's waiver home care program	20,241,100	20,241,100
28 Civil service charges	399,300	399,300
29 Community substance use disorder prevention, education,		
30 and treatment.....	77,075,000	77,917,400
31 Community mental health non-Medicaid services	120,050,400	120,050,400
32 Federal mental health block grant-2.5 FTE positions ..	15,457,300	15,457,300

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Health homes	3,369,000	3,369,000
2 Healthy Michigan plan - behavioral health	268,199,000	268,199,000
3 Medicaid mental health services	2,335,981,300	2,335,981,300
4 Medicaid substance use disorder services	50,369,600	50,369,600
5 Nursing home PAS/ARR-OBRA-7.0 FTE positions	12,274,100	12,274,100
6 State disability assistance program substance use		
7 disorder services.....	<u>2,018,800</u>	<u>2,018,800</u>
8 GROSS APPROPRIATION	\$ 3,020,532,200	\$ 3,021,374,600
9 Appropriated from:		
10 Federal revenues:		
11 Other federal revenues	1,984,795,800	1,982,482,000
12 Special revenue funds:		
13 Local revenues	25,475,800	25,475,800
14 Other state restricted revenues	23,881,400	24,355,900
15 State general fund/general purpose	\$ 986,379,200	\$ 989,060,900
16 Sec. 8-112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES		
17 Full-time equated classified positions.....	2,292.9	2,292.9
18 Caro Regional Mental Health Center - psychiatric		
19 hospital - adult-474.3 FTE positions.....	\$ 59,211,600	\$ 59,211,600
20 Center for forensic psychiatry-607.3 FTE positions ...	82,823,400	82,823,400
21 Gifts and bequests for patient living and treatment		
22 environment.....	1,000,000	1,000,000
23 Hawthorn Center - psychiatric hospital - children and		
24 adolescents-289.4 FTE positions.....	31,793,100	31,793,100
25 IDEA, federal special education	120,000	120,000
26 Kalamazoo Psychiatric Hospital - adult-482.1 FTE		
27 positions.....	68,057,700	68,057,700
28 Purchase of medical services for residents of hospitals		
29 and centers.....	445,600	445,600
30 Revenue recapture	750,000	750,000
31 Special maintenance	924,600	924,600
32 Walter P. Reuther Psychiatric Hospital - adult-439.8		

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 FTE positions.....	59,603,400	59,603,400
2 GROSS APPROPRIATION	\$ 304,729,400	\$ 304,729,400
3 Appropriated from:		
4 Federal revenues:		
5 Other federal revenues	37,938,500	37,938,500
6 Special revenue funds:		
7 Local revenues	20,000,500	20,000,500
8 Private revenues	1,000,000	1,000,000
9 Other state restricted revenues	19,376,600	19,376,600
10 State general fund/general purpose	\$ 226,413,800	\$ 226,413,800
11 Sec. 8-113. HEALTH POLICY		
12 Full-time equated classified positions.....	42.9	42.9
13 Bone marrow transplant registry	\$ 250,000	\$ 250,000
14 Certificate of need program administration-12.3 FTE		
15 positions.....	2,825,300	2,825,300
16 Health innovation grants	1,000,000	1,000,000
17 Health policy administration-25.2 FTE positions	13,065,200	13,065,200
18 Human trafficking intervention services	200,000	200,000
19 Michigan essential health provider	3,591,300	3,591,300
20 Minority health grants and contracts	612,700	612,700
21 Nurse education and research program-3.0 FTE positions	784,400	784,400
22 Primary care services-1.4 FTE positions	4,068,700	4,068,700
23 Rural health services-1.0 FTE position	1,555,500	1,555,500
24 GROSS APPROPRIATION	\$ 27,953,100	\$ 27,953,100
25 Appropriated from:		
26 Interdepartmental grant revenues:		
27 IDG from department of licensing and regulatory		
28 affairs.....	784,400	784,400
29 IDG from department of treasury	117,700	117,700
30 Federal revenues:		
31 Social security act, temporary assistance for needy		
32 families.....	30,400	30,400

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019	
1	Other federal revenues	16,869,900	16,869,900
2	Special revenue funds:		
3	Private revenues	865,000	865,000
4	Other state restricted revenues	2,709,400	2,709,400
5	State general fund/general purpose	\$ 6,576,300	\$ 6,576,300
6	Sec. 8-114. LABORATORY SERVICES		
7	Full-time equated classified positions.....	100.0	100.0
8	Laboratory services-100.0 FTE positions	\$ <u>20,812,100</u>	\$ <u>20,812,100</u>
9	GROSS APPROPRIATION	\$ 20,812,100	\$ 20,812,100
10	Appropriated from:		
11	Interdepartmental grant revenues:		
12	IDG from department of environmental quality	991,000	991,000
13	Federal revenues:		
14	Other federal revenues	2,340,100	2,340,100
15	Special revenue funds:		
16	Other state restricted revenues	10,633,400	10,633,400
17	State general fund/general purpose	\$ 6,847,600	\$ 6,847,600
18	Sec. 8-115. DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY		
19	Full-time equated classified positions.....	114.9	114.9
20	Childhood lead program-4.5 FTE positions	\$ 2,048,300	\$ 2,048,300
21	Epidemiology administration-75.1 FTE positions	21,009,400	21,009,400
22	Healthy homes program-12.0 FTE positions	27,740,400	27,740,400
23	Immunization program-12.8 FTE positions	16,886,600	16,886,600
24	Newborn screening follow-up and treatment services-		
25	10.5 FTE positions.....	<u>7,427,500</u>	<u>7,427,500</u>
26	GROSS APPROPRIATION	\$ 75,112,200	\$ 75,112,200
27	Appropriated from:		
28	Federal revenues:		
29	Other federal revenues	53,683,100	53,683,100
30	Special revenue funds:		
31	Private revenues	339,900	339,900
32	Other state restricted revenues	12,896,400	12,896,400

		For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	State general fund/general purpose	\$ 8,192,800	\$ 8,192,800
2	Sec. 8-116. LOCAL HEALTH AND ADMINISTRATIVE SERVICES		
3	Full-time equated classified positions.....	228.2	228.2
4	AIDS prevention, testing, and care programs-37.7 FTE		
5	positions.....	\$ 70,623,800	\$ 70,623,800
6	Cancer prevention and control program-13.0 FTE		
7	positions.....	15,064,100	15,064,100
8	Chronic disease control and health promotion		
9	administration-27.4 FTE positions.....	8,461,300	8,461,300
10	Dental programs-3.8 FTE positions	2,203,500	2,203,500
11	Diabetes and kidney program-8.0 FTE positions	3,051,600	3,051,600
12	Essential local public health services	40,886,100	40,886,100
13	Health and wellness initiatives-11.7 FTE positions ...	9,008,400	9,008,400
14	Implementation of 1993 PA 133, MCL 333.17015	20,000	20,000
15	Local health services-1.3 FTE positions	1,955,100	1,955,100
16	Medicaid outreach cost reimbursement to local health		
17	departments.....	12,500,000	12,500,000
18	Public health administration-9.0 FTE positions	1,945,400	1,945,400
19	Sexually transmitted disease control program-20.0 FTE		
20	positions.....	6,295,000	6,295,000
21	Smoking prevention program-12.0 FTE positions	2,148,300	2,148,300
22	Violence prevention-2.9 FTE positions	3,124,100	3,124,100
23	Vital records and health statistics-81.4 FTE positions	<u>10,049,700</u>	<u>10,049,700</u>
24	GROSS APPROPRIATION	\$ 187,336,400	\$ 187,336,400
25	Appropriated from:		
26	Federal revenues:		
27	Other federal revenues	79,937,900	79,937,900
28	Special revenue funds:		
29	Local revenues	5,150,000	5,150,000
30	Private revenues	39,279,600	39,279,600
31	Other state restricted revenues	18,672,700	18,672,700
32	State general fund/general purpose	\$ 44,296,200	\$ 44,296,200

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	Sec. 8-117. FAMILY, MATERNAL, AND CHILD HEALTH	
2	112.3	112.3
3	Full-time equated classified positions.....	
3	Family planning local agreements \$ 8,310,700	\$ 8,310,700
4	Family, maternal, and children's health services	
5	administration-53.3 FTE positions.....	9,103,600
6	Local MCH services	7,018,100
7	Pregnancy prevention program	602,100
8	Prenatal care outreach and service delivery support-	
9	14.0 FTE positions.....	18,978,800
10	Special projects	6,289,100
11	Sudden infant death syndrome program	321,300
12	Women, infants, and children program-45.0 FTE positions	<u>274,330,000</u>
13	GROSS APPROPRIATION	\$ 324,953,700
14	Appropriated from:	
15	Federal revenues:	
16	Other federal revenues	252,926,000
17	Special revenue funds:	
18	Local revenues	75,000
19	Private revenues	61,702,400
20	Other state restricted revenues	595,900
21	State general fund/general purpose	\$ 9,654,400
22	Sec. 8-118. EMERGENCY MEDICAL SERVICES, TRAUMA, AND PREPAREDNESS	
23	76.0	76.0
24	Full-time equated classified positions.....	
24	Bioterrorism preparedness-53.0 FTE positions	\$ 30,398,600
25	Emergency medical services program-23.0 FTE positions	<u>6,591,600</u>
26	GROSS APPROPRIATION	\$ 36,990,200
27	Appropriated from:	
28	Federal revenues:	
29	Other federal revenues	31,366,100
30	Special revenue funds:	
31	Other state restricted revenues	4,020,500
32	State general fund/general purpose	\$ 1,603,600

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	Sec. 8-119. CHILDREN'S SPECIAL HEALTH CARE SERVICES	
2	46.8	46.8
3	Full-time equated classified positions.....	
3	Bequests for care and services-2.8 FTE positions \$	1,535,300 \$
4	Children's special health care services administration-	
5	44.0 FTE positions.....	6,028,300
6	Medical care and treatment	247,241,600
7	Nonemergency medical transportation	905,900
8	Outreach and advocacy	<u>5,510,000</u>
9	GROSS APPROPRIATION	\$ 261,221,100 \$ 261,221,100
10	Appropriated from:	
11	Federal revenues:	
12	Other federal revenues	138,362,100
13	Special revenue funds:	
14	Private revenues	1,013,700
15	Other state restricted revenues	3,382,900
16	State general fund/general purpose	<u>\$ 118,462,400 \$ 118,462,400</u>
17	Sec. 8-120. AGING AND ADULT SERVICES AGENCY	
18	48.0	48.0
19	Full-time equated classified positions.....	
19	Aging and adult services administration-48.0 FTE	
20	positions.....	\$ 9,394,700 \$ 9,394,700
21	Community services	43,717,300
22	Employment assistance	3,500,000
23	Nutrition services	42,254,200
24	Respite care program	6,468,700
25	Senior volunteer service programs	<u>4,465,300</u>
26	GROSS APPROPRIATION	\$ 109,800,200 \$ 109,800,200
27	Appropriated from:	
28	Federal revenues:	
29	Other federal revenues	59,998,600
30	Special revenue funds:	
31	Private revenues	520,000
32	Michigan merit award trust fund	4,068,700

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Other state restricted revenues	2,000,000	2,000,000
2 State general fund/general purpose	\$ 43,212,900	\$ 43,212,900
3 Sec. 8-121. MEDICAL SERVICES ADMINISTRATION		
4 Full-time equated classified positions.....	466.5	476.5
5 Electronic health record incentive program-24.0 FTE		
6 positions.....	\$ 144,328,000	\$ 144,328,000
7 Healthy Michigan plan administration-30.0 FTE positions	47,720,000	47,720,000
8 Medical services administration-384.5 FTE positions ..	82,310,400	82,310,400
9 Technology supporting integrated service-28.0 FTE		
10 positions.....	40,242,400	60,913,600
11 GROSS APPROPRIATION	\$ 314,600,800	\$ 335,272,000
12 Appropriated from:		
13 Federal revenues:		
14 Social security act, temporary assistance for needy		
15 families.....	749,600	749,600
16 Other federal revenues	265,296,500	283,403,300
17 Special revenue funds:		
18 Local revenues	107,300	107,300
19 Private revenues	101,300	101,300
20 Other state restricted revenues	336,300	336,300
21 State general fund/general purpose	\$ 48,009,800	\$ 50,574,200
22 Sec. 8-122. MEDICAL SERVICES		
23 Adult home help services	\$ 323,217,200	\$ 323,217,200
24 Ambulance services	18,376,100	18,376,100
25 Auxiliary medical services	5,500,000	5,500,000
26 Dental services	305,881,800	305,881,800
27 Federal Medicare pharmaceutical program	290,548,800	290,548,800
28 Health plan services	5,094,303,000	4,992,803,500
29 Healthy Michigan plan	3,813,681,000	3,748,146,200
30 Home health services	4,700,000	4,700,000
31 Hospice services	112,966,100	112,966,100
32 Hospital disproportionate share payments	45,000,000	45,000,000

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Hospital services and therapy	787,773,900	787,773,900
2 Integrated care organizations	187,469,700	187,469,700
3 Long-term care services	1,779,991,300	1,779,991,300
4 Maternal and child health	20,279,500	20,279,500
5 Medicaid home- and community-based services waiver ...	328,662,200	328,662,200
6 Medicare premium payments	537,393,200	537,393,200
7 Personal care services	9,491,200	9,491,200
8 Pharmaceutical services	550,924,700	550,924,700
9 Physician services	262,552,800	262,552,800
10 Program of all-inclusive care for the elderly	107,841,200	107,841,200
11 School-based services	109,937,200	109,937,200
12 Special Medicaid reimbursement	308,796,100	308,796,100
13 Transportation	<u>29,953,700</u>	<u>29,953,700</u>
14 GROSS APPROPRIATION	\$ 15,035,240,700	\$ 14,868,206,400
15 Appropriated from:		
16 Federal revenues:		
17 Other federal revenues	10,894,648,100	10,738,124,300
18 Special revenue funds:		
19 Local revenues	34,090,800	34,090,800
20 Private revenues	2,100,000	2,100,000
21 Michigan merit award trust fund	45,000,000	45,000,000
22 Other state restricted revenues	2,184,525,900	2,110,646,700
23 State general fund/general purpose	\$ 1,874,875,900	\$ 1,938,244,600
24 Sec. 8-123. INFORMATION TECHNOLOGY		
25 Child support automation	\$ 41,877,600	\$ 41,877,600
26 Information technology services and projects	159,092,500	159,179,300
27 Michigan Medicaid information system	<u>55,634,400</u>	<u>55,634,400</u>
28 GROSS APPROPRIATION	\$ 256,604,500	\$ 256,691,300
29 Appropriated from:		
30 Interdepartmental grant revenues:		
31 IDG from department of education	1,067,000	1,067,000
32 Federal revenues:		

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Social security act, temporary assistance for needy		
2 families.....	23,935,900	23,935,900
3 Other federal revenues	131,602,600	131,627,700
4 Special revenue funds:		
5 Private revenues	25,000,000	25,000,000
6 Other state restricted revenues	1,985,800	1,985,800
7 State general fund/general purpose	\$ 73,013,200	\$ 73,074,900
8 Sec. 8-124. ONE-TIME APPROPRIATIONS		
9 Full-time equated classified positions.....	4.5	0.0
10 Autism navigator	\$ 565,000	\$ 0
11 Child lead poisoning elimination board	2,000,000	0
12 Drinking water declaration of emergency-4.5 FTE		
13 positions.....	13,361,700	0
14 Food Bank Council of Michigan	500,000	0
15 Refugee assistance program	1,000,000	0
16 University autism programs	1,000,000	0
17 GROSS APPROPRIATION	\$ 18,426,700	\$ 0
18 Appropriated from:		
19 Federal revenues:		
20 Social security act, temporary assistance for needy		
21 families.....	3,500,000	0
22 Special revenue funds:		
23 Other state restricted revenues	8,861,700	0
24 State general fund/general purpose	\$ 6,065,000	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2018

GENERAL SECTIONS

31 Sec. 8-201. Pursuant to section 30 of article IX of the state constitution of 1963,
32 total state spending from state resources under part 1 for the fiscal year 2018 is

1 \$6,903,905,200.00 and state spending from state resources to be paid to local units of
 2 government for fiscal year 2018 is \$1,371,570,500.00. The itemized statement below
 3 identifies appropriations from which spending to local units of government will occur:

4 DEPARTMENT OF HEALTH AND HUMAN SERVICES

5	Multicultural integration funding.....	\$	5,478,200
6	Children's waiver home care program.....		6,500,000
7	Community mental health non-Medicaid services.....		120,050,400
8	Essential local public health services.....		35,736,100
9	Public health administration.....		1,000
10	Family, maternal, and children's health services administration.....		8,800
11	Senior volunteer service programs.....		940,800
12	Hospital services and therapy.....		1,575,500
13	Nursing home PAS/ARR-OBRA.....		2,728,200
14	Childhood lead program.....		314,800
15	Dental services.....		2,141,200
16	Behavioral health program administration.....		3,132,000
17	Children with serious emotional disturbance waiver.....		3,500,000
18	Health homes.....		70,700
19	Healthy Michigan plan - behavioral health.....		15,421,700
20	Medicaid mental health services.....		790,776,700
21	Laboratory services.....		5,300
22	Long-term care services.....		102,419,500
23	Physician services.....		8,926,800
24	Child care fund.....		142,736,200
25	Medicaid substance use disorder services.....		17,505,600
26	Health innovation grants.....		137,100
27	Community services.....		19,383,500
28	Housing and support services.....		637,300
29	State disability assistance program substance use disorder services...		2,018,800
30	Prenatal care outreach and service delivery support.....		2,997,600
31	Crime victim rights services grants.....		7,216,000
32	Family independence program.....		5,100

1	State disability assistance payments.....	742,600
2	Primary care services.....	87,300
3	Sexually transmitted disease control program.....	701,300
4	Respite care program.....	6,468,700
5	Community substance use disorder prevention, education, and treatment.	14,553,400
6	Immunization program.....	1,039,300
7	AIDS prevention, testing, and care programs.....	1,809,300
8	Health and wellness initiatives.....	2,189,900
9	Medical care and treatment.....	1,236,200
10	Nutrition services.....	11,087,000
11	Autism services.....	36,641,700
12	Epidemiology administration.....	154,800
13	Outreach and advocacy.....	2,440,900
14	Transportation.....	<u>53,200</u>
15	TOTAL	\$ 1,371,570,500

16 Sec. 8-202. The appropriations authorized under this article are subject to the
17 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

18 Sec. 8-203. As used in this article:

19 (a) "AIDS" means acquired immunodeficiency syndrome.

20 (b) "CMHSP" means a community mental health services program as that term is defined
21 in section 100a of the mental health code, 1974 PA 258, MCL 330.1100a.

22 (c) "Department" means the department of health and human services.

23 (d) "Director" means the director of the department.

24 (e) "DSH" means disproportionate share hospital.

25 (f) "EPSDT" means early and periodic screening, diagnosis, and treatment.

26 (g) "Federal poverty level" means the poverty guidelines published annually in the
27 Federal Register by the United States Department of Health and Human Services under its
28 authority to revise the poverty line under 42 USC 9902.

29 (h) "FTE" means full-time equated.

30 (i) "GME" means graduate medical education.

31 (j) "Health plan" means, at a minimum, an organization that meets the criteria for
32 delivering the comprehensive package of services under the department's comprehensive

1 health plan.

2 (k) "HEDIS" means healthcare effectiveness data and information set.

3 (l) "HMO" means health maintenance organization.

4 (m) "IDEA" means the individuals with disabilities education act, 20 USC 1400 to
5 1482.

6 (n) "IDG" means interdepartmental grant.

7 (o) "MCH" means maternal and child health.

8 (p) "Medicaid" mean subchapter XIX of the social security act, 42 USC 1396 to 1396w-
9 5.

10 (q) "Medicare" means subchapter XVIII of the social security act, 42 USC 1395 to
11 1395.

12 (r) "MiCAFE" means Michigan's coordinated access to food for the elderly.

13 (s) "MIChild" means the program described in section 1670.

14 (t) "MiSACWIS" means Michigan statewide automated child welfare information system.

15 (u) "PAS/ARR-OBRA" means the preadmission screening and annual resident review
16 required under the omnibus budget reconciliation act of 1987, section 1919(e)(7) of the
17 social security act, 42 USC 1396r.

18 (v) "PIHP" means an entity designated by the department as a regional entity or a
19 specialty prepaid inpatient health plan for Medicaid mental health services, services to
20 individuals with developmental disabilities, and substance use disorder services. Regional
21 entities are described in section 204b of the mental health code, 1974 PA 258, MCL
22 330.1204b. Specialty prepaid inpatient health plans are described in section 232b of the
23 mental health code, 1974 PA 258, MCL 330.1232b.

24 (w) "Settlement" means the settlement agreement entered in the case of Dwayne B. v
25 Snyder, docket no. 2:06-cv-13548 in the United States District Court for the Eastern
26 District of Michigan.

27 (x) "Temporary assistance for needy families" or "TANF" or "title IV-A" means part A
28 of subchapter IV of the social security act, 42 USC 601 to 619.

29 (y) "Title IV-B" means part B of title IV of the social security act, 42 USC 620 to
30 629m.

31 (z) "Title IV-D" means part D of title I+V of the social security act, 42 USC 651 to
32 669b.

1 (aa) "Title IV-E" means part E of title IV of the social security act, 42 USC 670 to
2 679c.

3 (bb) "Title X" means subchapter VIII of the public health service act, 42 USC 300 to
4 300a-8, which establishes grants to states for family planning services.

5 Sec. 8-204. The departments and agencies receiving appropriations in part 1 shall use
6 the Internet to fulfill the reporting requirements of this article. This requirement may
7 include transmission of reports via electronic mail to the recipients identified for each
8 reporting requirement, or it may include placement of reports on an Internet or Intranet
9 site.

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

17 Sec. 8-206. The director shall take all reasonable steps to ensure businesses in
18 deprived and depressed communities compete for and perform contracts to provide services or
19 supplies, or both. Each director shall strongly encourage firms with which the department
20 contracts to subcontract with certified businesses in depressed and deprived communities
21 for services, supplies, or both.

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

29 (a) The dates of each travel occurrence.

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

1 proportion funded with other revenues.

2 Sec. 8-208. Funds appropriated in part 1 shall not be used by a principal executive
3 department, state agency, or authority to hire a person to provide legal services that are
4 the responsibility of the attorney general. This prohibition does not apply to legal
5 services for bonding activities and for those outside services that the attorney general
6 authorizes.

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

13 Sec. 8-210. (1) In addition to the funds appropriated in part 1, there is
14 appropriated an amount not to exceed \$400,000,000.00 for federal contingency funds. These
15 funds are not available for expenditure until they have been transferred to another line
16 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
17 MCL 18.1393.

18 (2) In addition to the funds appropriated in part 1, there is appropriated an amount
19 not to exceed \$45,000,000.00 for state restricted contingency funds. These funds are not
20 available for expenditure until they have been transferred to another line item in this
21 article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

22 (3) In addition to the funds appropriated in part 1, there is appropriated an amount
23 not to exceed \$40,000,000.00 for local contingency funds. These funds are not available for
24 expenditure until they have been transferred to another line item in this article under
25 section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

26 (4) In addition to the funds appropriated in part 1, there is appropriated an amount
27 not to exceed \$60,000,000.00 for private contingency funds. These funds are not available
28 for expenditure until they have been transferred to another line item in this article under
29 section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

30 Sec. 8-211. The department shall cooperate with the department of technology,
31 management and budget to maintain a searchable website accessible by the public at no cost
32 that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

6 (e) Job specifications and wage rates.

7 Sec. 8-212. Within 14 days after the release of the executive budget recommendation,
8 the department shall cooperate with the state budget office to provide the senate and house
9 appropriations chairs, the senate and house appropriations subcommittees chairs, and the
10 senate and house fiscal agencies with an annual report on estimated state restricted fund
11 balances, state restricted fund projected revenues, and state restricted fund expenditures
12 for the fiscal years ending September 30, 2017 and September 30, 2018.

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

16 Sec. 8-214. Total authorized appropriations from all sources under part 1 for legacy
17 costs for the fiscal year ending September 30, 2018 are estimated at \$335,657,300.00. From
18 this amount, total agency appropriations for pension-related legacy costs are estimated at
19 \$172,731,300.00. Total agency appropriations for retiree health care legacy costs are
20 estimated at \$162,926,000.00.

21 Sec. 8-215. If a legislative objective of this part or of a bill or amendment to a
22 bill to amend the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be
23 implemented because implementation would conflict with or violate federal regulations, the
24 department shall notify the state budget director, the chairs of the house and senate
25 subcommittees on the department budget, and the house and senate fiscal agencies and policy
26 offices of that fact.

27 Sec. 8-216. (1) In addition to funds appropriated in part 1 for all programs and
28 services, there is appropriated for write-offs of accounts receivable, deferrals, and for
29 prior year obligations in excess of applicable prior year appropriations, an amount equal
30 to total write-offs and prior year obligations, but not to exceed amounts available in
31 prior year revenues.

32 (2) The department's ability to satisfy appropriation fund sources in part 1 shall

1 not be limited to collections and accruals pertaining to services provided in the current
2 fiscal year, but shall also include reimbursements, refunds, adjustments, and settlements
3 from prior years.

4 Sec. 8-218. The department shall include, but not be limited to, the following in its
5 annual list of proposed basic health services as required in part 23 of the public health
6 code, 1978 PA 368, MCL 333.2301 to 333.2321:

7 (a) Immunizations.

8 (b) Communicable disease control.

9 (c) Sexually transmitted disease control.

10 (d) Tuberculosis control.

11 (e) Prevention of gonorrhoea eye infection in newborns.

12 (f) Screening newborns for the conditions listed in section 5431 of the public health
13 code, 1978 PA 368, MCL 333.5431, or recommended by the newborn screening quality assurance
14 advisory committee created under section 5430 of the public health code, 1978 PA 368, MCL
15 333.5430.

16 (g) Health and human services annex of the Michigan emergency management plan.

17 (h) Prenatal care.

18 Sec. 8-219. (1) The department may contract with the Michigan Public Health Institute
19 for the design and implementation of projects and for other public health-related
20 activities prescribed in section 2611 of the public health code, 1978 PA 368, MCL 333.2611.
21 The department may develop a master agreement with the Institute to carry out these
22 purposes for up to a 3-year period. The department shall report to the house and senate
23 appropriations subcommittees on the department budget, the house and senate fiscal
24 agencies, and the state budget director on or before January 1 of the current fiscal year
25 all of the following:

26 (a) A detailed description of each funded project.

27 (b) The amount allocated for each project, the appropriation line item from which the
28 allocation is funded, and the source of financing for each project.

29 (c) The expected project duration.

30 (d) A detailed spending plan for each project, including a list of all subgrantees
31 and the amount allocated to each subgrantee.

32 (2) From the funds appropriated in part 1 and allocated to the Michigan Public Health

1 Institute, the department shall post or provide links on its website to all reports,
2 studies, and publications produced by the Michigan Public Health Institute or its
3 subcontractors.

4 Sec. 8-220. The department shall ensure that faith-based organizations are able to
5 apply and compete for services, programs, or contracts that they are qualified and suitable
6 to fulfill. The department shall not disqualify faith-based organizations solely on the
7 basis of the religious nature of their organization or their guiding principles or
8 statements of faith.

9 Sec. 8-221. According to section 1b of the social welfare act, 1939 PA 280, MCL
10 400.1b, the department shall treat part 1 and this part as a time-limited addendum to the
11 social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.

12 Sec. 8-222. The department shall report no later than April 1 of the current fiscal
13 year on each specific policy change made to implement a public act affecting the department
14 that took effect during the prior calendar year to the house and senate appropriations
15 subcommittees on the budget for the department, the joint committee on administrative
16 rules, the senate and house fiscal agencies, and policy offices. The department shall
17 attach each policy bulletin issued during the prior calendar year to this report.

18 Sec. 8-223. The department may establish and collect fees for publications, videos
19 and related materials, conferences, and workshops. Collected fees are appropriated when
20 received and shall be used to offset expenditures to pay for printing and mailing costs of
21 the publications, videos and related materials, and costs of the workshops and conferences.
22 The department shall not collect fees under this section that exceed the cost of the
23 expenditures.

24 Sec. 8-224. The department may retain all of the state's share of food assistance
25 overissuance collections as an offset to general fund/general purpose costs. Retained
26 collections shall be applied against federal funds deductions in all appropriation units
27 where department costs related to the investigation and recoupment of food assistance
28 overissuances are incurred. Retained collections in excess of such costs shall be applied
29 against the federal funds deducted in the departmentwide administration appropriation unit.

30 Sec. 8-225. (1) Sanctions, suspensions, conditions for provisional license status,
31 and other penalties shall not be more stringent for private service providers than for
32 public entities performing equivalent or similar services.

1 (2) Neither the department nor private service providers or licensees shall be
2 granted preferential treatment or considered automatically to be in compliance with
3 administrative rules based on whether they have collective bargaining agreements with
4 direct care workers. Private service providers or licensees without collective bargaining
5 agreements shall not be subjected to additional requirements or conditions of licensure
6 based on their lack of collective bargaining agreements.

7 Sec. 8-226. If the revenue collected by the department from fees and collections
8 exceeds the amount appropriated in part 1, the revenue may be carried forward with the
9 approval of the state budget director into the subsequent fiscal year. The revenue carried
10 forward under this section shall be used as the first source of funds in the subsequent
11 fiscal year.

12 Sec. 8-227. The state departments, agencies, and commissions receiving tobacco tax
13 funds and Healthy Michigan fund revenue from part 1 shall report by April 1 of the current
14 fiscal year to the senate and house appropriations committees, the senate and house fiscal
15 agencies, and the state budget director on the following:

16 (a) Detailed spending plan by appropriation line item including description of
17 programs and a summary of organizations receiving these funds.

18 (b) Description of allocations or bid processes including need or demand indicators
19 used to determine allocations.

20 (c) Eligibility criteria for program participation and maximum benefit levels where
21 applicable.

22 (d) Outcome measures used to evaluate programs, including measures of the
23 effectiveness of these programs in improving the health of Michigan residents.

24 Sec. 8-229. (1) The department shall extend the interagency agreement with the talent
25 investment agency for the duration of the current fiscal year, which concerns TANF funding
26 to provide job readiness and welfare-to-work programming. The interagency agreement shall
27 include specific outcome and performance reporting requirements as described in this
28 section. TANF funding provided to the talent investment agency in the current fiscal year
29 is contingent on compliance with the data and reporting requirements described in this
30 section. The interagency agreement must require the talent investment agency to provide all
31 of the following items by January 1 of the current fiscal year for the previous fiscal year
32 to the senate and house appropriations subcommittees and the state budget office on the

1 department budget:

2 (a) An itemized spending report on TANF funding, including all of the following:

3 (i) Direct services to recipients.

4 (ii) Administrative expenditures.

5 (b) The number of family independence program (FIP) recipients served through the
6 TANF funding, including all of the following:

7 (i) The number and percentage who obtained employment through Michigan Works!.

8 (ii) The number and percentage who fulfilled their TANF work requirement through
9 other job readiness programming.

10 (iii) Average TANF spending per recipient.

11 (iv) The number and percentage of recipients who were referred to Michigan Works! but
12 did not receive a job or job readiness placement and the reasons why.

13 (2) Not later than March 1 of the current fiscal year, the department shall provide
14 to the senate and house appropriations subcommittees on the department budget, the senate
15 and house fiscal agencies, the senate and house policy offices and the state budget office,
16 an annual report on the following matters itemized by Michigan Works! agency: the number of
17 referrals to Michigan Works! job readiness programs, the number of referrals to Michigan
18 Works! job readiness programs who became a participant in the Michigan Works! job readiness
19 programs, the number of participants who obtained employment, and the cost per participant
20 case.

21 Sec. 8-263. (1) Except as otherwise provided in this subsection, before submission of
22 a waiver or state plan amendment proposal to the Centers for Medicare and Medicaid
23 Services, the department shall provide written notification of the planned submission to
24 the house and senate appropriations subcommittees on the department budget, the house and
25 senate fiscal agencies and policy offices, and the state budget office. This subsection
26 does not apply to the submission of a waiver or state plan amendment that does not propose
27 a material change or is outside of the ordinary course of waiver or state plan amendment.

28 (2) The department shall provide written biannual reports to the senate and house
29 appropriations subcommittees on the department budget, the senate and house fiscal
30 agencies, and the state budget office summarizing the status of any new or ongoing
31 discussions with the Centers for Medicare and Medicaid Services regarding potential or
32 future waiver applications as well as the status of submitted waivers that have not yet

1 received federal approval. If, at the time a biannual report is due, there are no
2 reportable items, then no report is required to be provided.

3 Sec. 8-270. The department shall advise the legislature of the receipt of a
4 notification from the attorney general's office of a legal action in which expenses had
5 been recovered pursuant to section 106(4) of the social welfare act, 1939 PA 280, MCL
6 400.106, or any other statute under which the department has the right to recover expenses.
7 By November 1 and May 1 of the current fiscal year, the department shall submit a written
8 report to the house and senate appropriations subcommittees on the department budget, the
9 house and senate fiscal agencies, and the state budget office that includes, at a minimum,
10 all of the following:

11 (a) The total amount recovered from the legal action.

12 (b) The program or service for which the money was originally expended.

13 (c) Details on the disposition of the funds recovered such as the appropriation or
14 revenue account in which the money was deposited.

15 (d) A description of the facts involved in the legal action.

16 Sec. 8-274. The department, in collaboration with the state budget office, shall
17 submit to the house and senate appropriations subcommittees on the department budget, the
18 house and senate fiscal agencies, and the house and senate policy offices 1 week after the
19 day the governor submits to the legislature the budget for the ensuing fiscal year a report
20 on spending and revenue projections for each of the capped federal funds listed below. The
21 report shall contain actual spending and revenue in the previous fiscal year, spending and
22 revenue projections for the current fiscal year as enacted, and spending and revenue
23 projections within the executive budget proposal for the fiscal year beginning October 1,
24 2017 for each individual line item for the department budget. The report shall also include
25 federal funds transferred to other departments. The capped federal funds shall include, but
26 not be limited to, all of the following:

27 (a) TANF.

28 (b) Title XX social services block grant.

29 (c) Title IV-B part I child welfare services block grant.

30 (d) Title IV-B part II promoting safe and stable families funds.

31 (e) Low-income home energy assistance program.

32 Sec. 8-275. (1) As part of the year-end closing process, the department, with the

1 approval of the state budget director, is authorized to realign sources between other
2 federal, TANF, and capped federal financing authorizations in order to maximize federal
3 revenues. This realignment of financing shall not produce a gross increase or decrease in
4 the department's total individual line item authorizations, nor will it produce a net
5 increase or decrease in total federal revenues, or a net increase in TANF authorization.

6 (2) Not later than November 30, the department shall submit to the house and senate
7 appropriations subcommittees on the department budget, the house and senate fiscal
8 agencies, and the house and senate policy offices a report on the realignment of federal
9 fund sources that took place as part of the year-end closing process for the previous
10 fiscal year.

11 Sec. 8-279. (1) All master contracts relating to human services as funded by the
12 appropriations in sections 103, 104, 105, 106, 107, 108, and 109 of part 1 shall be
13 performance-based contracts that employ a client-centered results-oriented process that is
14 based on measurable performance indicators and desired outcomes and includes the annual
15 assessment of the quality of services provided.

16 (2) By February 1 of the current fiscal year, the department shall provide the senate
17 and house appropriations subcommittees on the department budget, the senate and house
18 fiscal agencies and policy offices, and the state budget office a report detailing
19 measurable performance indicators, desired outcomes, and an assessment of the quality of
20 services provided by the department during the previous fiscal year.

21 Sec. 8-295. (1) From the funds appropriated in part 1 to agencies providing physical
22 and behavioral health services to multicultural populations, the department shall award
23 grants in accordance with the requirements of subsection (2). The state is not liable for
24 any spending above the contract amount.

25 (2) The department shall require each contractor described in subsection (1) that
26 receives greater than \$1,000,000.00 in state grant funding to comply with performance-
27 related metrics to maintain their eligibility for funding. The organizational metrics shall
28 include, but not be limited to, all of the following:

29 (a) Each contractor or subcontractor shall have accreditations that attest to their
30 competency and effectiveness as behavioral health and social service agencies.

31 (b) Each contractor or subcontractor shall have a mission that is consistent with the
32 purpose of the multicultural agency.

1 (c) Each contractor shall validate that any subcontractors utilized within these
2 appropriations share the same mission as the lead agency receiving funding.

3 (d) Each contractor or subcontractor shall demonstrate cost-effectiveness.

4 (e) Each contractor or subcontractor shall ensure their ability to leverage private
5 dollars to strengthen and maximize service provision.

6 (f) Each contractor or subcontractor shall provide timely and accurate reports
7 regarding the number of clients served, units of service provision, and ability to meet
8 their stated goals.

9 (3) The department shall require an annual report from the contractors described in
10 subsection (2). The annual report, due 60 days following the end of the contract period,
11 shall include specific information on services and programs provided, the client base to
12 which the services and programs were provided, information on any wraparound services
13 provided, and the expenditures for those services. The department shall provide the annual
14 reports to the senate and house appropriations subcommittees on health and human services,
15 the senate and house fiscal agencies, and the state budget office.

16 Sec. 8-298. The department shall continue working with stakeholders to improve the
17 coordination of publicly funded physical health and behavioral health services in Michigan.
18 All efforts made towards improving the coordination of supports and services for persons
19 having or at risk of having intellectual disabilities, developmental disabilities,
20 substance use disorders, mental health and physical health needs shall be built upon the
21 published core values agreed upon by the Section 298 Stakeholder Workgroup. These values
22 include, but are not limited to, person centered planning with the expectation of high
23 quality and consistent care provided statewide.

24

25 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

26 Sec. 8-307. (1) From the funds appropriated in part 1 for demonstration projects,
27 \$950,000.00 shall be distributed as provided in subsection (2). The amount distributed
28 under this subsection shall not exceed 50% of the total operating expenses of the program
29 described in subsection (2), with the remaining 50% paid by local United Way organizations
30 and other nonprofit organizations and foundations.

31 (2) Funds distributed under subsection (1) shall be distributed to Michigan 2-1-1, a
32 nonprofit corporation organized under the laws of this state that is exempt from federal

1 income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501(c)(3),
2 and whose mission is to coordinate and support a statewide 2-1-1 system. Michigan 2-1-1
3 shall use the funds only to fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-
4 1-1 in January 2005.

5 (3) Michigan 2-1-1 shall refer to the department any calls received reporting fraud,
6 waste, or abuse of state-administered public assistance.

7 (4) Michigan 2-1-1 shall report annually to the department and the house and senate
8 standing committees with primary jurisdiction over matters relating to human services and
9 telecommunications on 2-1-1 system performance, the senate and house appropriations
10 subcommittees on the department budget, and the senate and house fiscal agencies,
11 including, but not limited to, call volume by health and human service needs and unmet
12 needs identified through caller data and customer satisfaction metrics.

13 Sec. 8-316. From the funds appropriated in part 1 for terminal leave payouts and
14 other employee costs, the department shall not spend in excess of its annual gross
15 appropriation unless it identifies and requests a legislative transfer from another
16 budgetary line item supporting administrative costs, as provided by section 393(2) of the
17 management and budget act, 1984 PA 431, MCL 18.1393.

18

19 **CHILD SUPPORT ENFORCEMENT**

20 Sec. 8-401. (1) The appropriations in part 1 assume a total federal child support
21 incentive payment of \$26,500,000.00.

22 (2) From the federal money received for child support incentive payments,
23 \$12,000,000.00 shall be retained by the state and expended for child support program
24 expenses.

25 (3) From the federal money received for child support incentive payments,
26 \$14,500,000.00 shall be paid to the counties based on each county's performance level for
27 each of the federal performance measures as established in 45 CFR 305.2.

28 (4) If the child support incentive payment to the state from the federal government
29 is greater than \$26,500,000.00, then 100% of the excess shall be retained by the state and
30 is appropriated until the total retained by the state reaches \$15,397,400.00.

31 (5) If the child support incentive payment to the state from the federal government
32 is greater than the amount needed to satisfy the provisions identified in subsections (1),

1 (2), (3), and (4), the additional funds shall be subject to appropriation by the
2 legislature.

3 (6) If the child support incentive payment to the state from the federal government
4 is less than \$26,500,000.00, then the state and county share shall each be reduced by 50%
5 of the shortfall.

6 Sec. 8-409. (1) If statewide retained child support collections exceed
7 \$38,300,000.00, 75% of the amount in excess of \$38,300,000.00 is appropriated to legal
8 support contracts. This excess appropriation may be distributed to eligible counties to
9 supplement and not supplant county title IV-D funding.

10 (2) Each county whose retained child support collections in the current fiscal year
11 exceed its fiscal year 2004-2005 retained child support collections, excluding tax offset
12 and financial institution data match collections in both the current year and fiscal year
13 2004-2005, shall receive its proportional share of the 75% excess.

14 Sec. 8-410. (1) If title IV-D-related child support collections are escheated, the
15 state budget director is authorized to adjust the sources of financing for the funds
16 appropriated in part 1 for legal support contracts to reduce federal authorization by 66%
17 of the escheated amount and increase general fund/general purpose authorization by the same
18 amount. This budget adjustment is required to offset the loss of federal revenue due to the
19 escheated amount being counted as title IV-D program income in accordance with federal
20 regulations at 45 CFR 304.50.

21 (2) The department shall notify the chairs of the house and senate appropriations
22 subcommittees on the department budget and the house and senate fiscal agencies within 15
23 days of the authorization adjustment in subsection (1).

24

25 **COMMUNITY SERVICES AND OUTREACH**

26 Sec. 8-450. (1) From the funds appropriated in part 1 for school success partnership
27 program, the department shall allocate \$450,000.00 by December 1 of the current fiscal year
28 to support the Northeast Michigan Community Service Agency programming, which will take
29 place in each county in the Governor's Prosperity Region 3. The department shall require
30 the following performance objectives be measured and reported for the duration of the state
31 funding for the school success partnership program:

32 (a) Increasing school attendance and decreasing chronic absenteeism.

1 (b) Increasing academic performance based on grades with emphasis on math and
2 reading.

3 (c) Identifying barriers to attendance and success and connecting families with
4 resources to reduce these barriers.

5 (d) Increasing parent involvement with the parent's child's school and community.

6 (2) The Northeast Michigan Community Service Agency shall provide reports to the
7 department on January 31 and June 30 of the current fiscal year on the number of children
8 and families served and the services that were provided to families to meet the performance
9 objectives identified in this section. The department shall distribute the reports within 1
10 week after receipt to the senate and house appropriations subcommittees on the department
11 budget, the senate and house fiscal agencies, the senate and house policy offices, and the
12 state budget office.

13 Sec. 8-452. From the funds appropriated in part 1 for justice assistance grants, the
14 department shall continue to support forensic nurse examiner programs to facilitate
15 training for improved evidence collection for the prosecution of sexual assault. The funds
16 shall be used for program coordination and training.

17 Sec. 8-453. From the funds appropriated in part 1 for homeless programs, the
18 department shall increase emergency shelter program per diem rates to \$16.00 per bed night
19 to support efforts of shelter providers to move homeless individuals and households into
20 permanent housing as quickly as possible. The purpose of this enhancement is to increase
21 the number of shelter discharges to stable housing destinations, decrease recidivism rates
22 for shelter clients, and reduce the average length of stay in emergency shelters.

23 Sec. 8-454. The department shall allocate the full amount of funds appropriated in
24 part 1 for homeless programs to provide services for homeless individuals and families,
25 including, but not limited to, third-party contracts for emergency shelter services.

26

27 **CHILDREN'S SERVICE AGENCY - CHILD WELFARE**

28 Sec. 8-501. A goal is established that not more than 25% of all children in foster
29 care at any given time during the current fiscal year will have been in foster care for 24
30 months or more.

31 Sec. 8-502. From the funds appropriated in part 1 for foster care, the department
32 shall provide 50% reimbursement to Indian tribal governments for foster care expenditures

1 for children who are under the jurisdiction of Indian tribal courts and who are not
2 otherwise eligible for federal foster care cost sharing.

3 Sec. 8-503. (1) In accordance with the final report of the Michigan child welfare
4 performance-based funding task force issued in response to section 503 of article X of 2013
5 PA 59, the department shall continue to develop actuarially sound case rates for necessary
6 out-of-home child welfare services that achieve permanency by the department and private
7 child placing agencies in a prospective payment system under a performance-based funding
8 model.

9 (2) The department shall continue to develop a prospective rate payment system for
10 private agencies that includes funding for adoption incentive payments. The full cost
11 prospective rate payment system will identify and cover contractual costs paid through the
12 case rate developed by an independent actuary.

13 (3) By March 1 of the current fiscal year, the department shall provide to the senate
14 and house appropriations committees on the department budget, the senate and house fiscal
15 agencies and policy offices, and the state budget office a report on the full cost analysis
16 of the performance-based funding model. The report shall include background information on
17 the project and give details about the contractual costs covered through the case rate.

18 (4) The department shall only implement the performance-based funding model into
19 additional counties where the department, private child welfare agencies, the county, and
20 the court operating within that county have signed a memorandum of understanding that
21 incorporates the intentions of the concerned parties in order to implement the performance-
22 based funding model.

23 (5) The department, in conjunction with members from both the house of
24 representatives and senate, private child placing agencies, the courts, and counties shall
25 implement the recommendations that are described in the workgroup report that was provided
26 in section 503 of article X of 2013 PA 59 to establish a performance-based funding for
27 public and private child welfare services providers. The department shall provide a
28 quarterly report on the status of the performance-based contracting model to the senate and
29 house appropriations subcommittees on the department budget, the senate and house standing
30 committees on families and human services, the senate and house fiscal agencies and policy
31 offices, and the state budget office.

32 (6) From the funds appropriated in part 1 for the performance-based funding model

1 pilot, the department shall continue to work with the West Michigan Partnership for
2 Children Consortium on the implementation of the performance-based funding model pilot. The
3 consortium shall accept and comprehensively assess referred youth, assign cases to members
4 of its continuum or leverage services from other entities, and make appropriate case
5 management decisions during the duration of a case. The consortium shall operate an
6 integrated continuum of care structure, with services provided by both private and public
7 agencies, based on individual case needs. The consortium shall demonstrate significant
8 organizational capacity and competencies, including experience with managing risk-based
9 contracts, financial strength, experienced staff and leadership, and appropriate governance
10 structure.

11 Sec. 8-504. (1) The department may establish a master agreement with the West
12 Michigan Partnership for Children Consortium for a performance-based child welfare
13 contracting pilot program. The consortium shall consist of a network of affiliated child
14 welfare service providers that will accept and comprehensively assess referred youth,
15 assign cases to members of its continuum or leverage services from other entities, and make
16 appropriate case management decisions during the duration of a case.

17 (2) The consortium shall operate an integrated continuum of care structure, with
18 services provided by private or public agencies, based on individual case needs.

19 (3) By March 1 of the current fiscal year, the consortium shall provide to the
20 department and the house and senate appropriations subcommittees on the department budget a
21 report on the consortium, including, but not limited to, actual expenditures, number of
22 children placed by agencies in the consortium, fund balance of the consortium, and the
23 status of the consortium evaluation.

24 Sec. 8-505. By March 1 of the current fiscal year, the department shall provide to
25 the senate and house appropriations subcommittees on the department budget, the senate and
26 house fiscal agencies and policy offices, and the state budget office a report for youth
27 referred or committed to the department for care or supervision in the previous fiscal year
28 outlining the number of youth served within the juvenile justice system, the type of
29 setting for each youth, performance outcomes, and financial costs or savings.

30 Sec. 8-507. The department's ability to satisfy appropriation deducts in part 1 for
31 foster care private collections shall not be limited to collections and accruals pertaining
32 to services provided only in the current fiscal year but may include revenues collected

1 during the current fiscal year for services provided in prior fiscal years.

2 Sec. 8-508. (1) In addition to the amount appropriated in part 1 for children's trust
3 fund grants, money granted or money received as gifts or donations to the children's trust
4 fund created by 1982 PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

5 (2) The department and the child abuse and neglect prevention board shall collaborate
6 to ensure that administrative delays are avoided and the local grant recipients and direct
7 service providers receive money in an expeditious manner. The department and board shall
8 make available the children's trust fund contract funds to grantees within 31 days of the
9 start date of the funded project.

10 Sec. 8-513. (1) The department shall not expend funds appropriated in part 1 to pay
11 for the direct placement by the department of a child in an out-of-state facility unless
12 all of the following conditions are met:

13 (a) There is no appropriate placement available in this state as determined by the
14 department interstate compact office.

15 (b) An out-of-state placement exists that is nearer to the child's home than the
16 closest appropriate in-state placement as determined by the department interstate compact
17 office.

18 (c) The out-of-state facility meets all of the licensing standards of this state for
19 a comparable facility.

20 (d) The out-of-state facility meets all of the applicable licensing standards of the
21 state in which it is located.

22 (e) The department has done an on-site visit to the out-of-state facility, reviewed
23 the facility records, reviewed licensing records and reports on the facility, and believes
24 that the facility is an appropriate placement for the child.

25 (2) The department shall not expend money for a child placed in an out-of-state
26 facility without approval of the executive director of the children's services agency.

27 (3) The department shall submit an annual report to the state court administrative
28 office, the house and senate appropriations subcommittees on the department budget, the
29 house and senate fiscal agencies, the house and senate policy offices, and the state budget
30 office on the number of Michigan children residing in out-of-state facilities at the time
31 of the report, the total cost and average per diem cost of these out-of-state placements to
32 this state, and a list of each such placement arranged by the Michigan county of residence

1 for each child.

2 Sec. 8-522. (1) From the funds appropriated in part 1 for youth in transition, the
3 department shall allocate \$750,000.00 for college scholarships through the fostering
4 futures scholarship program in the Michigan education trust to youths who were in foster
5 care because of child abuse or child neglect and are attending a college located in this
6 state. Of the funds appropriated, 100% shall be used to fund scholarships for the youths
7 described in this section.

8 (2) Not later than March 1 of the current fiscal year, the department shall provide a
9 report to the senate and house appropriations subcommittees on the department budget, the
10 senate and house fiscal agencies, the senate and house policy offices, and the state budget
11 office that includes the number of youths who received scholarships and the amount of each
12 scholarship, and the total amount of funds spent or encumbered in the current fiscal year.

13 Sec. 8-523. (1) By February 15 of the current fiscal year, the department shall
14 report on the families first, family reunification, and families together building
15 solutions family preservation programs to the senate and house appropriations subcommittees
16 on the department budget, the senate and house fiscal agencies, the senate and house policy
17 offices, and the state budget office. The report shall provide an estimate of total costs
18 savings as a result of avoiding placement of children in foster care for families who
19 received family preservation services and shall include information for each program on any
20 innovations that may increase savings or reductions in administrative costs.

21 (2) From the funds appropriated in part 1 for youth in transition and domestic
22 violence prevention and treatment, the department is authorized to make allocations of TANF
23 funds only to agencies that report necessary data to the department for the purpose of
24 meeting TANF eligibility reporting requirements.

25 Sec. 8-524. As a condition of receiving funds appropriated in part 1 for strong
26 families/safe children, counties must submit the service spending plan to the department by
27 October 1 of the current fiscal year for approval. The department shall approve the service
28 spending plan within 30 calendar days after receipt of a properly completed service
29 spending plan.

30 Sec. 8-525. The department shall implement the same on-site evaluation processes for
31 privately operated child welfare and juvenile justice residential facilities as is used to
32 evaluate state-operated facilities. Penalties for noncompliance shall be the same for

1 privately operated child welfare and juvenile justice residential facilities and state-
2 operated facilities.

3 Sec. 8-526. From the funds appropriated in part 1 for foster care payments and
4 related administrative costs, the department may implement the federally approved title IV-
5 E child welfare waiver demonstration project. As required under the waiver, any savings
6 resulting from the demonstration project must be quantified and reinvested into child
7 welfare programming.

8 Sec. 8-533. (1) The department shall make payments to child placing facilities for
9 in-home and out-of-home care services and adoption services within 30 days of receiving all
10 necessary documentation from those agencies.

11 (2) No later than March 1 of the current fiscal year, the department shall submit a
12 report to the senate and house appropriations subcommittees on the department budget, the
13 senate and house fiscal agencies, the senate and house policy offices, and the state budget
14 office that details each private child placing agency and the percentage of payments that
15 were in excess of 30 days during the entire prior fiscal year and the first quarter of the
16 current fiscal year.

17 Sec. 8-546. (1) From the funds appropriated in part 1 for foster care payments and
18 from child care fund, the department shall pay providers of general foster care,
19 independent living, and trial unification services not less than a \$46.20 administrative
20 rate.

21 (2) From the funds appropriated in part 1, the department shall pay providers of
22 independent living plus services statewide per diem rates for staff-supported housing and
23 host-home housing based on proposals submitted in response to a solicitation for pricing.
24 The independent living plus program provides staff-supported housing and services for
25 foster youth ages 16 through 19 who, because of their individual needs and assessments, are
26 not initially appropriate for general independent living foster care.

27 (3) If required by the federal government to meet title IV-E requirements, providers
28 of foster care services shall submit quarterly expenditure reports to the department to
29 identify actual costs of providing foster care services.

30 Sec. 8-547. From the funds appropriated in part 1 for the guardianship assistance
31 program, the department shall pay a minimum rate that is not less than the approved age-
32 appropriate payment rates for youth placed in family foster care.

1 Sec. 8-559. (1) From the funds appropriated in part 1 for adoption support services,
2 the department shall allocate \$250,000.00 to the Adoptive Family Support Network by
3 December 1 of the current fiscal year to operate and expand its adoptive parent mentor
4 program to provide a listening ear, knowledgeable guidance, and community connections to
5 adoptive parents and children who were adopted in this state or another state.

6 (2) The Adoptive Family Support Network shall submit to the senate and house
7 appropriations subcommittees on the department budget, the senate and house fiscal
8 agencies, the senate and house policy offices, and the state budget office by March 1 of
9 the current fiscal year a report on the program described in subsection (1), including, but
10 not limited to, the number of cases served and the number of cases in which the program
11 prevented an out-of-home placement.

12 Sec. 8-567. The department shall submit to the senate and house appropriations
13 subcommittees on the department budget, the senate and house fiscal agencies, the senate
14 and house policy offices, and the state budget office by March 1 of the current fiscal year
15 a report on completion of medical passports for children in foster care including the
16 following:

17 (a) The percentage of medical passports that were properly filled out.

18 (b) From the total medical passports transferred, the percentage that transferred
19 within 2 weeks from the date of placement or return to the home.

20 (c) From the total school records, the percentage that transferred within 2 weeks
21 from the date of placement or return to the home.

22 (d) The implementation steps that have been taken to improve the outcomes for the
23 measures in subdivisions (a) and (b).

24 Sec. 8-574. (1) From the funds appropriated in part 1 for foster care payments,
25 \$2,500,000.00 is allocated to support performance-based contracts with child placing
26 agencies to facilitate the licensure of relative caregivers as foster parents. Agencies
27 shall receive \$2,300.00 for each facilitated licensure if completed within 180 days after a
28 child's placement or, if a waiver was previously approved, 180 days from the application
29 date. If the facilitated licensure, or approved waiver, is completed after 180 days, the
30 agency shall receive up to \$2,300.00. The agency facilitating the licensure would retain
31 the placement and continue to provide case management services for at least 50% of the
32 newly licensed cases for which the placement was appropriate to the agency. Up to 50% of

1 the newly licensed cases would have direct foster care services provided by the department.

2 (2) From the funds appropriated for foster care payments, \$375,000.00 is allocated to
3 support family incentive grants to private and community-based foster care service
4 providers to assist with home improvements or payment for physical exams for applicants
5 needed by foster families to accommodate foster children.

6 Sec. 8-583. By March 1 of the current fiscal year, the department shall provide to
7 the senate and house appropriations subcommittees on the department budget, the senate and
8 house standing committees on families and human services, the senate and house fiscal
9 agencies and policy offices, and the state budget office a report that includes:

10 (a) The number and percentage of foster parents that dropped out of the program in
11 the previous fiscal year and the reasons the foster parents left the program and how those
12 figures compare to prior fiscal years.

13 (b) The number and percentage of foster parents successfully retained in the previous
14 fiscal year and how those figures compare to prior fiscal years.

15 Sec. 8-585. The department shall make available at least 1 pre-service training class
16 each month in which new caseworkers for private foster care and adoption agencies can
17 enroll.

18 Sec. 8-588. (1) Concurrently with public release, the department shall transmit all
19 reports from the court-appointed settlement monitor, including, but not limited to, the
20 needs assessment and period outcome reporting, to the state budget office, the senate and
21 house appropriations subcommittees on the department budget, and the senate and house
22 fiscal agencies and policy offices, without revision.

23 (2) The department shall report quarterly to the state budget office, the senate and
24 house appropriations subcommittees on the department budget, the senate and house fiscal
25 agencies, and the senate and house policy offices on the number of children enrolled in the
26 guardianship assistance and foster care - children with serious emotional disturbance
27 waiver programs.

28 Sec. 8-589. On a monthly basis, the department shall report on the number of all
29 foster care cases administered by the department and all foster care cases administered by
30 private providers.

31 Sec. 8-593. The department may allow residential service providers for child abuse
32 and child neglect cases to implement a staff ratio during working hours of 1 staff to 5

1 children.

2 Sec. 8-594. From the funds appropriated in part 1 for foster care payments, the
3 department shall support regional resource teams to provide for the recruitment, retention,
4 and training of foster and adoptive parents and shall expand the Michigan Youth
5 Opportunities Initiative to all Michigan counties. The purpose of this investment is to
6 increase the number of annual inquiries from prospective foster parents, increase the
7 number of non-relative foster homes that achieve licensure each year, increase the annual
8 retention rate of non-relative foster homes, reduce the number of older foster youth placed
9 outside of family settings, and provide older youth with enhanced support in transitioning
10 to adulthood.

11

12 **PUBLIC ASSISTANCE**

13 Sec. 8-601. Whenever a client agrees to the release of his or her name and address to
14 the local housing authority, the department shall request from the local housing authority
15 information regarding whether the housing unit for which vendoring has been requested meets
16 applicable local housing codes. Vendoring shall be terminated for those units that the
17 local authority indicates in writing do not meet local housing codes until such time as the
18 local authority indicates in writing that local housing codes have been met.

19 Sec. 8-604. (1) The department shall operate a state disability assistance program.
20 Except as provided in subsection (3), persons eligible for this program shall include needy
21 citizens of the United States or aliens exempted from the supplemental security income
22 citizenship requirement who are at least 18 years of age or emancipated minors meeting 1 or
23 more of the following requirements:

24 (a) A recipient of supplemental security income, social security, or medical
25 assistance due to disability or 65 years of age or older.

26 (b) A person with a physical or mental impairment that meets federal supplemental
27 security income disability standards, except that the minimum duration of the disability
28 shall be 90 days. Substance use disorder alone is not defined as a basis for eligibility.

29 (c) A resident of an adult foster care facility, a home for the aged, a county
30 infirmary, or a substance use disorder treatment center.

31 (d) A person receiving 30-day postresidential substance use disorder treatment.

32 (e) A person diagnosed as having acquired immunodeficiency syndrome.

1 (f) A person receiving special education services through the local intermediate
2 school district.

3 (g) A caretaker of a disabled person who meets the requirements specified in
4 subdivision (a), (b), (e), or (f).

5 (2) Applicants for and recipients of the state disability assistance program shall be
6 considered needy if they:

7 (a) Meet the same asset test as is applied for the family independence program.

8 (b) Have a monthly budgetable income that is less than the payment standards.

9 (3) Except for a person described in subsection (1)(c) or (d), a person is not
10 disabled for purposes of this section if his or her drug addiction or alcoholism is a
11 contributing factor material to the determination of disability. "Material to the
12 determination of disability" means that, if the person stopped using drugs or alcohol, his
13 or her remaining physical or mental limitations would not be disabling. If his or her
14 remaining physical or mental limitations would be disabling, then the drug addiction or
15 alcoholism is not material to the determination of disability and the person may receive
16 state disability assistance. Such a person must actively participate in a substance abuse
17 treatment program, and the assistance must be paid to a third party or through vendor
18 payments. For purposes of this section, substance abuse treatment includes receipt of
19 inpatient or outpatient services or participation in alcoholics anonymous or a similar
20 program.

21 Sec. 8-605. The level of reimbursement provided to state disability assistance
22 recipients in licensed adult foster care facilities shall be the same as the prevailing
23 supplemental security income rate under the personal care category.

24 Sec. 8-606. County department offices shall require each recipient of family
25 independence program and state disability assistance who has applied with the social
26 security administration for supplemental security income to sign a contract to repay any
27 assistance rendered through the family independence program or state disability assistance
28 program upon receipt of retroactive supplemental security income benefits.

29 Sec. 8-607. (1) The department's ability to satisfy appropriation deductions in part
30 1 for state disability assistance/supplemental security income recoveries and public
31 assistance recoupment revenues shall not be limited to recoveries and accruals pertaining
32 to state disability assistance, or family independence assistance grant payments provided

1 only in the current fiscal year, but may include revenues collected during the current year
2 that are prior year related and not a part of the department's accrued entries.

3 (2) The department may use supplemental security income recoveries to satisfy the
4 deduct in any line in which the revenues are appropriated, regardless of the source from
5 which the revenue is recovered.

6 Sec. 8-608. Adult foster care facilities providing domiciliary care or personal care
7 to residents receiving supplemental security income or homes for the aged serving residents
8 receiving supplemental security income shall not require those residents to reimburse the
9 home or facility for care at rates in excess of those legislatively authorized. To the
10 extent permitted by federal law, adult foster care facilities and homes for the aged
11 serving residents receiving supplemental security income shall not be prohibited from
12 accepting third-party payments in addition to supplemental security income if the payments
13 are not for food, clothing, shelter, or result in a reduction in the recipient's
14 supplemental security income payment.

15 Sec. 8-609. The state supplementation level under the supplemental security income
16 program for the personal care/adult foster care and home for the aged categories shall not
17 be reduced during the current fiscal year. The legislature shall be notified not less than
18 30 days before any proposed reduction in the state supplementation level.

19 Sec. 8-610. (1) In developing good cause criteria for the state emergency relief
20 program, the department shall grant exemptions if the emergency resulted from unexpected
21 expenses related to maintaining or securing employment.

22 (2) For purposes of determining housing affordability eligibility for state emergency
23 relief, a group is considered to have sufficient income to meet ongoing housing expenses if
24 their total housing obligation does not exceed 75% of their total net income.

25 (3) State emergency relief payments shall not be made to individuals who have been
26 found guilty of fraud in regard to obtaining public assistance.

27 (4) State emergency relief payments shall not be made available to persons who are
28 out-of-state residents or illegal immigrants.

29 (5) State emergency relief payments for rent assistance shall be distributed directly
30 to landlords and shall not be added to Michigan bridge cards.

31 Sec. 8-611. The state supplementation level under the supplemental security income
32 program for the living independently or living in the household of another categories shall

1 not exceed the minimum state supplementation level as required under federal law or
2 regulations.

3 Sec. 8-613. (1) The department shall provide reimbursements for the final disposition
4 of indigent persons. The reimbursements shall include the following:

5 (a) The maximum allowable reimbursement for the final disposition is \$800.00.

6 (b) The adult burial with services allowance is \$725.00.

7 (c) The adult burial without services allowance is \$490.00.

8 (d) The infant burial allowance is \$170.00.

9 (2) Reimbursement for a cremation permit fee of up to \$75.00 and for mileage at the
10 standard rate will be made available for an eligible cremation. The reimbursements under
11 this section shall take into consideration religious preferences that prohibit cremation.

12 Sec. 8-615. Except as required by federal law or regulations, funds appropriated in
13 part 1 shall not be used to provide public assistance to a person who is an illegal alien.
14 This section shall not prohibit the department from entering into contracts with food
15 banks, emergency shelter providers, or other human services agencies who may, as a normal
16 part of doing business, provide food or emergency shelter.

17 Sec. 8-616. The department shall require retailers that participate in the electronic
18 benefits transfer program to charge no more than \$2.50 in fees for cash back as a condition
19 of participation.

20 Sec. 8-619. (1) Subject to subsection (2), the department shall exempt from the
21 denial of title IV-A assistance and food assistance benefits under 21 USC 862a any
22 individual who has been convicted of a felony that included the possession, use, or
23 distribution of a controlled substance, after August 22, 1996, if the individual is not in
24 violation of his or her probation or parole requirements. Benefits shall be provided to
25 such individuals as follows:

26 (a) A third-party payee or vendor shall be required for any cash benefits provided.

27 (b) An authorized representative shall be required for food assistance receipt.

28 (2) Subject to federal approval, an individual is not entitled to the exemption in
29 this section if the individual was convicted in 2 or more separate cases of a felony that
30 included the possession, use, or distribution of a controlled substance after August 22,
31 1996.

32 Sec. 8-620. (1) The department shall make a determination of Medicaid eligibility not

1 later than 90 days if disability is an eligibility factor. For all other Medicaid
2 applicants, including patients of a nursing home, the department shall make a determination
3 of Medicaid eligibility within 45 days of application.

4 (2) The department shall report on a quarterly basis to the senate and house
5 appropriations subcommittees on the department budget, the senate and house standing
6 committees on families and human services, the senate and house fiscal agencies, the senate
7 and house policy offices, and the state budget office on the average Medicaid eligibility
8 standard of promptness for each of the required standards of promptness under subsection
9 (1) and for medical review team reviews achieved statewide and at each local office.

10 Sec. 8-643. As a condition of receipt of federal TANF funds, homeless shelters and
11 human services agencies shall collaborate with the department to obtain necessary TANF
12 eligibility information on families as soon as possible after admitting a family to the
13 homeless shelter. From the funds appropriated in part 1 for homeless programs, the
14 department is authorized to make allocations of TANF funds only to the agencies that report
15 necessary data to the department for the purpose of meeting TANF eligibility reporting
16 requirements. Homeless shelters or human services agencies that do not report necessary
17 data to the department for the purpose of meeting TANF eligibility reporting requirements
18 will not receive reimbursements that exceed the per diem amount they received in fiscal
19 year 2000. The use of TANF funds under this section should not be considered an ongoing
20 commitment of funding.

21 Sec. 8-645. An individual or family is considered homeless, for purposes of
22 eligibility for state emergency relief, if living temporarily with others in order to
23 escape domestic violence. For purposes of this section, domestic violence is defined and
24 verified in the same manner as in the department's policies on good cause for not
25 cooperating with child support and paternity requirements.

26 Sec. 8-653. From the funds appropriated in part 1 for food assistance, an individual
27 who is the victim of domestic violence and does not qualify for any other exemption may be
28 exempt from the 3-month in 36-month limit on receiving food assistance under 7 USC 2015.
29 This exemption can be extended an additional 3 months upon demonstration of continuing
30 need.

31 Sec. 8-654. The department shall notify recipients of food assistance program
32 benefits that their benefits can be spent with their bridge cards at many farmers' markets

1 in the state. The department shall also notify recipients about the Double Up Food Bucks
2 program that is administered by the Fair Food Network. Recipients shall receive information
3 about the Double Up Food Bucks program, including information that when the recipient
4 spends \$20.00 at participating farmers' markets through the program, the recipient can
5 receive an additional \$20.00 to buy Michigan produce.

6 Sec. 8-655. Within 14 days after the spending plan for low-income home energy
7 assistance program is approved by the state budget office, the department shall provide the
8 spending plan, including itemized projected expenditures, to the chairpersons of the senate
9 and house appropriations subcommittees on the department budget, the senate and house
10 fiscal agencies, the senate and house policy offices, and the state budget office.

11 Sec. 8-660. From the funds appropriated in part 1 for Food Bank Council of Michigan,
12 the department is authorized to make allocations of TANF funds only to the agencies that
13 report necessary data to the department for the purpose of meeting TANF eligibility
14 reporting requirements. The agencies that do not report necessary data to the department
15 for the purpose of meeting TANF eligibility reporting requirements will not receive
16 allocations in excess of those received in fiscal year 2000. The use of TANF funds under
17 this section should not be considered an ongoing commitment of funding.

18 Sec. 8-669. The department shall allocate up to \$9,000,000.00 for the annual clothing
19 allowance. The allowance shall be granted to all eligible children in a family independence
20 program group.

21 Sec. 8-677. (1) The department shall establish a state goal for the percentage of
22 family independence program cases involved in employment activities. The percentage
23 established shall not be less than 50%. The goal for long-term employment shall be 15% of
24 cases for 6 months or more.

25 (2) On a quarterly basis, the department shall report to the senate and house
26 appropriations subcommittees on the department budget, the senate and house fiscal agencies
27 and policy offices, and the state budget director on the number of cases referred to
28 Partnership. Accountability. Training. Hope. (PATH), the current percentage of family
29 independence program cases involved in PATH employment activities, an estimate of the
30 current percentage of family independence program cases that meet federal work
31 participation requirements on the whole, and an estimate of the current percentage of the
32 family independence program cases that meet federal work participation requirements for

1 those cases referred to PATH.

2 (3) The department shall submit to the senate and house appropriations subcommittees
3 on the department budget, the senate and house fiscal agencies, the senate and house policy
4 offices, and the state budget office a quarterly report that includes all of the following:

5 (a) The number and percentage of nonexempt family independence program recipients who
6 are employed.

7 (b) The average and range of wages of employed family independence program
8 recipients.

9 (c) The number and percentage of employed family independence program recipients who
10 remain employed for 6 months or more.

11 Sec. 8-686. (1) The department shall ensure that program policy requires caseworkers
12 to confirm that individuals presenting personal identification issued by another state
13 seeking assistance through the family independence program, food assistance program, state
14 disability assistance program, or medical assistance program are not receiving benefits
15 from any other state.

16 (2) The department shall require caseworkers to confirm the address provided by any
17 individual seeking family independence program benefits or state disability assistance
18 benefits.

19 (3) The department shall prohibit individuals with property assets assessed at a
20 value higher than \$200,000.00 from accessing assistance through department-administered
21 programs, unless such a prohibition would violate federal rules and guidelines.

22 (4) The department shall require caseworkers to obtain an up-to-date telephone number
23 during the eligibility determination or redetermination process for individuals seeking
24 medical assistance benefits.

25 Sec. 8-687. (1) The department shall, on a quarterly basis by February 1, May 1,
26 August 1, and November 1, compile and make available on its website all of the following
27 information about the family independence program, state disability assistance, the food
28 assistance program, Medicaid, and state emergency relief:

29 (a) The number of applications received.

30 (b) The number of applications approved.

31 (c) The number of applications denied.

32 (d) The number of applications pending and neither approved nor denied.

1 (e) The number of cases opened.

2 (f) The number of cases closed.

3 (g) The number of cases at the beginning of the quarter and the number of cases at
4 the end of the quarter.

5 (2) The information provided under subsection (1) shall be compiled and made
6 available for the state as a whole and for each county and reported separately for each
7 program listed in subsection (1).

8 (3) The department shall, on a quarterly basis by February 1, May 1, August 1, and
9 November 1, compile and make available on its website the family independence program
10 information listed as follows:

11 (a) The number of new applicants who successfully met the requirements of the 21-day
12 assessment period for PATH.

13 (b) The number of new applicants who did not meet the requirements of the 21-day
14 assessment period for PATH.

15 (c) The number of cases sanctioned because of the school truancy policy.

16 (d) The number of cases closed because of the 48-month and 60-month lifetime limits.

17 (e) The number of first-, second-, and third-time sanctions.

18 (f) The number of children ages 0-5 living in FIP-sanctioned households.

19 Sec. 8-688. From the funds appropriated in part 1 for the low-income home energy
20 assistance program, up to \$6,766,800.00 of federal funding shall be allocated to provide an
21 additional \$20.01 payment to food assistance program cases that are not currently eligible
22 for the standard utility allowance to enable these cases to receive expanded food
23 assistance benefits through the program commonly known as the Heat and Eat program.

24 Sec. 8-689. From the funds appropriated in part 1 for public assistance field staff,
25 the department shall expand its Pathways to Potential program. The purpose of this
26 enhancement is to reduce chronic absenteeism, decrease the number of students who repeat
27 grades, decrease the rate of dropouts, and increase graduation rates at Pathways schools.
28 The investment shall focus on expanding the Pathways model into priority schools that rank
29 among the lowest achieving five percent of all Michigan public schools and in schools
30 located in at-risk "rising tide" communities targeted for programming to maximize economic
31 development and economic expansion.

1 CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE

2 Sec. 8-706. Counties shall be subject to 50% chargeback for the use of alternative
3 regional detention services, if those detention services do not fall under the basic
4 provision of section 117e of the social welfare act, 1939 PA 280, MCL 400.117e, or if a
5 county operates those detention services programs primarily with professional rather than
6 volunteer staff.

7 Sec. 8-707. In order to be reimbursed for child care fund expenditures, counties are
8 required to submit department-developed reports to enable the department to document
9 potential federally claimable expenditures. This requirement is in accordance with the
10 reporting requirements specified in section 117a(7) of the social welfare act, 1939 PA 280,
11 MCL 400.117a.

12 Sec. 8-708. (1) As a condition of receiving funds appropriated in part 1 for the
13 child care fund line item, by December 15 of the current fiscal year, counties shall have
14 an approved service spending plan for the current fiscal year. Counties must submit the
15 service spending plan to the department by October 1 of the current fiscal year for
16 approval. Upon submission of the county service spending plan, the department shall approve
17 within 30 calendar days after receipt of a properly completed service plan that complies
18 with the requirements of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b. The
19 department shall notify and submit county service spending plan revisions to any county
20 whose county service spending plan is not accepted upon initial submission. The department
21 shall not request any additional revisions to a county service spending plan outside of the
22 requested revision notification submitted to the county by the department. The department
23 shall notify a county within 30 days after approval that its service plan was approved.

24 (2) The department shall submit a report to the house and senate appropriations
25 subcommittees on the department budget, the house and senate fiscal agencies, the house and
26 senate policy offices and the state budget office by February 15 of the current fiscal year
27 on the number of counties that fail to submit a service spending plan by October 1 and the
28 number of service spending plans not approved by December 15. The report shall include the
29 number of county service spending plans that were not approved as first submitted by the
30 counties, as well as the number of plans that were not approved by the department after
31 being resubmitted by the county with the first revisions that were requested by the
32 department.

1 Sec. 8-709. (1) The department's master contract for juvenile justice residential
2 foster care services shall be amended to prohibit contractors from denying a referral for
3 placement of a youth, or terminating a youth's placement, if the youth's assessed treatment
4 needs are in alignment with the facility's residential program type, as identified by the
5 court or the department. In addition, the master contract shall require that youth placed
6 in juvenile justice residential foster care facilities must have regularly scheduled
7 treatment sessions with a licensed psychologist or psychiatrist, or both, and access to the
8 licensed psychologist or psychiatrist as needed.

9 (2) The rates established for private residential juvenile justice facilities that
10 were in effect on October 1, 2015 remain in effect for the current fiscal year.

11

12 **FIELD OPERATIONS AND SUPPORT SERVICES**

13 Sec. 8-801. (1) Funds appropriated in part 1 for independent living shall be used to
14 support the general operations of centers for independent living in delivering mandated
15 independent living services in compliance with federal rules and regulations for the
16 centers, by existing centers for independent living to serve underserved areas, and for
17 projects to build the capacity of centers for independent living to deliver independent
18 living services. Applications for the funds shall be reviewed in accordance with criteria
19 and procedures established by the department. The funds appropriated in part 1 may be used
20 to leverage federal vocational rehabilitation innovation and expansion funds consistent
21 with 34 CFR 361.35 up to \$5,543,000.00, if available. If the possibility of matching
22 federal funds exists, the centers for independent living network will negotiate a mutually
23 beneficial contractual arrangement with Michigan rehabilitation services. Funds shall be
24 used in a manner consistent with the state plan for independent living. Services provided
25 should assist people with disabilities to move toward self-sufficiency, including support
26 for accessing transportation and health care, obtaining employment, community living,
27 nursing home transition, information and referral services, education, youth transition
28 services, veterans, and stigma reduction activities and community education. This includes
29 the independent living guide project that specifically focuses on economic self-
30 sufficiency.

31 (2) The Michigan centers for independent living shall provide a report by March 1 of
32 the current fiscal year to the house and senate appropriations subcommittees on the

1 department budget, the house and senate fiscal agencies, the house and senate policy
2 offices, and the state budget office on direct customer and system outcomes and performance
3 measures.

4 Sec. 8-802. The Michigan rehabilitation services shall work collaboratively with the
5 bureau of services for blind persons, service organizations, and government entities to
6 identify qualified match dollars to maximize use of available federal vocational
7 rehabilitation funds.

8 Sec. 8-803. The department shall provide an annual report by February 1 to the house
9 and senate appropriations subcommittees on the department budget, the house and senate
10 fiscal agencies, house and senate policy offices and the state budget office on efforts
11 taken to improve the Michigan rehabilitation services. The report shall include all of the
12 following items:

- 13 (a) Reductions and changes in administration costs and staffing.
- 14 (b) Service delivery plans and implementation steps achieved.
- 15 (c) Reorganization plans and implementation steps achieved.
- 16 (d) Plans to integrate Michigan rehabilitative services programs into other services
17 provided by the department.
- 18 (e) Quarterly expenditures by major spending category.
- 19 (f) Employment and job retention rates from both Michigan rehabilitation services and
20 its nonprofit partners.
- 21 (g) Success rate of each district in achieving the program goals.

22 Sec. 8-804. From the funds appropriated in part 1 for Michigan rehabilitation
23 services, the department shall allocate \$50,000.00 along with available federal match to
24 support the provision of vocational rehabilitation services to eligible agricultural
25 workers with disabilities. Authorized services shall assist agricultural workers with
26 disabilities in acquiring or maintaining quality employment and independence.

27 Sec. 8-806. From the funds appropriated in part 1 for Michigan rehabilitation
28 services, the department shall allocate \$6,100,300.00, including federal matching funds, to
29 service authorizations with community-based rehabilitation organizations for an array of
30 needed services throughout the customer's rehabilitation process.

31 Sec. 8-807. From the funds appropriated in part 1 for Elder Law of Michigan MiCAFE
32 contract, the department shall allocate not less than \$350,000.00 to the Elder Law of

1 Michigan MiCAFE to assist this state's elderly population in participating in the food
2 assistance program. Of the \$350,000.00 allocated under this section, the department shall
3 use \$175,000.00, which are general fund/general purpose funds, as state matching funds for
4 not less than \$175,000.00 in United States Department of Agriculture funding to provide
5 outreach program activities, such as eligibility screening and information services, as
6 part of a statewide food assistance hotline.

7 Sec. 8-825. From the funds appropriated in part 1, the department shall provide
8 individuals not more than \$500.00 for vehicle repairs, including any repairs done in the
9 previous 12 months. However, the department may in its discretion pay for repairs up to
10 \$900.00. Payments under this section shall include the combined total of payments made by
11 the department and work participation program.

12 Sec. 8-850. (1) The department shall maintain out-stationed eligibility specialists
13 in community-based organizations, community mental health agencies, nursing homes, adult
14 placement and independent living settings, federally qualified health centers, and
15 hospitals unless a community-based organization, community mental health agency, nursing
16 home, adult placement and independent living setting, federally qualified health centers,
17 or hospital requests that the program be discontinued at its facility.

18 (2) From the funds appropriated in part 1 for donated funds positions, the department
19 shall enter into contracts with agencies that are able and eligible under federal law to
20 provide the required matching funds for federal funding, as determined by federal statute
21 and regulations.

22 (3) A contract for an assistance payments donated funds position must include, but
23 not be limited to, the following performance metrics:

24 (a) Meeting a standard of promptness for processing applications for Medicaid and
25 other public assistance programs under state law.

26 (b) Meeting required standards for error rates in determining programmatic
27 eligibility as determined by the department.

28 (4) The department shall only fill additional donated funds positions after a new
29 contract has been signed. That position shall also be abolished when the contract expires
30 or is terminated.

31 (5) The department shall classify as limited-term FTEs any new employees who are
32 hired to fulfill the donated funds position contracts or are hired to fill any vacancies

1 from employees who transferred to a donated funds position.

2 (6) By March 1 of the current fiscal year, the department shall submit a report to
3 the senate and house appropriations subcommittees on the department budget, the senate and
4 house fiscal agencies and policy offices, and the state budget office detailing information
5 on the donated funds positions, including the total number of occupied positions, the total
6 private contribution of the positions, and the total cost to the state for any nonsalary
7 expenditure for the donated funds position employees.

8 Sec. 8-851. From the funds appropriated in part 1 for adult services field staff, the
9 department shall improve staffing ratios in adult protective services programs with the
10 goal of reducing the number of older adults who are victims of crime and fraud. The purpose
11 of the staffing enhancement is to increase standard of promptness by 90% or above in every
12 county, as measured by commencing an investigation within 24 hours, establishing face-to-
13 face contact with the client within 72 hours, and completing the investigation within 30
14 days.

15

16 **BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS**

17 Sec. 8-901. Funds appropriated in part 1 are intended to support a system of
18 comprehensive community mental health services under the full authority and responsibility
19 of local CMHSPs or PIHPs in accordance with the mental health code, 1974 PA 258, MCL
20 330.1001 to 330.2106, the Medicaid provider manual, federal Medicaid waivers, and all other
21 applicable federal and state laws.

22 Sec. 8-902. (1) From funds appropriated in part 1, final authorizations to CMHSPs or
23 PIHPs shall be made upon the execution of contracts between the department and CMHSPs or
24 PIHPs. The contracts shall contain an approved plan and budget as well as policies and
25 procedures governing the obligations and responsibilities of both parties to the contracts.
26 Each contract with a CMHSP or PIHP that the department is authorized to enter into under
27 this subsection shall include a provision that the contract is not valid unless the total
28 dollar obligation for all of the contracts between the department and the CMHSPs or PIHPs
29 entered into under this subsection for the current fiscal year does not exceed the amount
30 of money appropriated in part 1 for the contracts authorized under this subsection.

31 (2) The department shall immediately report to the senate and house appropriations
32 subcommittees on the department budget, the senate and house fiscal agencies, and the state

1 budget director if either of the following occurs:

2 (a) Any new contracts the department has entered into with CMHSPs or PIHPs that would
3 affect rates or expenditures.

4 (b) Any amendments to contracts the department has entered into with CMHSPs or PIHPs
5 that would affect rates or expenditures.

6 (3) The report required by subsection (2) shall include information about the changes
7 and their effects on rates and expenditures.

8 Sec. 8-904. (1) Not later than May 31 of the current fiscal year, the department
9 shall provide a report on the CMHSPs, PIHPs, regional entities designated by the department
10 as PIHPs, and managing entities for substance use disorders to the members of the house and
11 senate appropriations subcommittees on the department budget, the house and senate fiscal
12 agencies, and the state budget director that includes the information required by this
13 section.

14 (2) The report shall contain information for each CMHSP, PIHP, regional entity
15 designated by the department as a PIHP, and managing entity for substance use disorders and
16 a statewide summary, each of which shall include at least the following information:

17 (a) A demographic description of service recipients that, minimally, shall include
18 reimbursement eligibility, client population, age, ethnicity, housing arrangements, and
19 diagnosis.

20 (b) Per capita expenditures in total and by client population group and ethnic groups
21 of the services area, including the deaf and hard of hearing population.

22 (c) Expenditures stratified by department-designated community mental health entity,
23 by central diagnosis and referral agency, by fund source, by subcontractor, by population
24 served, and by service type. Additionally, data on administrative expenditures by
25 department-designated community mental health entity shall be reported.

26 (d) Expenditures per state client, with data on the distribution of expenditures
27 reported using a histogram approach.

28 (e) Number of services provided by central diagnosis and referral agency, by
29 subcontractor, and by service type. Additionally, data on length of stay, referral source,
30 and participation in other state programs.

31 (f) Collections from other first- or third-party payers, private donations, or other
32 state or local programs, by department-designated community mental health entity, by

1 subcontractor, by population served, and by service type.

2 (g) Data describing service outcomes that include, but are not limited to, an
3 evaluation of consumer satisfaction, consumer choice, and quality of life concerns
4 including, but not limited to, housing and employment.

5 (h) Information about access to CMHSPs that includes, but is not limited to, the
6 following:

7 (i) The number of people receiving requested services.

8 (ii) The number of people who requested services but did not receive services.

9 (iii) The number of second opinions requested under the code and the determination of
10 any appeals.

11 (i) Lapses and carryforwards during the immediately preceding fiscal year for CMHSPs,
12 PIHPs, regional entities designated by the department as PIHPs, and managing entities for
13 substance use disorders.

14 (j) Performance indicator information required to be submitted to the department in
15 the contracts with CMHSPs, PIHPs, regional entities designated by the department as PIHPs,
16 and managing entities for substance use disorders.

17 (k) Administrative expenditures of each CMHSP, PIHP, regional entity designated by
18 the department as a PIHP, and managing entity for substance use disorders that includes a
19 breakout of the salary, benefits, and pension of each executive level staff and shall
20 include the director, chief executive, and chief operating officers and other members
21 identified as executive staff.

22 (3) The department shall include data reporting requirements listed in subsection (2)
23 in the annual contract with each individual CMHSP, PIHP, regional entity designated by the
24 department as a PIHP, and managing entity for substance use disorders.

25 (4) The department shall take all reasonable actions to ensure that the data required
26 are complete and consistent among all CMHSPs, PIHPs, regional entities designated by the
27 department as PIHPs, and managing entities for substance use disorders.

28 Sec. 8-905. (1) From the funds appropriated in part 1 for behavioral health program
29 administration, the department shall maintain a transitional unit and children's behavioral
30 action team. These services will augment the continuum of behavioral health services for
31 high-need youth and provide additional continuity of care and transition into supportive
32 community-based services.

1 (2) Outcomes and performance measures for this initiative include, but are not
2 limited to, the following:

3 (a) The rate of rehospitalization for youth served through the program at 30 and 180
4 days.

5 (b) Measured change in the Child and Adolescent Functional Assessment Scale for
6 children served through the program.

7 Sec. 8-906. (1) The funds appropriated in part 1 for the state disability assistance
8 substance use disorder services program shall be used to support per diem room and board
9 payments in substance use disorder residential facilities. Eligibility of clients for the
10 state disability assistance substance use disorder services program shall include needy
11 persons 18 years of age or older, or emancipated minors, who reside in a substance use
12 disorder treatment center.

13 (2) The department shall reimburse all licensed substance use disorder programs
14 eligible to participate in the program at a rate equivalent to that paid by the department
15 to adult foster care providers. Programs accredited by department-approved accrediting
16 organizations shall be reimbursed at the personal care rate, while all other eligible
17 programs shall be reimbursed at the domiciliary care rate.

18 Sec. 8-907. (1) The amount appropriated in part 1 for substance use disorder
19 prevention, education, and treatment grants shall be expended to coordinate care and
20 services provided to individuals with severe and persistent mental illness and substance
21 use disorder diagnoses.

22 (2) The department shall approve managing entity fee schedules for providing
23 substance use disorder services and charge participants in accordance with their ability to
24 pay.

25 (3) The managing entity shall continue current efforts to collaborate on the delivery
26 of services to those clients with mental illness and substance use disorder diagnoses with
27 the goal of providing services in an administratively efficient manner.

28 Sec. 8-909. From the funds appropriated in part 1 for community substance use
29 disorder prevention, education, and treatment, the department shall use available revenue
30 from the marijuana regulatory fund established in 2016 PA 281 333.27603 to: improve
31 physical health; expand access to substance use disorder prevention and treatment services;
32 and strengthen the existing prevention, treatment, and recovery systems.

1 Sec. 8-910. The department shall ensure that substance use disorder treatment is
2 provided to applicants and recipients of public assistance through the department who are
3 required to obtain substance use disorder treatment as a condition of eligibility for
4 public assistance.

5 Sec. 8-918. On or before the twenty-fifth of each month, the department shall report
6 to the senate and house appropriations subcommittees on the department budget, the senate
7 and house fiscal agencies, and the state budget director on the amount of funding paid to
8 PIHPs to support the Medicaid managed mental health care program in the preceding month.
9 The information shall include the total paid to each PIHP, per capita rate paid for each
10 eligibility group for each PIHP, and number of cases in each eligibility group for each
11 PIHP, and year-to-date summary of eligibles and expenditures for the Medicaid managed
12 mental health care program.

13 Sec. 8-920. As part of the Medicaid rate-setting process for behavioral health
14 services, the department shall work with PIHP network providers and actuaries to include
15 any state and federal wage and compensation increases that directly impact staff who
16 provide Medicaid-funded community living supports, personal care services, respite
17 services, skill-building services, and other similar supports and services as part of the
18 Medicaid rate.

19 Sec. 8-935. A county required under the provisions of the mental health code, 1974 PA
20 258, MCL 330.1001 to 330.2106, to provide matching funds to a CMHSP for mental health
21 services rendered to residents in its jurisdiction shall pay the matching funds in equal
22 installments on not less than a quarterly basis throughout the fiscal year, with the first
23 payment being made by October 1 of the current fiscal year.

24 Sec. 8-940. (1) According to section 236 of the mental health code, 1974 PA 258, MCL
25 330.1236, the department shall do both of the following:

26 (a) Review expenditures for each CMHSP to identify CMHSPs with projected allocation
27 surpluses and to identify CMHSPs with projected allocation shortfalls. The department shall
28 encourage the board of a CMHSP with a projected allocation surplus to concur with the
29 department's recommendation to reallocate those funds to CMHSPs with projected allocation
30 shortfalls.

31 (b) Withdraw unspent funds that have been allocated to a CMHSP if other reallocated
32 funds were expended in a manner not provided for in the approved contract, including

1 expending funds on services and programs provided to individuals residing outside of the
2 CMHSP's geographic region.

3 (2) A CMHSP that has its funding allocation transferred out or withdrawn during the
4 current fiscal year as described in subsection (1) is not eligible for any additional
5 funding reallocations during the remainder of the current fiscal year, unless that CMHSP is
6 responding to a public health emergency as determined by the department.

7 (3) The department shall notify the chairs of the appropriation subcommittees on the
8 department budget when a request is made and when the department grants approval for
9 reallocation or withdraw as described in subsection (1). By September 30 of the current
10 fiscal year, the department shall provide a report on the amount of funding reallocated or
11 withdrawn to the senate and house appropriation subcommittees on the department budget, the
12 senate and house fiscal agencies, the senate and house policy offices, and the state budget
13 office.

14 Sec. 8-942. A CMHSP shall provide at least 30 days' notice before reducing,
15 terminating, or suspending services provided by a CMHSP to CMHSP clients, with the
16 exception of services authorized by a physician that no longer meet established criteria
17 for medical necessity.

18 Sec. 8-958. Medicaid services shall include treatment for autism spectrum disorders
19 as defined in the federally approved Medicaid state plan. These services may be coordinated
20 with the Medicaid health plans and the Michigan Association of Health Plans.

21 Sec. 8-995. From the funds appropriated in part 1 for behavioral health program
22 administration, \$4,350,000.00 is intended to address the recommendations of the mental
23 health diversion council.

24 Sec. 8-998. For distribution of state general funds to CMHSPs, if the department
25 decides to use census data, the department shall use the most recent federal census data
26 available.

27

28 **BEHAVIORAL HEALTH SERVICES**

29 Sec. 8-1003. The department shall notify the Michigan Association of Community Mental
30 Health Boards when developing policies and procedures that will impact PIHPs or CMHSPs.

31 Sec. 8-1004. The department shall provide the senate and house appropriations
32 subcommittee on the department budget, the senate and house fiscal agencies, and the state

1 budget office any rebased formula changes to either Medicaid behavioral health services or
2 non-Medicaid mental health services 90 days before implementation. The notification shall
3 include a table showing the changes in funding allocation by PIHP for Medicaid behavioral
4 health services or by CMHSP for non-Medicaid mental health services.

5 Sec. 8-1005. For the purposes of special projects involving high-need children or
6 adults, including the not guilty by reason of insanity population, the department may
7 contract directly with providers of services to these identified populations.

8 Sec. 8-1008. The PIHP and CMHSPs shall do all of the following:

9 (a) Work to reduce administration costs by ensuring that PIHP responsible functions
10 are efficient to allow optimal transition of dollars to direct services. This process must
11 include limiting duplicate layers of administration and minimizing PIHP-delegated services
12 that may result in higher costs or inconsistent service delivery, or both.

13 (b) Take an active role in managing mental health care by ensuring consistent and
14 high-quality service delivery throughout its network and promote a conflict-free care
15 management environment.

16 (c) Ensure that direct service rate variances are related to the level of need or
17 other quantifiable measures to ensure that the most money possible reaches direct services.

18 (d) Whenever possible, promote fair and adequate direct care reimbursement, including
19 fair wages for direct service workers.

20 Sec. 8-1009. From the funds appropriated in Part 1 for Medicaid mental health
21 services and Healthy Michigan Plan - behavioral health, the department shall allocate up to
22 \$45,000,000.00 to increase hourly wages for direct care workers providing Medicaid
23 behavioral health supports and services. The purpose of this allocation is to increase
24 access to direct care services as reported in CMHSP Sub-Element Cost Reports, to reduce the
25 turnover rate among direct care workers, and to improve the quality of direct care supports
26 and services.

27 Sec. 8-1010. From the funds appropriated in part 1 for behavioral health program
28 administration, up to \$2,000,000.00 shall be allocated to address the implementation of
29 court-ordered assisted outpatient treatment as provided under chapter 4 of the mental
30 health code, 1974 PA 258, MCL 330.1400 to 330.1491.

31 Sec. 8-1012. By September 30 of the current fiscal year, the department shall submit
32 a report to the senate and house appropriations subcommittees on the department budget, the

1 senate and house fiscal agencies, the senate and house policy offices, and the state budget
2 office detailing the average number of individuals who do not meet their monthly Medicaid
3 deductibles in this state each year.

4

5 **STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES**

6 Sec. 8-1051. The department shall continue a revenue recapture project to generate
7 additional revenues from third parties related to cases that have been closed or are
8 inactive. A portion of revenues collected through project efforts may be used for
9 departmental costs and contractual fees associated with these retroactive collections and
10 to improve ongoing departmental reimbursement management functions.

11 Sec. 8-1052. The purpose of gifts and bequests for patient living and treatment
12 environments is to use additional private funds to provide specific enhancements for
13 individuals residing at state-operated facilities. Use of the gifts and bequests shall be
14 consistent with the stipulation of the donor. The expected completion date for the use of
15 gifts and bequests donations is within 3 years unless otherwise stipulated by the donor.

16 Sec. 8-1055. (1) The department shall not implement any permanent, planned closures
17 or consolidations of state hospitals, centers, or agencies until CMHSPs or PIHPs have
18 programs and services in place for those individuals currently in those facilities and a
19 plan for service provision for those individuals who would have been admitted to those
20 facilities.

21 (2) All closures or consolidations are dependent upon adequate department-approved
22 CMHSP and PIHP plans that include a discharge and aftercare plan for each individual
23 currently in the facility. A discharge and aftercare plan shall address the individual's
24 housing needs. A homeless shelter or similar temporary shelter arrangements are inadequate
25 to meet the individual's housing needs.

26 (3) Four months after the certification of closure required in section 19(6) of the
27 state employees' retirement act, 1943 PA 240, MCL 38.19, the department shall provide a
28 closure plan to the house and senate appropriations subcommittees on the department budget
29 and the state budget director.

30 (4) Upon the closure of state-run operations and after transitional costs have been
31 paid, the remaining balances of funds appropriated for that operation shall be transferred
32 to CMHSPs or PIHPs responsible for providing services for individuals previously served by

1 the operations.

2 Sec. 8-1056. The department may collect revenue for patient reimbursement from first-
3 and third-party payers, including Medicaid and local county CMHSP payers, to cover the cost
4 of placement in state hospitals and centers. The department is authorized to adjust
5 financing sources for patient reimbursement based on actual revenues earned. If the revenue
6 collected exceeds current year expenditures, the revenue may be carried forward with
7 approval of the state budget director. The revenue carried forward shall be used as a first
8 source of funds in the subsequent year.

9 Sec. 8-1059. The department shall identify specific outcomes and performance measures
10 for the center for forensic psychiatry, including, but not limited to, the following:

11 (a) The average wait time for persons ruled incompetent to stand trial before
12 admission to the center for forensic psychiatry.

13 (b) The average wait time for persons ruled incompetent to stand trial before
14 admission to other state-operated psychiatric facilities.

15 (c) The number of persons waiting to receive services at the center for forensic
16 psychiatry.

17 (d) The number of persons waiting to receive services at other state-operated
18 hospitals and centers.

19

20 **HEALTH POLICY**

21 Sec. 8-1143. The department may award health innovation grants to address emerging
22 issues and encourage cutting edge advances in health care including strategic partners in
23 both the public and private sectors.

24 Sec. 8-1144. (1) From the funds appropriated in part 1 for health policy
25 administration, the department shall allocate the federal state innovation model grant
26 funding that supports implementation of the health delivery system innovations detailed in
27 this state's "Reinventing Michigan's Health Care System: Blueprint for Health Innovation"
28 document. This initiative will test new payment methodologies, support improved population
29 health outcomes, and support improved infrastructure for technology and data sharing and
30 reporting. The funds will be used to provide financial support directly to regions
31 participating in the model test and to support statewide stakeholder guidance and technical
32 support.

1 (2) Outcomes and performance measures for the initiative under subsection (1)
2 include, but are not limited to, the following:

3 (a) Increasing the number of physician practices fulfilling patient-centered medical
4 home functions.

5 (b) Reducing inappropriate health utilization, specifically reducing preventable
6 emergency department visits, reducing the proportion of hospitalizations for ambulatory
7 sensitive conditions, and reducing this state's 30-day hospital readmission rate.

8 (3) By March 1 and September 1 of the current fiscal year, the department shall
9 submit a written report to the house and senate appropriations subcommittees on the
10 department budget, the house and senate fiscal agencies, and the state budget office on the
11 status of the program and progress made since the prior report.

12 Sec. 8-1145. The department will take steps necessary to work with Indian Health
13 Service, Tribal or Urban Indian Health Program facilities that provide services under a
14 contract with a Medicaid managed care entity to ensure that those facilities receive the
15 maximum amount allowable under federal law for Medicaid services.

16 Sec. 8-1146. From the funds appropriated in part 1 for bone marrow transplant
17 registry, \$250,000.00 shall be allocated to Michigan Blood, the partner of the match
18 registry of the national marrow donor program. The funds shall be used to offset ongoing
19 tissue typing expenses associated with donor recruitment and collection services and to
20 expand those services to better serve the citizens of this state.

21

22 **DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY**

23 Sec. 8-1180. From the funds appropriated in part 1 for epidemiology administration
24 and for childhood lead program, the department shall re-establish a public health drinking
25 water unit and enhance current efforts to monitor child blood lead levels. The investment
26 shall ensure that appropriate investigations of potential health hazards occur for all
27 community and non-community drinking water supplies where chemical exceedances of action
28 levels, health advisory, and maximum contaminant limits are identified. The investment will
29 also improve the timeliness and quality of care provided to children with lead exposure,
30 leading to a long-term reduction in the percentage of Michigan children with elevated blood
31 lead levels.

32 Sec. 8-1181. From the funds appropriated in Part 1 for epidemiology administration,

1 the department shall establish and maintain a vapor intrusion response unit. This unit is
2 expected to assess risks to public health at 200 vapor intrusion sites each year, and to
3 respond to those risks where appropriate. The purpose of the unit is to reduce the number
4 of Michigan residents exposed to toxic substances through vapor intrusion and to improve
5 health outcomes for those that are identified as having been exposed to vapor intrusion.

6 Sec. 8-1182. (1) From the funds appropriated in part 1 for the healthy homes program,
7 no less than \$25,200,000.00 shall be allocated for lead abatement of homes.

8 (2) By January 1 of the current fiscal year, the department shall provide a report to
9 the house and senate appropriations subcommittees on the department budget, the house and
10 senate fiscal agencies, and the state budget office on the expenditures and activities
11 undertaken by the lead abatement program in the previous fiscal year from the funds
12 appropriated in part 1 for the healthy homes program. The report shall include, but is not
13 limited to, a funding allocation schedule, expenditures by category of expenditure and by
14 subcontractor, revenues received, description of program elements, and description of
15 program accomplishments and progress.

16

17 **LOCAL HEALTH AND ADMINISTRATIVE SERVICES**

18 Sec. 8-1220. The amount appropriated in part 1 for implementation of the 1993
19 additions of or amendments to sections 9161, 16221, 16226, 17014, 17015, and 17515 of the
20 public health code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014, 333.17015,
21 and 333.17515, shall be used to reimburse local health departments for costs incurred
22 related to implementation of section 17015(18) of the public health code, 1978 PA 368, MCL
23 333.17015.

24 Sec. 8-1221. If a county that has participated in a district health department or an
25 associated arrangement with other local health departments takes action to cease to
26 participate in such an arrangement after October 1 of the current fiscal year, the
27 department shall have the authority to assess a penalty from the local health department's
28 operational accounts in an amount equal to no more than 6.25% of the local health
29 department's essential local public health services funding. This penalty shall only be
30 assessed to the local county that requests the dissolution of the health department.

31 Sec. 8-1222. (1) Funds appropriated in part 1 for essential local public health
32 services shall be prospectively allocated to local health departments to support

1 immunizations, infectious disease control, sexually transmitted disease control and
2 prevention, hearing screening, vision services, food protection, public water supply,
3 private groundwater supply, and on-site sewage management. Food protection shall be
4 provided in consultation with the department of agriculture and rural development. Public
5 water supply, private groundwater supply, and on-site sewage management shall be provided
6 in consultation with the department of environmental quality.

7 (2) Local public health departments shall be held to contractual standards for the
8 services in subsection (1).

9 (3) Distributions in subsection (1) shall be made only to counties that maintain
10 local spending in the current fiscal year of at least the amount expended in fiscal year
11 1992-1993 for the services described in subsection (1).

12 (4) By December 1 of the current fiscal year, the department shall provide a report
13 to the house and senate appropriations subcommittees on the department budget, the house
14 and senate fiscal agencies, and the state budget director on the planned allocation of the
15 funds appropriated for essential local public health services.

16 Sec. 8-1223. (1) From the funds appropriated in part 1 for dental programs,
17 \$150,000.00 shall be allocated to the Michigan Dental Association for the administration of
18 a volunteer dental program that provides dental services to the uninsured.

19 (2) Not later than December 1 of the current fiscal year, the department shall report
20 to the senate and house appropriations subcommittees on the department budget, the senate
21 and house standing committees on health policy, the senate and house fiscal agencies, and
22 the state budget office the number of individual patients treated, number of procedures
23 performed, and approximate total market value of those procedures from the immediately
24 preceding fiscal year.

25 Sec. 8-1224. The department shall use revenue from mobile dentistry facility permit
26 fees received under section 21605 of the public health code, 1978 PA 368, MCL 333.21605, to
27 offset the cost of the permit program.

28 Sec. 8-1226. From the funds appropriated in part 1 for health and wellness
29 initiatives, \$1,000,000.00 shall be allocated for a school children's healthy exercise
30 program to promote and advance physical health for school children in kindergarten through
31 grade 8. The department shall recommend model programs for sites to implement that
32 incorporate evidence-based best practices. The department shall establish guidelines for

1 program sites, which may include schools, community-based organizations, private
2 facilities, recreation centers, or other similar sites. The program format shall encourage
3 local determination of site activities and shall encourage local inclusion of youth in the
4 decision-making regarding site activities. Program goals shall include children
5 experiencing improved physical health and access to physical activity opportunities, the
6 reduction of obesity, providing a safe place to play and exercise, and nutrition education.
7 To be eligible to participate, program sites shall provide a 20% match to the state
8 funding, which may be provided in full, or in part, by a corporation, foundation, or
9 private partner. The department shall seek financial support from corporate, foundation, or
10 other private partners for the program or for individual program sites.

11 Sec. 8-1227. The department shall establish criteria for all funds allocated under
12 part 1 for health and wellness initiatives. The criteria must include a requirement that
13 all programs funded be evidence-based and supported by research, include interventions that
14 have been shown to demonstrate outcomes that lower cost and improve quality, and be
15 designed for statewide impact. Preference must be given to programs that utilize the
16 funding as match for additional resources including, but not limited to, federal sources.

17

18 **FAMILY, MATERNAL, AND CHILD HEALTH**

19 Sec. 8-1302. Each family planning program receiving federal title X family planning
20 funds under 42 USC 300 to 300a-8 shall be in compliance with all performance and quality
21 assurance indicators that the office of population affairs within the United States
22 Department of Health and Human Services specifies in the program guidelines for project
23 grants for family planning services. An agency not in compliance with the indicators shall
24 not receive supplemental or reallocated funds.

25 Sec. 8-1303. The department shall not contract with an organization that provides
26 elective abortions, abortion counseling, or abortion referrals, for services that are to be
27 funded with state restricted or state general fund/general purpose funds appropriated in
28 part 1 for family planning local agreements. An organization under contract with the
29 department shall not subcontract with an organization that provides elective abortions,
30 abortion counseling, or abortion referrals, for services that are to be funded with state
31 restricted or state general fund/general purpose funds appropriated in part 1 for family
32 planning local agreements.

1 Sec. 8-1304. The department shall not use state restricted funds or state general
2 funds appropriated in part 1 in the pregnancy prevention program or family planning local
3 agreements appropriation line items for abortion counseling, referrals, or services.

4 Sec. 8-1308. From the funds appropriated in part 1 for prenatal care outreach and
5 service delivery support, not less than \$500,000.00 of funding shall be allocated for
6 evidence-based programs to reduce infant mortality including nurse family partnership
7 programs. The funds shall be used for enhanced support and education to nursing teams or
8 other teams of qualified health professionals, client recruitment in areas designated as
9 underserved for obstetrical and gynecological services and other high-need communities,
10 strategic planning to expand and sustain programs, and marketing and communications of
11 programs to raise awareness, engage stakeholders, and recruit nurses.

12 Sec. 8-1309. The department shall allocate funds appropriated in section 117 of part
13 1 for family, maternal, and child health according to section 1 of 2002 PA 360, MCL
14 333.1091.

15 Sec. 8-1310. The department shall continue to work jointly with the Michigan state
16 housing development authority and the joint task force established under article IV of 2014
17 PA 252 to review housing rehabilitation, energy and weatherization, and hazard abatement
18 program policies and to make recommendations for integrating and coordinating project
19 delivery with the goals of serving more families and achieving better outcomes by
20 maximizing state and federal resources. The joint task force may provide recommendations to
21 the department. Recommendations of the joint task force must give consideration to best
22 practices and cost effectiveness.

23 Sec. 8-1313. (1) The department shall continue developing an outreach program on
24 fetal alcohol syndrome services, targeting health promotion, prevention, and intervention
25 as described in the Michigan fetal alcohol spectrum disorders 5-year plan 2015-2020.

26 (2) The department shall explore federal grant funding to address prevention services
27 for fetal alcohol syndrome and reduce alcohol consumption among pregnant women.

28
29 **CHILDREN'S SPECIAL HEALTH CARE SERVICES**

30 Sec. 8-1360. The department may do 1 or more of the following:

31 (a) Provide special formula for eligible clients with specified metabolic and
32 allergic disorders.

1 (b) Provide medical care and treatment to eligible patients with cystic fibrosis who
2 are 21 years of age or older.

3 (c) Provide medical care and treatment to eligible patients with hereditary
4 coagulation defects, commonly known as hemophilia, who are 21 years of age or older.

5 (d) Provide human growth hormone to eligible patients.

6 Sec. 8-1361. From the funds appropriated in part 1 for medical care and treatment,
7 the department is authorized to spend those funds for the continued development and
8 expansion of telemedicine capacity to allow families with children in the children's
9 special health care services program to access specialty providers more readily and in a
10 more timely manner.

11

12 **AGING AND ADULT SERVICES AGENCY**

13 Sec. 8-1402. The department may encourage the Food Bank Council of Michigan to
14 collaborate directly with each area agency on aging and any other organizations that
15 provide senior nutrition services to secure the food access of vulnerable seniors.

16 Sec. 8-1403. (1) By February 1 of the current fiscal year, the aging and adult
17 services agency shall require each region to report to the aging and adult services agency
18 and to the legislature home-delivered meals waiting lists based upon standard criteria.

19 Determining criteria shall include all of the following:

20 (a) The recipient's degree of frailty.

21 (b) The recipient's inability to prepare his or her own meals safely.

22 (c) Whether the recipient has another care provider available.

23 (d) Any other qualifications normally necessary for the recipient to receive home-
24 delivered meals.

25 (2) Data required in subsection (1) shall be recorded only for individuals who have
26 applied for participation in the home-delivered meals program and who are initially
27 determined as likely to be eligible for home-delivered meals.

28 Sec. 8-1417. The department shall provide to the senate and house appropriations
29 subcommittees on the department budget, senate and house fiscal agencies, and state budget
30 director a report by March 30 of the current fiscal year that contains all of the
31 following:

32 (a) The total allocation of state resources made to each area agency on aging by

1 individual program and administration.

2 (b) Detail expenditure by each area agency on aging by individual program and
3 administration including both state-funded resources and locally-funded resources.

4 Sec. 8-1421. From the funds appropriated in part 1 for community services,
5 \$1,100,000.00 shall be allocated to area agencies on aging for locally determined needs.

6 Sec. 8-1422. (1) From the funds appropriated in part 1 for aging and adult services
7 administration, not less than \$300,000.00 shall be allocated for the department to contract
8 with the Prosecuting Attorneys Association of Michigan to provide the support and services
9 necessary to increase the capability of the state's prosecutors, adult protective service
10 system, and criminal justice system to effectively identify, investigate, and prosecute
11 elder abuse and financial exploitation.

12 (2) By March 1 of the current fiscal year, the Prosecuting Attorneys Association of
13 Michigan shall provide a report on the efficacy of the contract to the state budget office,
14 the house and senate appropriations subcommittees on the department budget, the house and
15 senate fiscal agencies, and the house and senate policy offices.

16 Sec. 8-1425. The department shall coordinate with the department of licensing and
17 regulatory affairs to ensure that, upon receipt of the order of suspension of a licensed
18 adult foster care home, home for the aged, or nursing home, the department of licensing and
19 regulatory affairs shall provide notice to the department and to the house and senate
20 appropriations subcommittees on the department budget.

21

22 **MEDICAL SERVICES ADMINISTRATION**

23 Sec. 8-1501. The unexpended funds appropriated in part 1 for the electronic health
24 records incentive program are considered work project appropriations, and any unencumbered
25 or unallotted funds are carried forward into the following fiscal year. The following is in
26 compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL
27 18.1451a:

28 (a) The purpose of the project to be carried forward is to implement the Medicaid
29 electronic health record program that provides financial incentive payments to Medicaid
30 health care providers to encourage the adoption and meaningful use of electronic health
31 records to improve quality, increase efficiency, and promote safety.

32 (b) The projects will be accomplished according to the approved federal advanced

1 planning document.

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

4 (d) The tentative completion date for the work project is September 30, 2021.

5 Sec. 8-1505. By March 1 and September 1 of the current fiscal year, the department
6 shall submit a report to the senate and house appropriations subcommittees on the
7 department budget, the senate and house fiscal agencies, and the state budget office
8 including both of the following:

9 (a) The department's projected annual increase in reimbursement savings and cost
10 offsets that will result from the funds appropriated in part 1 for the office of inspector
11 general and third party liability efforts.

12 (b) The actual increase in reimbursement savings and cost offsets that have resulted
13 from the funds appropriated in part 1 for the office of inspector general and third party
14 liability efforts.

15 Sec. 8-1506. The department shall submit to the senate and house appropriations
16 subcommittees on the department budget, the senate and house fiscal agencies, the senate
17 and house policy offices, and the state budget office a quarterly report on the
18 implementation status of the public assistance call center that includes all of the
19 following information:

20 (a) Call volume during the prior quarter.

21 (b) Percentage of calls resolved through the public assistance call center.

22 (c) Percentage of calls transferred to a local department office or other office for
23 resolution.

24 (d) Number of Medicaid applications completed by the public assistance call center
25 staff and submitted on behalf of clients.

26 Sec. 8-1507. (1) From the funds appropriated in part 1 for technology supporting
27 integrated service delivery, the department shall establish new information technology
28 tools and enhance existing systems to improve the eligibility and enrollment process for
29 citizens accessing department administered programs. This information technology system
30 will consolidate beneficiary information, support department caseworker efforts in building
31 a success plan for beneficiaries, and better support department staff in supporting
32 enrollees in assistance programs.

1 (2) Outcomes and performance measures for the initiative under subsection (1)
2 include, but are not limited to, the following:

3 (a) Successful consolidation of data warehouses maintained by the department.

4 (b) The amount of time a department caseworker devotes to data entry when initiating
5 an enrollee application.

6 (c) A reduction in wait times for persons enrolled in assistance programs to speak
7 with department staff and get necessary changes made.

8 (d) A reduction in department caseworker workload.
9

10 **MEDICAL SERVICES**

11 Sec. 8-1601. The cost of remedial services incurred by residents of licensed adult
12 foster care homes and licensed homes for the aged shall be used in determining financial
13 eligibility for the medically needy. Remedial services include basic self-care and
14 rehabilitation training for a resident.

15 Sec. 8-1603. (1) The department may establish a program for individuals to purchase
16 medical coverage at a rate determined by the department.

17 (2) The department may receive and expend premiums for the buy-in of medical coverage
18 in addition to the amounts appropriated in part 1.

19 (3) The premiums described in this section shall be classified as private funds.

20 Sec. 8-1605. The protected income level for Medicaid coverage determined pursuant to
21 section 106(1)(b)(iii) of the social welfare act, 1939 PA 280, MCL 400.106, shall be 100%
22 of the related public assistance standard.

23 Sec. 8-1606. For the purpose of guardian and conservator charges, the department may
24 deduct up to \$83.00 per month as an allowable expense against a recipient's income when
25 determining medical services eligibility and patient pay amounts.

26 Sec. 8-1607. (1) An applicant for Medicaid, whose qualifying condition is pregnancy,
27 shall immediately be presumed to be eligible for Medicaid coverage unless the preponderance
28 of evidence in her application indicates otherwise. The applicant who is qualified as
29 described in this subsection shall be allowed to select or remain with the Medicaid
30 participating obstetrician of her choice.

31 (2) An applicant qualified as described in subsection (1) shall be given a letter of
32 authorization to receive Medicaid covered services related to her pregnancy. All qualifying

1 applicants shall be entitled to receive all medically necessary obstetrical and prenatal
2 care without preauthorization from a health plan. All claims submitted for payment for
3 obstetrical and prenatal care shall be paid at the Medicaid fee-for-service rate in the
4 event a contract does not exist between the Medicaid participating obstetrical or prenatal
5 care provider and the managed care plan. The applicant shall receive a listing of Medicaid
6 physicians and managed care plans in the immediate vicinity of the applicant's residence.

7 (3) In the event that an applicant, presumed to be eligible pursuant to subsection
8 (1), is subsequently found to be ineligible, a Medicaid physician or managed care plan that
9 has been providing pregnancy services to an applicant under this section is entitled to
10 reimbursement for those services until such time as they are notified by the department
11 that the applicant was found to be ineligible for Medicaid.

12 (4) If the preponderance of evidence in an application indicates that the applicant
13 is not eligible for Medicaid, the department shall refer that applicant to the nearest
14 public health clinic or similar entity as a potential source for receiving pregnancy-
15 related services.

16 (5) The department shall develop an enrollment process for pregnant women covered
17 under this section that facilitates the selection of a managed care plan at the time of
18 application.

19 (6) The department shall mandate enrollment of women, whose qualifying condition is
20 pregnancy, into Medicaid managed care plans.

21 (7) The department shall encourage physicians to provide women, whose qualifying
22 condition for Medicaid is pregnancy, with a referral to a Medicaid participating dentist at
23 the first pregnancy-related appointment.

24 Sec. 8-1611. (1) For care provided to medical services recipients with other third-
25 party sources of payment, medical services reimbursement shall not exceed, in combination
26 with such other resources, including Medicare, those amounts established for medical
27 services-only patients. The medical services payment rate shall be accepted as payment in
28 full. Other than an approved medical services co-payment, no portion of a provider's charge
29 shall be billed to the recipient or any person acting on behalf of the recipient. Nothing
30 in this section shall be considered to affect the level of payment from a third-party
31 source other than the medical services program. The department shall require a nonenrolled
32 provider to accept medical services payments as payment in full.

1 (2) Notwithstanding subsection (1), medical services reimbursement for hospital
2 services provided to dual Medicare/medical services recipients with Medicare part B
3 coverage only shall equal, when combined with payments for Medicare and other third-party
4 resources, if any, those amounts established for medical services-only patients, including
5 capital payments.

6 Sec. 8-1620. (1) According to the federal covered outpatient drug final rule with
7 comment (CMS-2345-FC), the department shall establish a professional pharmaceutical
8 dispensing fee for pharmacy benefits that are reimbursed on a fee-for-service basis. In
9 establishing this fee, the department shall comply with federal law while taking into
10 consideration the state's long-term financial exposure and Medicaid beneficiaries' access
11 to care. The established fee shall not be lower than the amount in effect on October 1,
12 2015.

13 (2) The department shall require a prescription co-payment for Medicaid recipients
14 not enrolled in the Healthy Michigan plan or with an income less than 100% of the federal
15 poverty level of \$1.00 for a generic drug and \$3.00 for a brand-name drug, except as
16 prohibited by federal or state law or regulation.

17 (3) The department shall require a prescription co-payment for Medicaid recipients
18 enrolled in the Healthy Michigan plan with an income of at least 100% of the federal
19 poverty level of \$4.00 for a generic drug and \$8.00 for a brand-name drug, except as
20 prohibited by federal or state law or regulation.

21 Sec. 8-1629. The department shall utilize maximum allowable cost pricing for generic
22 drugs that is based on wholesaler pricing to providers that is available from at least 2
23 wholesalers who deliver in this state.

24 Sec. 8-1631. (1) The department shall require co-payments on dental, podiatric, and
25 vision services provided to Medicaid recipients, except as prohibited by federal or state
26 law or regulation.

27 (2) Except as otherwise prohibited by federal or state law or regulation, the
28 department shall require Medicaid recipients not enrolled in the Healthy Michigan plan or
29 with an income less than 100% of the federal poverty level to pay not less than the
30 following co-payments:

31 (a) Two dollars for a physician office visit.

32 (b) Three dollars for a hospital emergency room visit.

1 (c) Fifty dollars for the first day of an inpatient hospital stay.

2 (d) One dollar for an outpatient hospital visit.

3 (3) Except as otherwise prohibited by federal or state law or regulation, the
4 department shall require Medicaid recipients enrolled in the Healthy Michigan plan with an
5 income of at least 100% of the federal poverty level to pay the following co-payments:

6 (a) Four dollars for a physician office visit.

7 (b) Eight dollars for a hospital emergency room visit.

8 (c) One hundred dollars for the first day of an inpatient hospital stay.

9 (d) Four dollars for an outpatient hospital visit or any other medical provider visit
10 to the extent allowed by federal or state law or regulation.

11 Sec. 8-1641. An institutional provider that is required to submit a cost report under
12 the medical services program shall submit cost reports completed in full within 5 months
13 after the end of its fiscal year.

14 Sec. 8-1646. From the funds appropriated in part 1 for long-term care services, the
15 department shall implement a nursing facility quality initiative. The initiative will be
16 financed through an increase of the nursing facility quality assurance assessment, and will
17 provide quality incentive payments intended to reward and support improvement in outcomes
18 for nursing facility patients and residents.

19 Sec. 8-1657. (1) Reimbursement for medical services to screen and stabilize a
20 Medicaid recipient, including stabilization of a psychiatric crisis, in a hospital
21 emergency room shall not be made contingent on obtaining prior authorization from the
22 recipient's HMO. If the recipient is discharged from the emergency room, the hospital shall
23 notify the recipient's HMO within 24 hours of the diagnosis and treatment received.

24 (2) If the treating hospital determines that the recipient will require further
25 medical service or hospitalization beyond the point of stabilization, that hospital shall
26 receive authorization from the recipient's HMO prior to admitting the recipient.

27 (3) Subsections (1) and (2) do not require an alteration to an existing agreement
28 between an HMO and its contracting hospitals and do not require an HMO to reimburse for
29 services that are not considered to be medically necessary.

30 Sec. 8-1659. The following sections of this part are the only ones that shall apply
31 to the following Medicaid managed care programs, including the comprehensive plan, MIChoice
32 long-term care plan, and the mental health, substance use disorder, and developmentally

1 disabled services program: 904, 918, 920, 942, 1003, 1004, 1008, 1607, 1657, 1662, 1699,
2 1764, 1809, 1810, 1882, and 1888.

3 Sec. 8-1662. (1) The department shall ensure that an external quality review of each
4 contracting HMO is performed that results in an analysis and evaluation of aggregated
5 information on quality, timeliness, and access to health care services that the HMO or its
6 contractors furnish to Medicaid beneficiaries.

7 (2) The department shall require Medicaid HMOs to provide EPSDT utilization data
8 through the encounter data system, and HEDIS well child health measures in accordance with
9 the National Committee for Quality Assurance prescribed methodology.

10 (3) The department shall provide a copy of the analysis of the Medicaid HMO annual
11 audited HEDIS reports and the annual external quality review report to the senate and house
12 of representatives appropriations subcommittees on the department budget, the senate and
13 house fiscal agencies, and the state budget director, within 30 days of the department's
14 receipt of the final reports from the contractors.

15 Sec. 8-1670. (1) The appropriation in part 1 for the MIChild program is to be used to
16 provide comprehensive health care to all children under age 19 who reside in families with
17 income at or below 212% of the federal poverty level, who are uninsured and have not had
18 coverage by other comprehensive health insurance within 6 months of making application for
19 MIChild benefits, and who are residents of this state. The department shall develop
20 detailed eligibility criteria through the medical services administration public
21 concurrence process, consistent with the provisions of this part and part 1.

22 (2) The department may provide up to 1 year of continuous eligibility to children
23 eligible for the MIChild program unless the family fails to pay the monthly premium, a
24 child reaches age 19, or the status of the children's family changes and its members no
25 longer meet the eligibility criteria as specified in the state plan.

26 (3) The department may make payments on behalf of children enrolled in the MIChild
27 program as described in the MIChild state plan approved by the United States Department of
28 Health and Human Services, or from other medical services.

29 Sec. 8-1673. The department may establish premiums for MIChild eligible individuals
30 in families with income at or below 212% of the federal poverty level. The monthly premiums
31 shall be \$10.00 per month.

32 Sec. 8-1677. The MIChild program shall provide, at a minimum, all benefits available

1 under the Michigan benchmark plan that are delivered through contracted providers and
2 consistent with federal law, including, but not limited to, the following medically
3 necessary services:

4 (a) Inpatient mental health services, other than substance use disorder treatment
5 services, including services furnished in a state-operated mental hospital and residential
6 or other 24-hour therapeutically planned structured services.

7 (b) Outpatient mental health services, other than substance use disorder services,
8 including services furnished in a state-operated mental hospital and community-based
9 services.

10 (c) Durable medical equipment and prosthetic and orthotic devices.

11 (d) Dental services as outlined in the approved MICHild state plan.

12 (e) Substance use disorder treatment services that may include inpatient, outpatient,
13 and residential substance use disorder treatment services.

14 (f) Care management services for mental health diagnoses.

15 (g) Physical therapy, occupational therapy, and services for individuals with speech,
16 hearing and language disorders.

17 (h) Emergency ambulance services.

18 Sec. 8-1682. (1) In addition to the appropriations in part 1, the department is
19 authorized to receive and spend penalty money received as the result of noncompliance with
20 medical services certification regulations. Penalty money, characterized as private funds,
21 received by the department shall increase authorizations and allotments in the long-term
22 care accounts.

23 (2) Any unexpended penalty money, at the end of the year, shall carry forward to the
24 following year.

25 Sec. 8-1692. (1) The department is authorized to pursue reimbursement for eligible
26 services provided in Michigan schools from the federal Medicaid program. The department and
27 the state budget director are authorized to negotiate and enter into agreements, together
28 with the department of education, with local and intermediate school districts regarding
29 the sharing of federal Medicaid services funds received for these services. The department
30 is authorized to receive and disburse funds to participating school districts pursuant to
31 such agreements and state and federal law.

32 (2) From the funds appropriated in part 1 for medical services school-based services

1 payments, the department is authorized to do all of the following:

2 (a) Finance activities within the medical services administration related to this
3 project.

4 (b) Reimburse participating school districts pursuant to the fund-sharing ratios
5 negotiated in the state-local agreements authorized in subsection (1).

6 (c) Offset general fund costs associated with the medical services program.

7 Sec. 8-1693. The special Medicaid reimbursement appropriation in part 1 may be
8 increased if the department submits a medical services state plan amendment pertaining to
9 this line item at a level higher than the appropriation. The department is authorized to
10 appropriately adjust financing sources in accordance with the increased appropriation.

11 Sec. 8-1694. From the funds appropriated in part 1 for special Medicaid
12 reimbursement, \$386,700.00 of general fund/general purpose revenue and any associated
13 federal match shall be distributed for poison control services to an academic health care
14 system that includes a children's hospital that has a high indigent care volume.

15 Sec. 8-1699. (1) The department may make separate payments in the amount of
16 \$45,000,000.00 directly to qualifying hospitals serving a disproportionate share of
17 indigent patients and to hospitals providing GME training programs. If direct payment for
18 GME and DSH is made to qualifying hospitals for services to Medicaid recipients, hospitals
19 shall not include GME costs or DSH payments in their contracts with HMOs.

20 (2) The department shall allocate \$45,000,000.00 in DSH funding using the
21 distribution methodology used in fiscal year 2003-2004.

22 Sec. 8-1700. (1) By December 1 of the current fiscal year, the department shall
23 report to the senate and house appropriations subcommittees on the department budget, the
24 senate and house fiscal agencies, and the state budget office on the distribution of
25 funding provided, and the net benefit if the special hospital payment is not financed with
26 general fund/general purpose revenue, to each eligible hospital during the previous fiscal
27 year from the following special hospital payments:

28 (a) DSH, separated out by unique DSH pool.

29 (b) GME.

30 (c) Special rural hospital payments provided under section 1866.

31 (d) Lump-sum payments to rural hospitals for obstetrical care provided under section
32 1802.

1 (2) By May 1 of the current fiscal year, the department shall report to the senate
2 and house appropriations subcommittees on the department budget, the senate and house
3 fiscal agencies, and the state budget office on the projected distribution of funding, and
4 the projected net benefit if the special hospital payment is not financed with general
5 fund/general purpose revenue, to each eligible hospital from the following special hospital
6 payments:

7 (a) DSH, separated out by unique DSH pool.

8 (b) GME.

9 (c) Special rural hospital payments provided under section 1866.

10 (d) Lump-sum payments to rural hospitals for obstetrical care provided under section
11 1802.

12 Sec. 8-1702. From the funds appropriated in part 1, the department shall maintain the
13 15% rate increase provided during fiscal year 2017 for private duty nursing services for
14 Medicaid beneficiaries under the age of 21. These additional funds must be used to attract
15 and retain highly qualified registered nurses and licensed practical nurses to provide
16 private duty nursing services so that medically frail children can be cared for in the most
17 homelike setting possible.

18 Sec. 8-1764. The department shall annually certify whether rates paid to Medicaid
19 health plans and specialty PIHPs are actuarially sound in accordance with federal
20 requirements and shall provide a copy of the rate certification and approval of rates paid
21 to Medicaid health plans and specialty PIHPs within 5 business days after certification or
22 approval to the senate and house appropriations subcommittees on the department budget, the
23 senate and house fiscal agencies, and the state budget office. When calculating the annual
24 actuarial soundness adjustment, the department shall take into account all Medicaid policy
25 bulletins affecting Medicaid health plans or specialty PIHPs issued after the most recent
26 actuarial soundness process concluded.

27 Sec. 8-1775. The department shall ensure the existence of an ombudsman program that
28 is not associated with any project service manager or provider to assist MI Health Link
29 beneficiaries with navigating complaint and dispute resolution mechanisms and to identify
30 problems in the demonstrations and in the complaint and dispute resolution mechanisms.

31 Sec. 8-1800. The department shall distribute the \$85,000,000 Medicaid value
32 disproportionate share hospital payment pool based on metrics utilized to determine value.

1 Sec. 8-1801. From the funds appropriated in part 1 for physician services and health
2 plan services, the department shall continue the increase to Medicaid rates for primary
3 care services provided only by primary care providers. For the purpose of this section, a
4 primary care provider is a physician, or a practitioner working under the personal
5 supervision of a physician, who is board-eligible or certified with a specialty designation
6 of family medicine, general internal medicine, or pediatric medicine, or a provider who
7 provides the department with documentation of equivalency. Providers performing a service
8 and whose primary practice is as a non-primary-care subspecialty is not eligible for the
9 increase. The department shall establish policies that most effectively limit the increase
10 to primary care providers for primary care services only.

11 Sec. 8-1802. From the funds appropriated in part 1, a lump-sum payment shall be made
12 to hospitals that qualified for rural hospital access payments in fiscal year 2013-2014 and
13 that provide obstetrical care in the current fiscal year. The payment shall be calculated
14 as \$830.00 for each obstetrical care case payment and each newborn care case payment for
15 all such cases billed by the qualified hospitals for fiscal year 2012-2013 and shall be
16 paid through the Medicaid health plan hospital rate adjustment process by January 1 of the
17 current fiscal year.

18 Sec. 8-1804. The department, in cooperation with the department of military and
19 veterans affairs, shall work with the federal public assistance reporting information
20 system to identify Medicaid recipients who are veterans and who may be eligible for federal
21 veterans health care benefits or other benefits.

22 Sec. 8-1805. Hospitals receiving medical services payments for graduate medical
23 education shall submit fully completed quality data to a nonprofit organization with
24 extensive experience in collecting and reporting hospital quality data on a public website.
25 The reporting must utilize consensus-based nationally endorsed standards that meet National
26 Quality Forum-endorsed safe practices. The organization collecting the data must be an
27 organization that uses severity-adjusted risk models and measures that will help patients
28 and payers identify hospital campuses likely to have superior outcomes. The public website
29 shall provide information to allow consumers to compare safe practices by hospital campus,
30 including, but not limited to, perinatal care, hospital-acquired infection, and serious
31 reportable events. Hospitals receiving medical services payments for graduate medical
32 education shall also make their fully completed quality data available on the hospital's

1 website. The department shall withhold 25% of a hospital's graduate medical education
2 payment if the hospital does not submit the data to a qualifying nonprofit organization
3 described in this section by January 1 of the current fiscal year.

4 Sec. 8-1809. The department shall establish separate contract performance standards
5 for Medicaid health plans that adhere to the requirements of section 105d of the social
6 welfare act, 1939 PA 280, MCL 400.105d, associated with the 0.75% and 0.25% capitation
7 withhold. The determination of the performance of the 0.75% capitation withhold is at the
8 discretion of the department but must include recognized concepts such as 1-year continuous
9 enrollment and the HEDIS audited data. The determination of the performance of the 0.25%
10 capitation withhold is at the discretion of the department but must include the utilization
11 of high-value services and discouraging the utilization of low-value services.

12 Sec. 8-1810. The department shall enhance encounter data reporting processes and
13 develop rules that would make each health plan's encounter data as complete as possible,
14 provide a fair measure of acuity for each health plan's enrolled population for risk
15 adjustment purposes, capitation rate setting, diagnosis-related group rate setting, and
16 research and analysis of program efficiencies while minimizing health plan administrative
17 expense.

18 Sec. 8-1812. By June 1 of the current fiscal year, and using the most recent
19 available cost reports, the department shall complete a report of all direct and indirect
20 costs associated with residency training programs for each hospital that receives funds
21 appropriated in part 1 for graduate medical education. The report shall be submitted to the
22 house and senate appropriations subcommittees on the department budget, the house and
23 senate fiscal agencies, and the state budget office.

24 Sec. 8-1837. The department shall continue, and expand where appropriate, utilization
25 of telemedicine and telepsychiatry as strategies to increase access to services for
26 Medicaid recipients in medically underserved areas.

27 Sec. 8-1846. From the funds appropriated in part 1 for graduate medical education,
28 the department shall distribute the funds with an emphasis on the following health care
29 workforce goals:

30 (a) The encouragement of the training of physicians in specialties, including primary
31 care, that are necessary to meet the future needs of residents of this state.

32 (b) The training of physicians in settings that include ambulatory sites and rural

1 locations.

2 Sec. 8-1861. From the funds appropriated in part 1 for transportation services, the
3 department shall increase the number of counties where a contracted broker administers the
4 Medicaid non-emergency transportation benefit. The purpose of this expansion is to improve
5 enrollee access to care, reduce the number of missed physician appointments by Medicaid
6 enrollees, and reduce time spent by caseworkers facilitating non-emergency transportation
7 for Medicaid enrollees. Performance goals include a 20% increase in broker-administered
8 trips, a reduction in the rate of trips reported as missed to no more than 0.5%, and the
9 successful collection of data on program utilization, access, and beneficiary satisfaction.

10 Sec. 8-1866. (1) From the funds appropriated in part 1 for hospital services and
11 therapy and health plan services, \$12,000,000.00 in general fund/general purpose revenue
12 and any associated federal match shall be awarded to hospitals that meet criteria
13 established by the department for services to low-income rural residents. One of the
14 reimbursement components of the distribution formula shall be assistance with labor and
15 delivery services.

16 (2) No hospital or hospital system shall receive more than 10.0% of the total funding
17 referenced in subsection (1).

18 (3) To allow hospitals to understand their rural payment amounts under this section,
19 the department shall provide hospitals with the methodology for distribution under this
20 section and provide each hospital with its applicable data that are used to determine the
21 payment amounts by August 1 of the current fiscal year. The department shall publish the
22 distribution of payments for the current fiscal year and the immediately preceding fiscal
23 year.

24 Sec. 8-1873. From the funds appropriated in part 1 for long-term care services, the
25 department may allocate up to \$3,700,000.00 for the purpose of outreach and education to
26 nursing home residents and the coordination of housing in order to move out of the
27 facility. In addition, any funds appropriated shall be used for other quality improvement
28 activities of the program. The department shall consider working with the Area Agencies on
29 Aging Association of Michigan, the non-Area Agencies on Aging waivers, and the Disability
30 Network/Michigan to develop a plan for the ongoing sustainability of the nursing facility
31 transition initiative.

32 Sec. 8-1874. The department shall ensure, in counties where program of all-inclusive

1 care for the elderly or PACE services are available, that the program of all-inclusive care
2 for the elderly (PACE) is included as an option in all options counseling and enrollment
3 brokering for aging services and managed care programs, including, but not limited to, Area
4 Agencies on Aging, centers for independent living, and the MiChoice home and community-
5 based waiver. Such options counseling must include approved marketing and discussion
6 materials.

7 Sec. 8-1878. Not later than March 1 of the current fiscal year, the department shall
8 provide a report to the senate and house appropriations subcommittees on the department
9 budget, the senate and house fiscal agencies, the senate and house policy offices, and the
10 state budget office on hepatitis C tracking data. At a minimum, the report shall include
11 information on the following for individuals treated with Harvoni or any other treatment
12 used to cure hepatitis C during the current fiscal year or a previous fiscal year:

13 (a) The total number of people treated broken down by those treated through
14 traditional Medicaid and those treated through the Healthy Michigan plan.

15 (b) The total cost of treatment.

16 (c) The total cost of treatment broken down by those treated through traditional
17 Medicaid and those treated through the Healthy Michigan plan.

18 (d) The total amount of any rebates that were received from the purchase of hepatitis
19 C specialty pharmaceuticals.

20 (e) Outstanding rebates that the department is expecting to receive.

21 (f) The cure rate broken down by Metavir Score, genotype, Medicaid match rate, and
22 drug used during treatment.

23 (g) The reinfection rate broken down by Metavir Score, genotype, Medicaid match rate,
24 and drug used during treatment.

25 Sec. 8-1882. By December 31, 2016, the department shall report to the senate and
26 house appropriations subcommittees on the department budget, the senate and house fiscal
27 agencies, and the state budget office, documentation of the expenses incurred during the
28 immediate preceding fiscal year by Medicaid health plans and PIHPs for the purpose of
29 meeting the contractual requirements to join the Michigan Health Information Network Shared
30 Services and incentivizing providers to become members of the Health Information Exchange
31 Qualified Organization. The report should also include an estimation of the expenses to be
32 incurred in the current fiscal year by Medicaid health plans and PIHPs for the same purpose

1 of meeting their contractual obligations.

2 Sec. 8-1888. The department shall establish contract performance standards associated
3 with the capitation withhold provisions for Medicaid health plans in advance of the
4 implementation of those standards. The determination of whether performance standards have
5 been met shall be based primarily on recognized concepts such as 1-year continuous
6 enrollment and the healthcare effectiveness data and information set, HEDIS, audited data.

7 Sec. 8-1899. The funds appropriated in part 1 for hospice services shall be expended
8 to provide room and board for Medicaid recipients who meet hospice eligibility requirements
9 and receive services at Medicaid enrolled hospice residences in this state. The qualifying
10 hospice residences must have been enrolled with Medicaid by October 1, 2014.

11

12 **INFORMATION TECHNOLOGY**

13 Sec. 8-1901. (1) By December 1 of the current fiscal year, the department shall
14 report to the senate and house appropriations subcommittees on the department budget, the
15 senate and house fiscal agencies, the senate and house policy offices, and the state budget
16 office all of the following information:

17 (a) The process used to define requests for proposals for each expansion of
18 information technology projects, including timelines, project milestones, and intended
19 outcomes.

20 (b) If the department decides not to contract the services out to design and
21 implement each element of the information technology expansion, the department shall submit
22 its own project plan, which includes, at a minimum, the requirements in subdivision (a).

23 (c) A recommended project management plan with milestones and time frames.

24 (d) The proposed benefits from implementing the information technology expansion,
25 including customer service improvement, form reductions, potential time savings, caseload
26 reduction, and return on investment.

27 (2) Once an award for an expansion of information technology is made, the department
28 shall report to the senate and house appropriations subcommittees on the department budget,
29 the senate and house fiscal agencies, the senate and house policy offices, and the state
30 budget office a projected cost of the expansion broken down by use and type of expense.

31 Sec. 8-1903. From the funds appropriated in part 1 for the Michigan Medicaid
32 information system (MMIS) line item, private revenue may be received from and allocated for

1 other states interested in participating as part of the broader MMIS initiative. By March 1
2 of the current fiscal year, the department shall provide a report on the use of MMIS by
3 other states for the previous fiscal year, including a list of states, type of use, and
4 revenue and expenditures related to the agreements with the other states to use the MMIS.
5 The report shall be provided to the house and senate appropriations subcommittees on the
6 department budget, the house and senate fiscal agencies, and the state budget office.

7 Sec. 8-1904. The department shall report to the senate and house appropriations
8 subcommittees on the department budget, the senate and house fiscal agencies, the senate
9 and house policy offices, and the state budget office by November 1 of the current fiscal
10 year an implementation plan regarding the appropriation in part 1 to implement the
11 MiSACWIS. The plan shall include, but not be limited to, efforts to bring the system in
12 compliance with the settlement and other federal guidelines set forth by the United States
13 Department of Health and Human Services Administration for Children and Families.

14

15 **ONE-TIME APPROPRIATIONS**

16 Sec. 8-1905. From the funds appropriated in part 1 for the drinking water declaration
17 of emergency, the department shall allocate funds to address needs in a city in which a
18 declaration of emergency was issued because of drinking water contamination. These funds
19 may support, but are not limited to, the following activities:

20 (a) Nutrition assistance, nutritional and community education, food bank resources,
21 and food inspections.

22 (b) Epidemiological analysis and case management of individuals at risk of elevated
23 blood lead levels.

24 (c) Support for child and adolescent health centers, children's healthcare access
25 program, and pathways to potential programming.

26 (d) Nursing services, breastfeeding education efforts, evidence-based home visiting
27 programs, intensive services, and outreach for children exposed to lead coordinated through
28 local community mental health organizations.

29 (e) Department field operations costs.

30 (f) Lead poisoning surveillance, treatment, and abatement.

31 Sec. 8-1906. (1) From the funds appropriated in part 1 for university autism
32 programs, the department shall continue a grant process for autism programs. These grants

1 are intended to increase the number of applied behavioral analysts, increase the number of
2 autism diagnostic services provided, or increase employment of individuals who are
3 diagnosed with autism spectrum disorder.

4 (2) As a condition of accepting the grants described in subsection (1), each
5 university shall track and report back to the department where the individuals who have
6 completed the applied behavioral analysis training are initially employed and the location
7 of the initial employment.

8 (3) Outcomes and performance measures related to this initiative include, but are not
9 limited to, the following:

10 (a) An increase in applied behavioral analysts certified from university autism
11 programs.

12 (b) The number of autism diagnostic services provided.

13 (c) The employment rate of employment program participants.

14 (d) The employment rate of applied behavioral analysts trained through the university
15 autism programs.

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Article 9

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 9-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of insurance and financial services are appropriated for the fiscal year ending September 30, 2018, and are anticipated to be appropriated for the fiscal year ending September 30, 2019, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES	
2	APPROPRIATION SUMMARY	
3	Full-time equated unclassified positions.....	6.0 6.0
4	Full-time equated classified positions.....	336.5 336.5
5	GROSS APPROPRIATION	\$ 66,741,400 \$ 66,741,400
6	Total interdepartmental grants and interdepartmental	
7	transfers.....	707,600 707,600
8	ADJUSTED GROSS APPROPRIATION	\$ 66,033,800 \$ 66,033,800
9	Total federal revenues	2,014,700 2,014,700
10	Total local revenues	0 0
11	Total private revenues	0 0
12	Total other state restricted revenues	63,869,100 63,869,100
13	State general fund/general purpose	\$ 150,000 \$ 150,000
14	<i>State general fund/general purpose schedule:</i>	
15	<i>Ongoing state general fund/general purpose</i>	<i>150,000 150,000</i>
16	<i>One-time state general fund/general purpose</i>	<i>0 0</i>
17	Sec. 9-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
18	Full-time equated unclassified positions.....	6.0 6.0
19	Full-time equated classified positions.....	22.5 22.5
20	Unclassified salaries-6.0 FTE positions	\$ 769,100 \$ 769,100
21	Administrative hearings	182,500 182,500
22	Department services-19.0 FTE positions	3,752,200 3,752,200
23	Executive director programs-3.5 FTE positions	1,066,400 1,066,400
24	Property management	1,244,200 1,244,200
25	Worker's compensation	<u>4,700 4,700</u>
26	GROSS APPROPRIATION	\$ 7,019,100 \$ 7,019,100
27	Appropriated from:	
28	Special revenue funds:	
29	Other state restricted revenues	6,869,100 6,869,100
30	State general fund/general purpose	\$ 150,000 \$ 150,000
31	Sec. 9-103. INSURANCE AND FINANCIAL SERVICES REGULATION	
32	Full-time equated classified positions.....	314.0 314.0

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Consumer services and protection-64.0 FTE positions ..	\$ 8,660,800	\$ 8,660,800
2 Financial institutions evaluation-132.0 FTE positions	24,354,400	24,354,400
3 Insurance evaluation-118.0 FTE positions	<u>24,480,500</u>	<u>24,480,500</u>
4 GROSS APPROPRIATION	\$ 57,495,700	\$ 57,495,700
5 Appropriated from:		
6 Interdepartmental grant revenues:		
7 IDG from department of licensing and regulatory		
8 affairs.....	707,600	707,600
9 Federal revenues:		
10 Other federal revenues	2,014,700	2,014,700
11 Special revenue funds:		
12 Other state restricted revenues	54,773,400	54,773,400
13 State general fund/general purpose	\$ 0	\$ 0
14 Sec. 9-104. INFORMATION TECHNOLOGY		
15 Information technology services and projects	\$ <u>2,226,600</u>	\$ <u>2,226,600</u>
16 GROSS APPROPRIATION	\$ 2,226,600	\$ 2,226,600
17 Appropriated from:		
18 Special revenue funds:		
19 Other state restricted revenues	2,226,600	2,226,600
20 State general fund/general purpose	\$ 0	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2018

GENERAL SECTIONS

Sec. 9-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for the fiscal year 2018 is \$64,019,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2018 is \$0.00.

Sec. 9-202. The appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

1 Sec. 9-203. As used in this article:

2 (a) "Department" means the department of insurance and financial services.

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

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

5 (d) "IDG" means interdepartmental grant.

6 Sec. 9-204. The departments and agencies receiving appropriations in part 1 shall use
7 the Internet to fulfill the reporting requirements of this article. This requirement may
8 include transmission of reports via electronic mail to the recipients identified for each
9 reporting requirement, or it may include placement of reports on an Internet or Intranet
10 site.

11 Sec. 9-205. Funds appropriated in part 1 shall not be used for the purchase of
12 foreign goods or services, or both, if competitively priced and of comparable quality
13 American goods or services, or both, are available. Preference shall be given to goods or
14 services, or both, manufactured or provided by Michigan businesses, if they are
15 competitively priced and of comparable quality. In addition, preference should be given to
16 goods or services, or both, that are manufactured or provided by Michigan businesses owned
17 and operated by veterans, if they are competitively priced and of comparable quality.

18 Sec. 9-206. The director shall take all reasonable steps to ensure businesses in
19 deprived and depressed communities compete for and perform contracts to provide services or
20 supplies, or both. Each director shall strongly encourage firms with which the department
21 contracts to subcontract with certified businesses in depressed and deprived communities
22 for services, supplies, or both.

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

30 (a) The dates of each travel occurrence.

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

1 with state restricted revenues, the proportion funded with federal revenues, and the
2 proportion funded with other revenues.

3 Sec. 9-208. Funds appropriated in part 1 shall not be used by a principal executive
4 department, state agency, or authority to hire a person to provide legal services that are
5 the responsibility of the attorney general. This prohibition does not apply to legal
6 services for bonding activities and for those outside services that the attorney general
7 authorizes.

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

14 Sec. 9-210. (1) In addition to the funds appropriated in part 1, there is
15 appropriated an amount not to exceed \$1,000,000.00 for federal contingency funds. These
16 funds are not available for expenditure until they have been transferred to another line
17 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
18 MCL 18.1393.

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

23 Sec. 9-211. The department shall cooperate with the department of technology,
24 management and budget to maintain a searchable website accessible by the public at no cost
25 that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

31 (e) Job specifications and wage rates.

32 Sec. 9-212. Within 14 days after the release of the executive budget recommendation,

1 the department shall cooperate with the state budget office to provide the senate and house
2 appropriations chairs, the senate and house appropriations subcommittees chairs, and the
3 senate and house fiscal agencies with an annual report on estimated state restricted fund
4 balances, state restricted fund projected revenues, and state restricted fund expenditures
5 for the fiscal years ending September 30, 2017 and September 30, 2018.

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

9 Sec. 9-214. Total authorized appropriations from all sources in part 1 for legacy
10 costs for the fiscal year ending September 30, 2018 are estimated at \$9,551,300.00. From
11 this amount, total agency appropriations for pension-related legacy costs are estimated at
12 \$4,915,200.00. Total agency appropriations for retiree health care legacy costs are
13 estimated at \$4,636,100.00.

14 Sec. 9-215. Unless prohibited by law, the department may accept credit card or other
15 electronic means of payment for licenses, fees, or permits.

16

17 **INSURANCE AND FINANCIAL SERVICES REGULATION**

18 Sec. 9-302. In addition to the funds appropriated in part 1, the funds collected by
19 the department in connection with a conservatorship under section 32 of the mortgage
20 brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1682, and funds
21 collected by the department from corporations being liquidated under the insurance code of
22 1956, 1956 PA 218, MCL 500.100 to 500.8302, shall be appropriated for all expenses
23 necessary to provide for the required services. Funds are available for expenditure when
24 they are received by the department of treasury and shall not lapse to the general fund at
25 the end of the fiscal year.

26 Sec. 9-303. The department may make available to interested entities customized
27 listings of nonconfidential information in its possession. The department may establish and
28 collect a reasonable charge to provide this service. The revenue from this service is
29 appropriated when received and shall be used to offset expenses to provide the service. Any
30 balance of this revenue collected and unexpended at the end of the fiscal year shall lapse
31 to the appropriate restricted fund.

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Article 10

JUDICIARY

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 10-101. Subject to the conditions set forth in this article, the amounts listed in this part for the judiciary are appropriated for the fiscal year ending September 30, 2018, and are anticipated to be appropriated for the fiscal year ending September 30, 2019, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	JUDICIARY	
2	APPROPRIATION SUMMARY	
3	501.0	490.0
4	\$ 299,954,600	\$ 298,904,600
5	Total interdepartmental grants and interdepartmental	
6	1,550,600	1,550,600
7	\$ 298,404,000	\$ 297,354,000
8	6,488,900	6,488,900
9	6,000,000	6,000,000
10	971,000	971,000
11	92,539,000	92,539,000
12	\$ 192,405,100	\$ 191,355,100
13	<i>State general fund/general purpose schedule:</i>	
14	191,355,100	191,355,100
15	1,050,000	0
16	Sec. 10-102. SUPREME COURT	
17	248.0	248.0
18	\$ 2,387,800	\$ 2,387,800
19	Direct trial court automation support-44.0 FTE	
20	6,000,000	6,000,000
21	11,833,000	11,833,000
22	1,325,000	1,325,000
23	4,404,400	4,404,400
24	1,832,700	1,832,700
25	Mental health courts and diversion services-1.0 FTE	
26	5,465,100	5,465,100
27	4,116,000	4,116,000
28	275,100	275,100
29	12,678,800	12,678,800
30	13,872,900	13,872,900
31	4,000,000	4,000,000
32	<u>500,000</u>	<u>500,000</u>

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019	
1	GROSS APPROPRIATION	\$ 68,690,800	\$ 68,690,800
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG from department of corrections	50,600	50,600
5	IDG from department of state police	1,500,000	1,500,000
6	Federal revenues:		
7	Other federal revenues	6,421,600	6,421,600
8	Special revenue funds:		
9	Local revenues	6,000,000	6,000,000
10	Private revenues	885,200	885,200
11	Other state restricted revenues	7,857,100	7,857,100
12	State general fund/general purpose	\$ 45,976,300	\$ 45,976,300
13	Sec. 10-103. COURT OF APPEALS		
14	Full-time equated exempted positions.....	175.0	175.0
15	Court of appeals operations-175.0 FTE positions	\$ <u>23,629,300</u>	\$ <u>23,629,300</u>
16	GROSS APPROPRIATION	\$ 23,629,300	\$ 23,629,300
17	Appropriated from:		
18	Special revenue funds:		
19	State general fund/general purpose	\$ 23,629,300	\$ 23,629,300
20	Sec. 10-104. BRANCHWIDE APPROPRIATIONS		
21	Full-time equated exempted positions.....	4.0	4.0
22	Branchwide appropriations-4.0 FTE positions	\$ <u>9,126,700</u>	\$ <u>9,126,700</u>
23	GROSS APPROPRIATION	\$ 9,126,700	\$ 9,126,700
24	Appropriated from:		
25	Special revenue funds:		
26	State general fund/general purpose	\$ 9,126,700	\$ 9,126,700
27	Sec. 10-105. JUSTICES' AND JUDGES' COMPENSATION		
28	Full-time judges positions.....	588.0	588.0
29	Supreme court justices' salaries-7.0 justices	\$ 1,152,300	\$ 1,152,300
30	Circuit court judges' state base salaries-214.0 judges	21,364,800	21,364,800
31	Circuit court judicial salary standardization	9,785,000	9,785,000
32	Court of appeals judges' salaries-27.0 judges	4,252,700	4,252,700

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 District court judges' state base salaries-237.0 judges	23,254,600	23,254,600
2 District court judicial salary standardization	10,836,700	10,836,700
3 Probate court judges' state base salaries-103.0 judges	10,203,000	10,203,000
4 Probate court judicial salary standardization	4,669,600	4,669,600
5 Judges' retirement system defined contributions	4,761,200	4,761,200
6 OASI, social security	<u>5,954,100</u>	<u>5,954,100</u>
7 GROSS APPROPRIATION	\$ 96,234,000	\$ 96,234,000
8 Appropriated from:		
9 Special revenue funds:		
10 Other state restricted revenues	2,702,100	2,702,100
11 State general fund/general purpose	\$ 93,531,900	\$ 93,531,900
12 Sec. 10-106. JUDICIAL AGENCIES		
13 Full-time equated exempted positions.....	7.0	7.0
14 Judicial tenure commission-7.0 FTE positions	<u>\$ 1,157,800</u>	<u>\$ 1,157,800</u>
15 GROSS APPROPRIATION	\$ 1,157,800	\$ 1,157,800
16 Appropriated from:		
17 Special revenue funds:		
18 State general fund/general purpose	\$ 1,157,800	\$ 1,157,800
19 Sec. 10-107. INDIGENT DEFENSE - CRIMINAL		
20 Full-time equated exempted positions.....	51.0	51.0
21 Appellate public defender program-51.0 FTE positions .	<u>\$ 7,848,300</u>	<u>\$ 7,848,300</u>
22 GROSS APPROPRIATION	\$ 7,848,300	\$ 7,848,300
23 Appropriated from:		
24 Federal revenues:		
25 Other federal revenues	67,300	67,300
26 Special revenue funds:		
27 Private revenues	85,800	85,800
28 Other state restricted revenues	137,800	137,800
29 State general fund/general purpose	\$ 7,557,400	\$ 7,557,400
30 Sec. 10-108. INDIGENT CIVIL LEGAL ASSISTANCE		
31 Indigent civil legal assistance	<u>\$ 7,937,000</u>	<u>\$ 7,937,000</u>
32 GROSS APPROPRIATION	\$ 7,937,000	\$ 7,937,000

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	Appropriated from:	
2	Special revenue funds:	
3	Other state restricted revenues	7,937,000 7,937,000
4	State general fund/general purpose	\$ 0 \$ 0
5	Sec. 10-109. TRIAL COURT OPERATIONS	
6	Full-time equated exempted positions.....	5.0 5.0
7	Court equity fund reimbursements	\$ 60,815,700 \$ 60,815,700
8	Drug case-flow program	250,000 250,000
9	Drunk driving case-flow program	3,300,000 3,300,000
10	Judicial technology improvement fund	4,815,000 4,815,000
11	Juror compensation reimbursement	6,600,000 6,600,000
12	Statewide e-file system-5.0 FTE positions	<u>8,500,000</u> <u>8,500,000</u>
13	GROSS APPROPRIATION	\$ 84,280,700 \$ 84,280,700
14	Appropriated from:	
15	Special revenue funds:	
16	Other state restricted revenues	73,905,000 73,905,000
17	State general fund/general purpose	\$ 10,375,700 \$ 10,375,700
18	Sec. 10-110. ONE-TIME APPROPRIATIONS	
19	Full-time equated exempted positions.....	11.0 0.0
20	Compliance with Montgomery v Louisiana decision-11.0	
21	FTE positions.....	\$ 750,000 \$ 0
22	Pretrial risk assessment	<u>300,000</u> <u>0</u>
23	GROSS APPROPRIATION	\$ 1,050,000 \$ 0
24	Appropriated from:	
25	Special revenue funds:	
26	State general fund/general purpose	\$ 1,050,000 \$ 0
27		
28	PART 2	
29	PROVISIONS CONCERNING APPROPRIATIONS	
30	FISCAL YEAR 2018	
31		
32	<u>GENERAL SECTIONS</u>	

1 Sec. 10-201. Pursuant to section 30 of article IX of the state constitution of 1963,
 2 total state spending from state resources under part 1 for the fiscal year 2018 is
 3 \$284,944,100.00 and state spending from state resources to be paid to local units of
 4 government for fiscal year 2018 is \$146,794,000.00. The itemized statement below identifies
 5 appropriations from which spending to local units of government will occur:

6 JUDICIARY

7	State court administrative office.....	\$	300,000
8	Swift and sure sanctions program.....		3,900,000
9	Circuit court judicial salary standardization.....		9,785,000
10	Court equity fund reimbursements.....		60,815,700
11	Veterans courts.....		500,000
12	Probate court judicial salary standardization.....		4,669,600
13	OASI, social security.....		1,038,600
14	Mental health courts and diversion services.....		5,331,400
15	Drunk driving case-flow program.....		3,300,000
16	Statewide e-file system.....		8,500,000
17	Drug treatment courts.....		11,833,000
18	Next generation Michigan court system.....		4,116,000
19	Probate court judges' state base salaries.....		10,203,000
20	Juror compensation reimbursement.....		6,600,000
21	District court judicial salary standardization.....		10,836,700
22	Drug case-flow program.....		250,000
23	Judicial technology improvement fund.....		<u>4,815,000</u>
24	TOTAL	\$	146,794,000

25 Sec. 10-202. The appropriations authorized under this article are subject to the
 26 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

27 Sec. 10-203. As used in this article:

28 (a) "FTE" means full-time equated.

29 (b) "IDG" means interdepartmental grant.

30 (c) "OASI" means old age survivor's insurance.

31 (d) "SADO" means the state appellate defender office created under the appellate
 32 defender act, 1978 PA 620, MCL 780.711 to 780.719.

1 (e) "Title IV-D" means the part of the federal social security act, 42 USC 301 to
2 1397mm, pertaining to the child support enforcement program.

3 (f) "Title IV-E" means the part of the federal social security act, 42 USC 301 to
4 1397mm, pertaining to the foster care program.

5 Sec. 10-204. The reporting requirements of this part shall be completed with the
6 approval of, and at the direction of, the supreme court, except as otherwise provided in
7 this part. The judicial branch shall use the Internet to fulfill the reporting requirements
8 of this part. This may include transmission of reports via electronic mail to the
9 recipients identified for each reporting requirement, or it may include placement of
10 reports on an Internet or Intranet site.

11 Sec. 10-205. Funds appropriated in part 1 shall not be used for the purchase of
12 foreign goods or services, or both, if competitively priced and of comparable quality
13 American goods or services, or both, are available. Preference shall be given to goods or
14 services, or both, manufactured or provided by Michigan businesses, if they are
15 competitively priced and of comparable quality. In addition, preference should be given to
16 goods or services, or both, that are manufactured or provided by Michigan businesses owned
17 and operated by veterans, if they are competitively priced and of comparable quality.

18 Sec. 10-207. Not later than January 1 of each year, the state court administrative
19 office shall prepare a report on out-of-state travel listing all travel by judicial branch
20 employees outside this state in the immediately preceding fiscal year that was funded in
21 whole or in part with funds appropriated in the budget for the judicial branch. The report
22 shall be submitted to the senate and house appropriations committees, the senate and house
23 fiscal agencies, and the state budget director. The report shall include the following
24 information:

25 (a) The dates of each travel occurrence.

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

30 Sec. 10-209. Not later than November 30, the state budget office shall prepare and
31 transmit a report that provides for estimates of the total general fund/general purpose
32 appropriation lapses at the close of the prior fiscal year. This report shall summarize the

1 projected year-end general fund/general purpose appropriation lapses by major program or
2 program areas. The report shall be transmitted to the chairpersons of the senate and house
3 appropriations committees and the senate and house fiscal agencies.

4 Sec. 10-211. From the funds appropriated in part 1, the judicial branch shall
5 maintain a searchable website accessible by the public at no cost that includes all
6 expenditures made by the judicial branch within a fiscal year. The posting shall include
7 the purpose for which each expenditure is made. The judicial branch shall not provide
8 financial information on its website under this section if doing so would violate a federal
9 or state law, rule, regulation, or guideline that establishes privacy or security standards
10 applicable to that financial information.

11 Sec. 10-212. Within 14 days after the release of the executive budget recommendation,
12 the judicial branch shall cooperate with the state budget office to provide the senate and
13 house appropriations chairs, the senate and house appropriations subcommittees chairs, and
14 the senate and house fiscal agencies with an annual report on estimated state restricted
15 fund balances, state restricted fund projected revenues, and state restricted fund
16 expenditures for the fiscal years ending September 30, 2017 and September 30, 2018.

17 Sec. 10-213. The judiciary shall maintain, on a publicly accessible website, a
18 scorecard that identifies, tracks and regularly updates key metrics that are used to
19 monitor and improve the agency's performance.

20 Sec. 10-214. Total authorized appropriations from all sources under part 1 for legacy
21 costs for the fiscal year ending September 30, 2018 are estimated at \$13,963,100.00. From
22 this amount, total agency appropriations for pension-related legacy costs are estimated at
23 \$7,185,500.00. Total agency appropriations for retiree health care legacy costs are
24 estimated at \$6,777,600.00.

25

26 **JUDICIAL BRANCH**

27 Sec. 10-301. From the funds appropriated in part 1, the direct trial court automation
28 support program of the state court administrative office shall recover direct and overhead
29 costs from trial courts by charging for services rendered. The fee shall cover the actual
30 costs incurred to the direct trial court automation support program in providing the
31 service, including development of future versions of case management systems.

32 Sec. 10-302. Funds appropriated within the judicial branch shall not be expended by

1 any component within the judicial branch without the approval of the supreme court.

2 Sec. 10-303. Of the amount appropriated in part 1 for the judicial branch,
3 \$711,900.00 is allocated for circuit court reimbursement under section 3 of 1978 PA 16, MCL
4 800.453, and for costs associated with the court of claims.

5 Sec. 10-307. From the funds appropriated in part 1 for mental health courts and
6 diversion services, \$1,730,000.00 is intended to address the recommendations of the mental
7 health diversion council.

8 Sec. 10-308. If sufficient funds are not available from the court fee fund to pay
9 judges' compensation, the difference between the appropriated amount from that fund for
10 judges' compensation and the actual amount available after the amount appropriated for
11 trial court reimbursement is made shall be appropriated from the state general fund for
12 judges' compensation. If an appropriation is made under this section, the state court
13 administrative office shall notify, within 14 days of the appropriation, the senate and
14 house standing committees on appropriations, the senate and house appropriations
15 subcommittees on judiciary, the senate and house fiscal agencies, and the state budget
16 office.

17 Sec. 10-309. By April 1, the state court administrative office shall provide a report
18 on drug treatment, mental health, and veterans court programs in this state. The report
19 shall include information on the number of each type of program that has been established,
20 the number of program participants in each jurisdiction, and the impact of the programs on
21 offender criminal involvement and recidivism. The report shall be submitted to the senate
22 and house appropriations subcommittees on judiciary, the senate and house fiscal agencies,
23 and the state budget director.

24 Sec. 10-311. (1) The funds appropriated in part 1 for drug treatment courts as that
25 term is defined in section 1060 of the revised judicature act of 1961, 1961 PA 236, MCL
26 600.1060, shall be administered by the state court administrative office to operate drug
27 treatment court programs. A drug treatment court shall be responsible for handling cases
28 involving substance abusing nonviolent offenders through comprehensive supervision,
29 testing, treatment services, and immediate sanctions and incentives. A drug treatment court
30 shall use all available county and state personnel involved in the disposition of cases
31 including, but not limited to, parole and probation agents, prosecuting attorneys, defense
32 attorneys, and community corrections providers. The funds may be used in connection with

1 other federal, state, and local funding sources.

2 (2) From the funds appropriated in part 1, the chief justice shall allocate
3 sufficient funds for the Michigan judicial institute to provide in-state training for those
4 identified in subsection (1), including training for new drug treatment court judges.

5 (3) For drug treatment court grants, consideration for priority may be given to those
6 courts where higher instances of substance abuse cases are filed.

7 (4) The judiciary shall receive \$1,500,000.00 in Byrne formula grant funding as an
8 interdepartmental grant from the department of state police to be used for expansion of
9 drug treatment courts, to assist in avoiding prison bed space growth for nonviolent
10 offenders in collaboration with the department of corrections.

11 Sec. 10-312. From the funds appropriated in part 1 for the medication-assisted
12 treatment program, the judiciary shall maintain a medication-assisted treatment program to
13 provide treatment for opioid-addicted and alcohol-addicted individuals who are referred to
14 and voluntarily participate in the medication-assisted treatment program.

15 Sec. 10-317. Funds appropriated in part 1 shall not be used for the permanent
16 assignment of state-owned vehicles to justices or judges or any other judicial branch
17 employee. This section does not preclude the use of state-owned motor pool vehicles for
18 state business in accordance with approved guidelines.

19 Sec. 10-320. (1) From the funds appropriated in part 1 for the swift and sure
20 sanctions program, created under section 3 of chapter XIA of the code of criminal
21 procedure, 1927 PA 175, MCL 771A.3, the state court administrative office shall administer
22 a program to distribute grants to qualifying courts in accordance with the objectives and
23 requirements of the probation swift and sure sanctions act, chapter XIA of the code of
24 criminal procedure, 1927 PA 175, MCL 771A.1 to 771A.8. Of the \$4,000,000.00 designated for
25 the program, not more than \$100,000.00 shall be available to the state court administrative
26 office to pay for employee costs associated with the administration of the program funds.
27 Of the funds designated for the program, \$500,000.00 is reserved for programs in counties
28 that had more than 325 individuals sentenced to prison in the previous calendar year.
29 Courts interested in participating in the swift and sure sanctions program may apply to the
30 state court administrative office for a portion of the funds appropriated in part 1 under
31 this section.

32 (2) By April 1, the state court administrative office, in cooperation with the

1 Michigan Department of Corrections, shall provide a report on the courts that receive
2 funding under the swift and sure sanctions program described in subsection (1) to the
3 senate and house appropriations subcommittees on judiciary, the senate and house fiscal
4 agencies, and the state budget director. The report shall include all of the following:

5 (a) The number of offenders who participate in the program.

6 (b) The criminal history of offenders who participate in the program.

7 (c) The recidivism rate of offenders who participate in the program, including the
8 rate of return to jail, prison, or both.

9 (d) A detailed description of the establishment and parameters of the program.

10 (3) As used in this section, "program" means a swift and sure sanctions program
11 described in subsection (1).

12 Sec. 10-321. From the funds appropriated in part 1, the judicial branch shall support
13 a statewide legal self-help Internet website and local nonprofit self-help centers that use
14 the statewide website to provide assistance to individuals representing themselves in civil
15 legal proceedings. The state court administrative office shall summarize the costs of
16 maintaining the website, provide statistics on the number of people visiting the website,
17 and provide information on content usage, form completion, and user feedback. By March 1,
18 the state court administrative office shall report this information for the preceding
19 fiscal year to the senate and house appropriations subcommittees on judiciary, the senate
20 and house fiscal agencies, and the state budget director.

21 Sec. 10-322. If Byrne formula grant funding is awarded to the state appellate
22 defender, the state appellate defender office may receive and expend Byrne formula grant
23 funds in an amount not to exceed \$250,000.00 as an interdepartmental grant from the
24 department of state police. If the appellate defender appointed under section 3 of the
25 appellate defender act, 1978 PA 620, MCL 780.713, receives federal grant funding from the
26 United States Department of Justice in excess of the amount appropriated in part 1, the
27 office of appellate defender may receive and expend grant funds in an amount not to exceed
28 \$300,000.00 as other federal grants.

29

30 **ONE-TIME APPROPRIATIONS**

31 Sec. 10-402. (1) The state appellate defender office attorneys and support staff
32 shall increase to ensure Michigan compliance with Montgomery v Louisiana, 577 US _____

1 (2016). The purpose of the program expansion is to ensure competent, resourced, and
2 supervised counsel in cases involving the resentencing of juvenile lifers. The
3 representation by SADO counsel will create opportunities for release, saving prison costs
4 for the state.

5 (2) From the funds appropriated in part 1, the state appellate defender office shall
6 submit a report by September 30 to the senate and house appropriations subcommittees on
7 judiciary, the senate and house fiscal agencies, and the state budget director on the
8 number of juvenile lifer cases investigated and prepared by the state appellate defender
9 office. The report shall include a calculation of hours spent and focus on incremental
10 costs associated with investigating and conducting a robust examination of each case, with
11 particular emphasis on those costs that may be avoided after the cases have been disposed.

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Article 11

LEGISLATURE

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 11-101. Subject to the conditions set forth in this article, the amounts listed in this part for the legislature are appropriated for the fiscal year ending September 30, 2018, and are anticipated to be appropriated for the fiscal year ending September 30, 2019, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	LEGISLATURE	
2	APPROPRIATION SUMMARY	
3	GROSS APPROPRIATION	\$ 179,261,000 \$ 176,261,000
4	Total interdepartmental grants and interdepartmental	
5	transfers.....	5,709,200 5,709,200
6	ADJUSTED GROSS APPROPRIATION	\$ 173,551,800 \$ 170,551,800
7	Total federal revenues	0 0
8	Total local revenues	0 0
9	Total private revenues	400,000 400,000
10	Total other state restricted revenues	6,247,100 6,247,100
11	State general fund/general purpose	\$ 166,904,700 \$ 163,904,700
12	<i>State general fund/general purpose schedule:</i>	
13	<i>Ongoing state general fund/general purpose</i>	<i>163,904,700 163,904,700</i>
14	<i>One-time state general fund/general purpose</i>	<i>3,000,000 0</i>
15	Sec. 11-102. LEGISLATURE	
16	Senate	\$ 35,835,600 \$ 35,835,600
17	Senate automated data processing	2,600,000 2,600,000
18	Senate fiscal agency	3,874,100 3,874,100
19	House of representatives	55,113,500 55,113,500
20	House automated data processing	2,600,000 2,600,000
21	House fiscal agency	<u>3,874,100</u> <u>3,874,100</u>
22	GROSS APPROPRIATION	\$ 103,897,300 \$ 103,897,300
23	Appropriated from:	
24	Special revenue funds:	
25	State general fund/general purpose	\$ 103,897,300 \$ 103,897,300
26	Sec. 11-103. LEGISLATIVE COUNCIL	
27	Legislative corrections ombudsman	\$ 758,400 \$ 758,400
28	Legislative council	12,421,300 12,421,300
29	Legislative service bureau automated data processing .	1,690,000 1,690,000
30	Michigan veterans facility ombudsman	200,000 200,000
31	National association dues	454,700 454,700
32	Worker's compensation	<u>151,400</u> <u>151,400</u>

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019	
1	GROSS APPROPRIATION	\$ 15,675,800	\$ 15,675,800
2	Appropriated from:		
3	Special revenue funds:		
4	Private revenues	400,000	400,000
5	State general fund/general purpose	\$ 15,275,800	\$ 15,275,800
6	Sec. 11-104. LEGISLATIVE RETIREMENT SYSTEM		
7	General nonretirement expenses	\$ <u>5,062,100</u>	\$ <u>5,062,100</u>
8	GROSS APPROPRIATION	\$ 5,062,100	\$ 5,062,100
9	Appropriated from:		
10	Special revenue funds:		
11	Other state restricted revenues	1,177,700	1,177,700
12	State general fund/general purpose	\$ 3,884,400	\$ 3,884,400
13	Sec. 11-105. PROPERTY MANAGEMENT		
14	Cora Anderson building	\$ 11,769,500	\$ 11,769,500
15	Senate office building and other properties	<u>8,030,000</u>	<u>8,030,000</u>
16	GROSS APPROPRIATION	\$ 19,799,500	\$ 19,799,500
17	Appropriated from:		
18	Special revenue funds:		
19	State general fund/general purpose	\$ 19,799,500	\$ 19,799,500
20	Sec. 11-106. STATE CAPITOL HISTORIC SITE		
21	Bond/lease obligations	\$ 100	\$ 100
22	General operations	4,440,000	4,440,000
23	Restoration, renewal, and maintenance	<u>3,100,000</u>	<u>3,100,000</u>
24	GROSS APPROPRIATION	\$ 7,540,100	\$ 7,540,100
25	Appropriated from:		
26	Special revenue funds:		
27	Other state restricted revenues	3,100,000	3,100,000
28	State general fund/general purpose	\$ 4,440,100	\$ 4,440,100
29	Sec. 11-107. OFFICE OF THE AUDITOR GENERAL		
30	Unclassified salaries	\$ 339,200	\$ 339,200
31	Field operations	<u>23,947,000</u>	<u>23,947,000</u>
32	GROSS APPROPRIATION	\$ 24,286,200	\$ 24,286,200

1	Appropriated from:	
2	Interdepartmental grant revenues:	
3	IDG from department of health and human services	30,600 30,600
4	IDG from department of licensing and regulatory affairs	28,700 28,700
5	IDG from department of state police	40,900 40,900
6	IDG from department of talent and economic development	265,400 265,400
7	IDG from department of technology, management and	
8	budget.....	550,000 550,000
9	IDG from department of transportation	1,118,600 1,118,600
10	IDG from department of treasury	330,800 330,800
11	IDG from other restricted funding	3,344,200 3,344,200
12	Special revenue funds:	
13	21st century jobs fund	96,300 96,300
14	Other state restricted revenues	1,873,100 1,873,100
15	State general fund/general purpose	\$ 16,607,600 \$ 16,607,600
16	Sec. 11-108. ONE-TIME APPROPRIATIONS	
17	Legislative information technology systems design	
18	project.....	\$ <u>3,000,000</u> \$ <u>0</u>
19	GROSS APPROPRIATION	\$ 3,000,000 \$ 0
20	Appropriated from:	
21	Special revenue funds:	
22	State general fund/general purpose	\$ 3,000,000 \$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2018

GENERAL SECTIONS

Sec. 11-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for the fiscal year 2018 is \$173,151,800.00 and state spending from state resources to be paid to local units of government for fiscal year 2018 is \$0.00.

1 Sec. 11-202. The appropriations authorized under this article are subject to the
2 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

3 Sec. 11-203. As used in this article:

4 (a) "FTE" means full-time equated.

5 (b) "IDG" means interdepartmental grant.

6 Sec. 11-214. Total authorized appropriations from all sources under part 1 for legacy
7 costs for the fiscal year ending September 30, 2018 are estimated at \$21,252,700.00. From
8 this amount, total agency appropriations for pension-related legacy costs are estimated at
9 \$10,936,800.00. Total agency appropriations for retiree health care legacy costs are
10 estimated at \$10,315,900.00.

11
12 **LEGISLATURE**

13 Sec. 11-600. The senate, the house of representatives, or an agency within the
14 legislative branch may receive, expend, and transfer funds in addition to those authorized
15 in part 1.

16 Sec. 11-601. (1) Funds appropriated in part 1 to an entity within the legislative
17 branch shall not be expended or transferred to another account without written approval of
18 the authorized agent of the legislative entity. If the authorized agent of the legislative
19 entity notifies the state budget director of its approval of an expenditure or transfer
20 before the year-end book-closing date for that legislative entity, the state budget
21 director shall immediately make the expenditure or transfer. The authorized legislative
22 entity agency shall be designated by the speaker of the house of representatives for house
23 entities, the senate majority leader for senate entities, and the legislative council for
24 legislative council entities.

25 (2) Funds appropriated within the legislative branch, to a legislative council
26 component, shall not be expended by any agency or other subgroup included in that component
27 without the approval of the legislative council.

28 Sec. 11-602. The senate may charge rent and assess charges for utility costs. The
29 amounts received for rent charges and utility assessments are appropriated to the senate
30 for the renovation, operation, and maintenance of the Senate office building and other
31 properties.

32 Sec. 11-603. From the appropriation contained in part 1 for national association

1 dues, the first \$34,800.00 shall be paid to the National Conference of Commissioners of
2 Uniform State Laws. The remaining funds shall be distributed accordingly by the
3 legislative council.

4 Sec. 11-604. (1) The appropriation in part 1 to the Michigan state capitol historic
5 site includes funds to operate the legislative parking facilities in the capitol area. The
6 Michigan state capitol commission shall establish rules regarding the operation of the
7 legislative parking facilities.

8 (2) The Michigan state capitol commission shall collect a fee from state employees
9 and the general public using certain legislative parking facilities. The revenues received
10 from the parking fees are appropriated upon receipt and shall be allocated by the Michigan
11 state capitol commission.

12 Sec. 11-605. The appropriation in part 1 to the legislative council for publication
13 of the Michigan manual is a work project account. The unexpended portion remaining on
14 September 30 shall not lapse and shall be carried forward into the subsequent fiscal year
15 for use in paying the associated biennial costs of publication of the Michigan manual.

16 Sec. 11-606. The appropriations in part 1 to the legislative branch, for property
17 management, shall be used to purchase equipment and services for building maintenance in
18 order to ensure a safe and productive work environment. These funds are designated as work
19 project appropriations and shall not lapse at the end of the fiscal year, and shall
20 continue to be available for expenditure until the project has been completed. The total
21 cost is estimated at \$2,000,000.00, and the tentative completion date is September 30,
22 2021.

23 Sec. 11-607. The appropriations in part 1 to the legislative branch, for automated
24 data processing, shall be used to purchase equipment, software, and services in order to
25 support and implement data processing requirements and technology improvements. These funds
26 are designated as work project appropriations in accordance with section 451a of the
27 management and budget act, 1984 PA 431, MCL 18.1451a, and shall not lapse at the end of the
28 fiscal year, and shall continue to be available for expenditure until the project has been
29 completed. The total cost is estimated at \$2,000,000.00, and the tentative completion date
30 is September 30, 2021.

31 Sec. 11-608. In addition to funds appropriated in part 1, the Michigan capitol
32 committee publications save the flags fund account may accept contributions, gifts,

1 bequests, devises, grants, and donations. Those funds that are not expended in the fiscal
2 year ending September 30 shall not lapse at the close of the fiscal year, and shall be
3 carried forward for expenditure in the following fiscal years.

4 Sec. 11-616. The appropriation in part 1 for the legislative IT systems design
5 project shall be used for the design, development, and implementation of a legislative
6 computer system. Funds described in this section shall not be expended without written
7 approval of the senate majority leader or his or her designee, the speaker of the house of
8 representatives or his or her designee, and the legislative council administrator or his or
9 her designee. The appropriations described in this section are designated as work project
10 appropriations in accordance with section 451a of the management and budget act, 1984 PA
11 431, MCL 18.1451a, and shall not lapse at the end of the fiscal year. The unexpended
12 portion of these funds shall continue to be available for expenditure until the project has
13 been completed. The total cost is estimated at \$12,000,000.00 and the tentative completion
14 date is September 30, 2020.

15

16 **LEGISLATIVE AUDITOR GENERAL**

17 Sec. 11-620. Pursuant to section 53 of article IV of the state constitution of 1963,
18 the auditor general shall conduct audits of the judicial branch. The audits may include the
19 supreme court and its administrative units, the court of appeals, and trial courts.

20 Sec. 11-621. (1) The auditor general shall take all reasonable steps to ensure that
21 certified minority- and women-owned and operated accounting firms, and accounting firms
22 owned and operated by persons with disabilities participate in the audits of the books,
23 accounts, and financial affairs of each principal executive department, branch,
24 institution, agency, and office of this state.

25 (2) The auditor general shall strongly encourage firms with which the auditor general
26 contracts to perform audits of the principal executive departments and state agencies to
27 subcontract with certified minority- and women-owned and operated accounting firms, and
28 accounting firms owned and operated by persons with disabilities.

29 (3) The auditor general shall compile an annual report regarding the number of
30 contracts entered into with certified minority- and women-owned and operated accounting
31 firms, and accounting firms owned and operated by persons with disabilities. The auditor
32 general shall deliver the report to the state budget director and the senate and house of

1 representatives standing committees on appropriations subcommittees on general government
2 by November 1 of each year.

3 Sec. 11-622. From the funds appropriated in part 1 to the legislative auditor
4 general, the auditor general's salary and the salaries of the remaining 2.0 FTE
5 unclassified positions shall be set by the speaker of the house of representatives, the
6 senate majority leader, the house of representatives minority leader, and the senate
7 minority leader.

8 Sec. 11-623. Any audits, reviews, or investigations requested of the auditor general
9 by the legislature or by legislative leadership, legislative committees, or individual
10 legislators shall include an estimate of the additional costs involved and, when those
11 costs exceed \$50,000.00, should provide supplemental funding. The auditor general shall
12 determine whether to perform those activities in keeping with Audit Directive No. 29, which
13 describes the office of the auditor general's policy on responding to legislative requests.

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Article 12

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 12-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of licensing and regulatory affairs are appropriated for the fiscal year ending September 30, 2018, and are anticipated to be appropriated for the fiscal year ending September 30, 2019, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS	
2	APPROPRIATION SUMMARY	
3	Full-time equated unclassified positions.....	57.5 57.5
4	Full-time equated classified positions.....	2,322.3 2,322.3
5	GROSS APPROPRIATION	\$ 441,576,300 \$ 451,258,400
6	Total interdepartmental grants and interdepartmental	
7	transfers.....	47,835,100 47,835,100
8	ADJUSTED GROSS APPROPRIATION	\$ 393,741,200 \$ 403,423,300
9	Total federal revenues	65,020,900 65,020,900
10	Total local revenues	250,000 250,000
11	Total private revenues	111,800 111,800
12	Total other state restricted revenues	285,341,900 295,024,000
13	State general fund/general purpose	\$ 43,016,600 \$ 43,016,600
14	<i>State general fund/general purpose schedule:</i>	
15	<i>Ongoing state general fund/general purpose</i>	<i>43,016,600 43,016,600</i>
16	<i>One-time state general fund/general purpose</i>	<i>0 0</i>
17	Sec. 12-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
18	Full-time equated unclassified positions.....	57.5 57.5
19	Full-time equated classified positions.....	108.0 108.0
20	Unclassified salaries-57.5 FTE positions	\$ 5,007,500 \$ 5,007,500
21	Administrative services-77.0 FTE positions	8,692,300 8,692,300
22	Executive director programs-24.0 FTE positions	3,216,500 3,216,500
23	FOIA coordination-2.0 FTE positions	309,700 309,700
24	Local community stabilization authority-1.0 FTE	
25	position.....	150,000 150,000
26	Office for new Americans-4.0 FTE positions	467,300 467,300
27	Property management	11,778,400 11,778,400
28	Worker's compensation	<u>381,800 381,800</u>
29	GROSS APPROPRIATION	\$ 30,003,500 \$ 30,003,500
30	Appropriated from:	
31	Interdepartmental grant revenues:	
32	IDG from department of insurance and financial	

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 services.....	150,000	150,000
2 IDG from department of talent and economic development	588,000	588,000
3 Federal revenues:		
4 Other federal revenues	2,675,900	2,675,900
5 Special revenue funds:		
6 Local revenues	150,000	150,000
7 Other state restricted revenues	25,229,300	25,229,300
8 State general fund/general purpose	\$ 1,210,300	\$ 1,210,300
9 Sec. 12-103. ENERGY AND UTILITY PROGRAMS		
10 Full-time equated classified positions.....	208.0	208.0
11 Michigan agency for energy -58.0 FTE positions	\$ 12,624,800	\$ 12,624,800
12 Public service commission-150.0 FTE positions	<u>25,895,300</u>	<u>25,895,300</u>
13 GROSS APPROPRIATION	\$ 38,520,100	\$ 38,520,100
14 Appropriated from:		
15 Federal revenues:		
16 Other federal revenues	5,972,000	5,972,000
17 Special revenue funds:		
18 Other state restricted revenues	31,990,300	31,990,300
19 State general fund/general purpose	\$ 557,800	\$ 557,800
20 Sec. 12-104. LIQUOR CONTROL COMMISSION		
21 Full-time equated classified positions.....	143.0	143.0
22 Liquor licensing and enforcement-115.0 FTE positions .	\$ 15,435,800	\$ 15,435,800
23 Management support services-28.0 FTE positions	<u>4,455,900</u>	<u>4,455,900</u>
24 GROSS APPROPRIATION	\$ 19,891,700	\$ 19,891,700
25 Appropriated from:		
26 Special revenue funds:		
27 Other state restricted revenues	19,891,700	19,891,700
28 State general fund/general purpose	\$ 0	\$ 0
29 Sec. 12-105. OCCUPATIONAL REGULATION		
30 Full-time equated classified positions.....	1,143.9	1,143.9
31 Bureau of community and health systems-433.9 FTE		
32 positions.....	\$ 62,226,900	\$ 62,226,900

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Bureau of construction codes-171.0 FTE positions	21,122,900	21,122,900
2 Bureau of fire services-78.0 FTE positions	11,013,600	11,013,600
3 Bureau of professional licensing-210.0 FTE positions .	40,580,600	40,580,600
4 Corporations, securities, and commercial licensing		
5 bureau-118.0 FTE positions.....	15,411,400	15,411,400
6 Medical marihuana facilities licensing and tracking-		
7 108.0 FTE positions.....	18,651,600	24,868,700
8 Medical marihuana program-25.0 FTE positions	<u>4,949,100</u>	<u>4,949,100</u>
9 GROSS APPROPRIATION	\$ 173,956,100	\$ 180,173,200
10 Appropriated from:		
11 Interdepartmental grant revenues:		
12 IDG from department of education	17,522,700	17,522,700
13 Federal revenues:		
14 Other federal revenues	22,589,300	22,589,300
15 Special revenue funds:		
16 Other state restricted revenues	108,880,900	115,098,000
17 State general fund/general purpose	<u>\$ 24,963,200</u>	<u>\$ 24,963,200</u>
18 Sec. 12-106. EMPLOYMENT SERVICES		
19 Full-time equated classified positions.....	464.4	464.4
20 Bureau of employment relations-22.0 FTE positions	<u>\$ 4,236,100</u>	<u>\$ 4,236,100</u>
21 Bureau of services for blind persons-113.0 FTE		
22 positions.....	24,766,800	24,766,800
23 Compensation supplement fund	1,820,000	1,820,000
24 First responder presumed coverage claims	1,780,000	5,245,000
25 Insurance funds administration-23.0 FTE positions	5,265,600	5,265,600
26 Michigan occupational safety and health administration-		
27 197.0 FTE positions.....	29,022,400	29,022,400
28 Radiation safety section-21.4 FTE positions	3,259,700	3,259,700
29 Wage and hour program-32.0 FTE positions	3,763,800	3,763,800
30 Worker's compensation agency-56.0 FTE positions	<u>8,077,300</u>	<u>8,077,300</u>
31 GROSS APPROPRIATION	\$ 81,991,700	\$ 85,456,700
32 Appropriated from:		

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	Federal revenues:	
2	Other federal revenues	30,918,600 30,918,600
3	Special revenue funds:	
4	Local revenues	100,000 100,000
5	Private revenues	111,800 111,800
6	Other state restricted revenues	40,853,600 44,318,600
7	State general fund/general purpose	\$ 10,007,700 \$ 10,007,700
8	Sec. 12-107. MICHIGAN ADMINISTRATIVE HEARING SYSTEM	
9	Full-time equated classified positions.....	236.0 236.0
10	Michigan administrative hearing system-218.0 FTE	
11	positions.....	\$ 38,147,000 \$ 38,147,000
12	Michigan compensation appellate commission-18.0 FTE	
13	positions.....	<u>4,622,200</u> <u>4,622,200</u>
14	GROSS APPROPRIATION	\$ 42,769,200 \$ 42,769,200
15	Appropriated from:	
16	Interdepartmental grant revenues:	
17	IDG from department of talent and economic development	4,284,100 4,284,100
18	IDG from other restricted funding	25,290,300 25,290,300
19	Federal revenues:	
20	Other federal revenues	153,900 153,900
21	Special revenue funds:	
22	Other state restricted revenues	12,346,700 12,346,700
23	State general fund/general purpose	\$ 694,200 \$ 694,200
24	Sec. 12-108. COMMISSIONS	
25	Full-time equated classified positions.....	19.0 19.0
26	Asian Pacific American affairs commission-1.0 FTE	
27	position.....	\$ 137,400 \$ 137,400
28	Commission on Middle Eastern American affairs-1.0 FTE	
29	position.....	125,000 125,000
30	Hispanic/Latino commission of Michigan-1.0 FTE position	286,000 286,000
31	Michigan indigent defense commission-16.0 FTE positions	<u>2,386,800</u> <u>2,386,800</u>
32	GROSS APPROPRIATION	\$ 2,935,200 \$ 2,935,200

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	Appropriated from:	
2	Special revenue funds:	
3	State general fund/general purpose	\$ 2,935,200 \$ 2,935,200
4	Sec. 12-109. GRANTS	
5	Fire protection grants	\$ 9,273,900 \$ 9,273,900
6	Firefighter training grants	2,000,000 2,000,000
7	Liquor law enforcement grants	7,200,000 7,200,000
8	Medical marihuana operation and oversight grants	3,000,000 3,000,000
9	Remonumentation grants	7,300,000 7,300,000
10	Subregional libraries state aid	451,800 451,800
11	Utility consumer representation	<u>750,000</u> <u>750,000</u>
12	GROSS APPROPRIATION	\$ 29,975,700 \$ 29,975,700
13	Appropriated from:	
14	Special revenue funds:	
15	Other state restricted revenues	28,750,000 28,750,000
16	State general fund/general purpose	\$ 1,225,700 \$ 1,225,700
17	Sec. 12-110. INFORMATION TECHNOLOGY	
18	Information technology services and projects	\$ <u>21,533,100</u> \$ <u>21,533,100</u>
19	GROSS APPROPRIATION	\$ 21,533,100 \$ 21,533,100
20	Appropriated from:	
21	Federal revenues:	
22	Other federal revenues	2,711,200 2,711,200
23	Special revenue funds:	
24	Other state restricted revenues	17,399,400 17,399,400
25	State general fund/general purpose	\$ 1,422,500 \$ 1,422,500

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2018

GENERAL SECTIONS

Sec. 12-201. Pursuant to section 30 of article IX of the state constitution of 1963,

1 total state spending from state resources under part 1 for the fiscal year 2018 is
2 \$328,358,500.00 and state spending from state resources to be paid to local units of
3 government for fiscal year 2018 is \$29,225,700.00. The itemized statement below identifies
4 appropriations from which spending to local units of government will occur:

5 DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

6	Medical marihuana operation and oversight grants.....	\$	3,000,000
7	Subregional libraries state aid.....		451,800
8	Fire protection grants.....		9,273,900
9	Firefighter training grants.....		2,000,000
10	Liquor law enforcement grants.....		7,200,000
11	Remonumentation grants.....		<u>7,300,000</u>
12	TOTAL	\$	29,225,700

13 Sec. 12-202. The appropriations authorized under this article are subject to the
14 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

15 Sec. 12-203. As used in this article:

- 16 (a) "Department" means the department of licensing and regulatory affairs.
17 (b) "DHHS" means the department of health and human services.
18 (c) "Director" means the director of the department.
19 (d) "FOIA" means the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.
20 (e) "FTE" means full-time equated.
21 (f) "IDG" means interdepartmental grant.

22 Sec. 12-204. The departments and agencies receiving appropriations in part 1 shall
23 use the Internet to fulfill the reporting requirements of this article. This requirement
24 may include transmission of reports via electronic mail to the recipients identified for
25 each reporting requirement, or it may include placement of reports on an Internet or
26 Intranet site.

27 Sec. 12-205. Funds appropriated in part 1 shall not be used for the purchase of
28 foreign goods or services, or both, if competitively priced and of comparable quality
29 American goods or services, or both, are available. Preference shall be given to goods or
30 services, or both, manufactured or provided by Michigan businesses, if they are
31 competitively priced and of comparable quality. In addition, preference should be given to
32 goods or services, or both, that are manufactured or provided by Michigan businesses owned

1 and operated by veterans, if they are competitively priced and of comparable quality.

2 Sec. 12-206. The director shall take all reasonable steps to ensure businesses in
3 deprived and depressed communities compete for and perform contracts to provide services or
4 supplies, or both. Each director shall strongly encourage firms with which the department
5 contracts to subcontract with certified businesses in depressed and deprived communities
6 for services, supplies, or both.

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

14 (a) The dates of each travel occurrence.

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

19 Sec. 12-208. Funds appropriated in part 1 shall not be used by a principal executive
20 department, state agency, or authority to hire a person to provide legal services that are
21 the responsibility of the attorney general. This prohibition does not apply to legal
22 services for bonding activities and for those outside services that the attorney general
23 authorizes.

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

30 Sec. 12-210. (1) In addition to the funds appropriated in part 1, there is
31 appropriated an amount not to exceed \$10,000,000.00 for federal contingency funds. These
32 funds are not available for expenditure until they have been transferred to another line

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

3 (2) In addition to the funds appropriated in part 1, there is appropriated an amount
4 not to exceed \$25,000,000.00 for state restricted contingency funds. These funds are not
5 available for expenditure until they have been transferred to another line item in this
6 article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

15 Sec. 12-211. The department shall cooperate with the department of technology,
16 management and budget to maintain a searchable website accessible by the public at no cost
17 that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

23 (e) Job specifications and wage rates.

24 Sec. 12-212. Within 14 days after the release of the executive budget recommendation,
25 the department shall cooperate with the state budget office to provide the senate and house
26 appropriations chairs, the senate and house appropriations subcommittees chairs, and the
27 senate and house fiscal agencies with an annual report on estimated state restricted fund
28 balances, state restricted fund projected revenues, and state restricted fund expenditures
29 for the fiscal years ending September 30, 2017 and September 30, 2018.

30 Sec. 12-213. The department shall maintain, on a publicly accessible website, a
31 department scorecard that identifies, tracks and regularly updates key metrics that are
32 used to monitor and improve the agency's performance.

1 Sec. 12-214. Total authorized appropriations from all sources under part 1 for legacy
2 costs for the fiscal year ending September 30, 2018 are estimated at \$56,364,700.00. From
3 this amount, total agency appropriations for pension-related legacy costs are estimated at
4 \$29,005,600.00. Total agency appropriations for retiree health care legacy costs are
5 estimated at \$27,359,100.00.

6 Sec. 12-215. Unless prohibited by law, the department may accept credit card or other
7 electronic means of payment for licenses, fees, or permits.

8 Sec. 12-221. The department may carry into the succeeding fiscal year unexpended
9 federal pass-through funds to local institutions and governments that do not require
10 additional state matching funds. Federal pass-through funds to local institutions and
11 governments that are received in amounts in addition to those included in part 1 and that
12 do not require additional state matching funds are appropriated for the purposes intended.
13 Within 14 days after the receipt of federal pass-through funds, the department shall notify
14 the house and senate chairpersons of the subcommittees, the fiscal agencies, and the state
15 budget director of pass-through funds appropriated under this section.

16 Sec. 12-222. (1) Grants supported with private revenues received by the department
17 are appropriated upon receipt and are available for expenditure by the department, subject
18 to subsection (3), for purposes specified within the grant agreement and as permitted under
19 state and federal law.

20 (2) Within 10 days after the receipt of a private grant appropriated in subsection
21 (1), the department shall notify the house and senate chairpersons of the subcommittees,
22 the fiscal agencies, and the state budget director of the receipt of the grant, including
23 the fund source, purpose, and amount of the grant.

24 (3) The amount appropriated under subsection (1) shall not exceed \$1,500,000.00.

25 Sec. 12-223. (1) The department may charge registration fees to attendees of
26 informational, training, or special events sponsored by the department.

27 (2) These fees shall reflect the costs for the department to sponsor the
28 informational, training, or special events.

29 (3) Revenue generated by the registration fees is appropriated upon receipt and
30 available for expenditure to cover the department's costs of sponsoring informational,
31 training, or special events.

32 (4) Revenue generated by registration fees in excess of the department's costs of

1 sponsoring informational, training, or special events shall carry forward to the subsequent
2 fiscal year and not lapse to the general fund.

3 (5) The amount appropriated under subsection (3) shall not exceed \$500,000.00.

4 Sec. 12-224. The department may make available to interested entities otherwise
5 unavailable customized listings of nonconfidential information in its possession, such as
6 names and addresses of licensees. The department may establish and collect a reasonable
7 charge to provide this service. The revenue received from this service is appropriated when
8 received and shall be used to offset expenses to provide the service. Any balance of this
9 revenue collected and unexpended at the end of the fiscal year shall lapse to the
10 appropriate restricted fund.

11 Sec. 12-225. (1) The department shall sell documents at a price not to exceed the
12 cost of production and distribution. Money received from the sale of these documents shall
13 revert to the department. In addition to the funds appropriated in part 1, these funds are
14 available for expenditure when they are received by the department of treasury. This
15 subsection applies only for the following documents:

16 (a) Corporation and securities division documents, reports, and papers required or
17 permitted by law pursuant to section 1060(5) of the business corporation act, 1972 PA 284,
18 MCL 450.2060.

19 (b) The Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1101 to 436.2303.

20 (c) The mobile home commission act, 1987 PA 96, MCL 125.2301 to 125.2350; the
21 business corporation act, 1972 PA 284, MCL 450.1101 to 450.2098; the nonprofit corporation
22 act, 1982 PA 162, MCL 450.2101 to 450.3192; and the uniform securities act (2002), 2008 PA
23 551, MCL 451.2101 to 451.2703.

24 (d) Worker's compensation health care services rules.

25 (e) Construction code manuals.

26 (f) Copies of transcripts from administrative law hearings.

27 (2) In addition to the funds appropriated in part 1, funds appropriated for the
28 department under sections 55, 57, 58, and 59 of the administrative procedures act of 1969,
29 1969 PA 306, MCL 24.255, 24.257, 24.258, and 24.259, and section 203 of the legislative
30 council act, 1986 PA 268, MCL 4.1203, are appropriated for all expenses necessary to
31 provide for the cost of publication and distribution.

32 (3) Unexpended funds at the end of the fiscal year shall carry forward to the

1 subsequent fiscal year and not lapse to the general fund.

2

3 **ENERGY AND UTILITY PROGRAMS**

4 Sec. 12-301. The Michigan Agency for Energy administers the low-income energy
5 assistance grant program on behalf of DHHS via an interagency agreement. Funds supporting
6 the grant program are appropriated in the department upon awarding of grants and may be
7 expended for grant payments and administrative related expenses incurred in the operation
8 of the program.

9

10 **OCCUPATIONAL REGULATION**

11 Sec. 12-501. Money appropriated under this part and part 1 for the bureau of fire
12 services shall not be expended unless, in accordance with section 2c of the fire prevention
13 code, 1941 PA 207, MCL 29.2c, inspection and plan review fees will be charged according to
14 the following schedule:

15

16 Operation and maintenance inspection fee

<u>Facility type</u>	<u>Facility size</u>	<u>Fee</u>
Hospitals	Any	\$8.00 per bed

19 Plan review and construction inspection fees for hospitals and schools

<u>Project cost range</u>	<u>Fee</u>
\$101,000.00 or less	minimum fee of \$155.00
\$101,001.00 to \$1,500,000.00	\$1.60 per \$1,000.00
\$1,500,001.00 to \$10,000,000.00	\$1.30 per \$1,000.00
\$10,000,001.00 or more	\$1.10 per \$1,000.00
	or a maximum fee of \$60,000.00.

25
26 Sec. 12-502. The funds collected by the department for licenses, permits, and other
27 elevator regulation fees set forth in the Michigan administrative code and as determined
28 under section 8 of 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL 408.816,
29 that are unexpended at the end of the fiscal year shall carry forward to the subsequent
30 fiscal year.

31 Sec. 12-503. No later than February 15, the department shall submit a report to the
32 subcommittees, fiscal agencies, and state budget director providing the following

1 information:

2 (a) The number of honorably discharged veterans, individually or if a majority
3 interest of a corporation or limited liability company, that were exempted from paying
4 licensure, registration, filing, or any other fees collected under each licensure or
5 regulatory program administered by the bureau of construction codes and the corporations,
6 securities, and commercial licensing bureau during the preceding fiscal year.

7 (b) The specific fees and total amount of revenue exempted under each licensure or
8 regulatory program administered by the bureau of construction codes and the corporations,
9 securities, and commercial licensing bureau during the preceding fiscal year.

10 (c) The actual costs of providing licensing and other regulatory services to veterans
11 exempted from paying licensure, registration, filing, or any other fees during the
12 preceding fiscal year and a description of how these costs were calculated.

13 (d) The estimated amount of revenue that will be exempted under each licensure or
14 regulatory program administered by the bureau of construction codes and the corporations,
15 securities, and commercial licensing bureau in both the current and subsequent fiscal years
16 and a description of how the exempted revenue was estimated.

17 Sec. 12-505. Funds remaining in the homeowner construction lien recovery fund are
18 appropriated to the department for payment of court-ordered homeowner construction lien
19 recovery fund judgments entered prior to August 23, 2010. Pursuant to available funds, the
20 payment of final judgments shall be made in the order in which the final judgments were
21 entered and began accruing interest.

22 Sec. 12-507. The department shall submit by January 31 to the standing committees on
23 appropriations of the senate and house of representatives, the fiscal agencies, and the
24 state budget director an annual report for the prior fiscal year regarding the medical
25 marihuana program under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to
26 333.26430.

27 Sec. 12-508. If the revenue collected by the department for health systems
28 administration or radiological health administration and projects from fees and collections
29 exceeds the amount appropriated in part 1, the revenue may be carried forward into the
30 subsequent fiscal year. The revenue carried forward under this section shall be used as the
31 first source of funds in the subsequent fiscal year.

32 Sec. 12-511. No later than February 1, the department shall submit a report to the

1 subcommittees, fiscal agencies, and state budget director providing the following
2 information:

3 (a) The total amount of reimbursements made to local units of government for
4 delegated inspections of fireworks retail locations pursuant to section 11 of the Michigan
5 fireworks safety act, 2011 PA 256, MCL 28.461, from the funds appropriated in part 1 for
6 the bureau of fire services during the preceding fiscal year.

7 (b) The amount of reimbursement for delegated inspections of fireworks retail
8 locations for each local unit of government that received reimbursement from the funds
9 appropriated in part 1 for the bureau of fire services during the preceding fiscal year.

10 Sec. 12-513. (1) Beginning October 1, for the purpose of defraying the costs
11 associated with responding to false final inspection appointments and to discourage the
12 practice of calling for final inspections when the project is incomplete or noncompliant
13 with a plan of correction previously provided by the bureau of fire services, the bureau of
14 fire services may assess a fee not to exceed \$200.00 for responding to confirmed false
15 inspection appointments. Fees collected under this section shall be deposited into the
16 restricted account referenced by section 2c(2) of the fire prevention code, 1941 PA 207,
17 MCL 29.2c, and explicitly identified within the Michigan administrative information
18 network.

19 (2) Not later than September 30, the department shall prepare a report that provides
20 the amount of the fee assessed under subsection (1), the number of fees assessed and issued
21 per region, the cost allocation for the work performed and reduced as a result of this
22 section, and any recommendations for consideration by the legislature. The department shall
23 submit this information to the state budget director, the subcommittees, and the fiscal
24 agencies.

25 Sec. 12-515. The department shall assess and collect fees in the licensing and
26 regulation of child care organizations, as described in 1973 PA 116, MCL 722.111 to
27 722.128, and adult foster care facilities, as described in the adult foster care facility
28 licensing act, 1979 PA 218, MCL 400.701 to 400.737.

29 Sec. 12-518. From the amount appropriated in part 1 for the bureau of community and
30 health systems, upon receipt of the order of suspension of a licensed adult foster care
31 home, home for the aged, or nursing home, the department shall serve the facility and
32 provide contemporaneous notice to the offices of legislators representing a district where

1 the licensed facility is situated.

2

3 **EMPLOYMENT SERVICES**

4 Sec. 12-704. (1) The appropriation in part 1 for the bureau of services for blind
5 persons includes funds for case services. These funds may be used for tuition payments for
6 blind clients.

7 (2) Revenue collected by the bureau of services for blind persons and from private
8 and local sources that is unexpended at the end of the fiscal year may carry forward to the
9 subsequent fiscal year.

10 Sec. 12-707. The bureau of services for blind persons may provide and enter into
11 agreements to provide general services, training, meetings, information, special equipment,
12 software, facility use, and technical consulting services to other principal executive
13 departments, state agencies, local units of government, the judicial branch of government,
14 other organizations, and patrons of department facilities. The department may charge fees
15 for these services that are reasonably related to the cost of providing the services. In
16 addition to the funds appropriated in part 1, funds collected by the department for these
17 services are appropriated for all expenses necessary. The funds appropriated under this
18 section are allotted for expenditure when they are received by the department of treasury.

19 Sec. 12-708. Funds received in excess of the appropriation in part 1 for first
20 responder presumed coverage claims from the first responder presumed coverage fund are
21 appropriated in an amount sufficient to pay approved claims due in the current fiscal year
22 pursuant to the worker's disability compensation act of 1969, as amended, MCL 418.405.

23

24 **COMMISSIONS**

25 Sec. 12-800. If Byrne formula grant funding is awarded to the Michigan indigent
26 defense commission, the Michigan indigent defense commission may receive and expend Byrne
27 formula grant funds in an amount not to exceed \$250,000.00 as an interdepartmental grant
28 from the department of state police. The Michigan indigent defense commission, created
29 under section 5 of the Michigan indigent defense commission act, 2013 PA 93, MCL 780.985,
30 may receive and expend federal grant funding from the United States Department of Justice
31 in an amount not to exceed \$300,000.00 as other federal grants.

32 Sec. 12-801. From the funds appropriated in part 1, the Michigan indigent defense

1 commission shall submit a report by September 30 to the senate and house appropriations
2 subcommittees on judiciary, the senate and house fiscal agencies, and the state budget
3 director on the incremental costs associated with the standard development process, the
4 compliance plan process, and the collection of data from all indigent defense systems and
5 attorneys providing indigent defense. Particular emphasis shall be placed on those costs
6 that may be avoided after standards are developed and compliance plans are in place.

7

8 **GRANTS**

9 Sec. 12-901. The appropriation in part 1 for fire protection grants shall be
10 appropriated to cities, villages, and townships with state-owned facilities for fire
11 services, instead of taxes, in accordance with 1977 PA 289, MCL 141.951 to 141.956.

12 Sec. 12-902. (1) The department shall expend the funds appropriated in part 1 for
13 medical marihuana operation and oversight grants for grants to county law enforcement
14 offices for the operation and oversight of the Michigan medical marihuana program pursuant
15 to section 6(1) of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426. These
16 grants shall be distributed proportionately based on the number of registry identification
17 cards issued to or renewed for the residents of each county whose county law enforcement
18 office applied for a grant under subsection (2). For the purposes of this subsection,
19 operation and oversight grants are for education, communication, and enforcement of the
20 Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430.

21 (2) No later than December 1, the department shall post a listing of potential grant
22 money available to each county law enforcement agency on its website. In addition, the
23 department shall work collaboratively with county law enforcement agencies, the Michigan
24 Sheriff's Association, and other representative law enforcement organizations regarding the
25 availability of these grant funds. A county law enforcement agency requesting a grant shall
26 apply on a form developed by the department and available on the website. The form shall
27 contain the county law enforcement agency's specific projected plan for use of the money
28 and its agreement to maintain all records and to submit documentation to the department to
29 support the use of the grant money.

30 (3) In order to be eligible to receive a grant under subsection (1), a county law
31 enforcement agency shall apply no later than January 1 and agree to report how the grant
32 was expended and provide that report to the department no later than September 15. The

1 department shall submit a report no later than October 15 of the subsequent fiscal year to
2 the state budget director, the subcommittees, and the fiscal agencies detailing the grant
3 amounts by recipient and the reported uses of the grants in the preceding fiscal year.

4 (4) County law enforcement agencies may distribute discretionary grants made under
5 subsection (1) to municipal law enforcement agencies for the operation and oversight of the
6 Michigan medical marihuana program pursuant to section 6(1) of the Michigan medical
7 marihuana act, 2008 IL 1, MCL 333.26426. If a county law enforcement agency distributes a
8 discretionary grant in this manner, that county law enforcement agency shall require the
9 receiving municipal law enforcement agency to provide a report on how that grant was spent.
10 Reports from municipal law enforcement agencies shall be included as part of the report
11 submitted to the department as required in subsection (3).

12 (5) The fiscal year ending September 30, 2018 is anticipated to be the final year
13 that medical marihuana enforcement grants will be disbursed to local units of government
14 due to the implementation of the medical marihuana facilities licensing act, 2016 PA 281,
15 MCL 333.27101 to 333.27801, which provides local units of government with disbursements
16 from the medical marihuana excise tax collections.

17 Sec. 12-903. (1) The amount appropriated in part 1 for firefighter training grants
18 shall only be expended for payments to counties to reimburse organized fire departments for
19 firefighter training and other activities required under the firefighters training council
20 act, 1966 PA 291, MCL 29.361 to 29.377.

21 (2) If the amount appropriated in part 1 for firefighter training grants is expended
22 by the firefighter training council, established in section 3 of the firefighters training
23 council act, 1966 PA 291, MCL 29.363, for payments to counties under section 14 of the
24 firefighters training council act, 1966 PA 291, MCL 29.374:

25 (a) The amount appropriated in part 1 for firefighter training grants shall be
26 allocated pursuant to section 14(2) of the firefighters training council act, 1966 PA 291,
27 MCL 29.374.

28 (b) If the amount allocated to any county under subdivision (a) is less than
29 \$5,000.00, the amounts disbursed to each county under subdivision (a) shall be adjusted to
30 provide for a minimum payment of \$5,000.00 to each county.

31 (3) No later than February 1, the department shall submit a financial report to the
32 subcommittees, fiscal agencies, and the state budget director identifying the following

1 information for the preceding fiscal year:

2 (a) The amount of the payments that would be made to each county if the distribution
3 formula described by the first sentence of section 14(2) of the firefighters training
4 council act, 1966 PA 291, MCL 29.374, would have been utilized to allocate the total amount
5 appropriated in part 1 for firefighter training grants.

6 (b) The amount of the payments approved by the firefighter training council for
7 allocation to each county.

8 (c) The amount of the payments actually expended or encumbered within each county.

9 (d) A description of any other payments or expenditures made under the authority of
10 the firefighter training council.

11 (e) The amount of payments approved for allocations to counties that was not expended
12 or encumbered and lapsed back to the fireworks safety fund.

13 Sec. 12-904. (1) The funds appropriated in part 1 for a regional or subregional
14 library shall not be released until a budget for that regional or subregional library has
15 been approved by the department for expenditures for library services directly serving the
16 blind and persons with disabilities.

17 (2) In order to receive subregional state aid as appropriated in part 1, a regional
18 or subregional library's fiscal agency shall agree to maintain local funding support at the
19 same level in the current fiscal year as in the fiscal agency's preceding fiscal year. If a
20 reduction in expenditures equally affects all agencies in a local unit of government that
21 is the regional or subregional library's fiscal agency, that reduction shall not be
22 interpreted as a reduction in local support and shall not disqualify a regional or
23 subregional library from receiving state aid under part 1. If a reduction in income affects
24 a library cooperative or district library that is a regional or subregional library's
25 fiscal agency or a reduction in expenditures for the regional or subregional library's
26 fiscal agency, a reduction in expenditures for the regional or subregional library shall
27 not be interpreted as a reduction in local support and shall not disqualify a regional or
28 subregional library from receiving state aid under part 1.

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Article 13

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 13-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of military and veterans affairs are appropriated for the fiscal year ending September 30, 2018, and are anticipated to be appropriated for the fiscal year ending September 30, 2019, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	DEPARTMENT OF MILITARY AND VETERANS AFFAIRS	
2	APPROPRIATION SUMMARY	
3	Full-time equated unclassified positions.....	9.0 9.0
4	Full-time equated classified positions.....	904.5 904.5
5	GROSS APPROPRIATION	\$ 180,004,400 \$ 177,504,400
6	Total interdepartmental grants and interdepartmental	
7	transfers.....	101,800 101,800
8	ADJUSTED GROSS APPROPRIATION	\$ 179,902,600 \$ 177,402,600
9	Total federal revenues	92,334,100 92,334,100
10	Total local revenues	1,528,400 1,528,400
11	Total private revenues	640,000 640,000
12	Total other state restricted revenues	22,332,600 22,332,600
13	State general fund/general purpose	\$ 63,067,500 \$ 60,567,500
14	<i>State general fund/general purpose schedule:</i>	
15	<i>Ongoing state general fund/general purpose</i>	<i>60,567,500 60,567,500</i>
16	<i>One-time state general fund/general purpose</i>	<i>2,500,000 0</i>
17	Sec. 13-102. MILITARY	
18	Full-time equated unclassified positions.....	9.0 9.0
19	Full-time equated classified positions.....	333.0 333.0
20	Unclassified salaries-9.0 FTE positions	\$ 1,468,300 \$ 1,468,300
21	Departmentwide	1,853,100 1,853,100
22	Headquarters and armories-88.0 FTE positions	17,317,800 17,317,800
23	Michigan youth challenge academy-50.0 FTE positions ..	5,259,100 5,259,100
24	Military family relief fund	600,000 600,000
25	Military training sites and support facilities-195.0	
26	FTE positions.....	33,956,100 33,956,100
27	National guard operations	398,200 398,200
28	National guard tuition assistance fund	4,007,000 4,007,000
29	Starbase grant	<u>2,322,000 2,322,000</u>
30	GROSS APPROPRIATION	\$ 67,181,600 \$ 67,181,600
31	Appropriated from:	
32	Interdepartmental grant revenues:	

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019	
1	IDG from department of state police	101,800	101,800
2	Federal revenues:		
3	Other federal revenues	47,200,100	47,200,100
4	Special revenue funds:		
5	Local revenues	1,528,400	1,528,400
6	Private revenues	100,000	100,000
7	Other state restricted revenues	2,567,800	2,567,800
8	State general fund/general purpose	\$ 15,683,500	\$ 15,683,500
9	Sec. 13-103. MICHIGAN VETERANS AFFAIRS AGENCY		
10	Full-time equated classified positions.....	224.5	224.5
11	Board of managers (veterans homes)	\$ 940,000	\$ 940,000
12	D.J. Jacobetti veterans' home-179.5 FTE positions	22,275,500	22,275,500
13	Michigan veterans affairs agency administration-39.0		
14	FTE positions.....	7,133,200	7,133,200
15	Michigan veterans facility authority	1,500,000	1,500,000
16	Veterans' trust fund administration-6.0 FTE positions	1,468,900	1,468,900
17	Veterans' trust fund grants	3,746,500	3,746,500
18	Targeted grants	200,000	200,000
19	Veterans service grants	3,763,500	3,763,500
20	GROSS APPROPRIATION	\$ 41,027,600	\$ 41,027,600
21	Appropriated from:		
22	Federal revenues:		
23	Other federal revenues	8,396,100	8,396,100
24	Special revenue funds:		
25	Private revenues	540,000	540,000
26	Other state restricted revenues	10,730,100	10,730,100
27	State general fund/general purpose	\$ 21,361,400	\$ 21,361,400
28	Sec. 13-104. GRAND RAPIDS HOME FOR VETERANS		
29	Full-time equated classified positions.....	347.0	347.0
30	Veterans homes operations	\$ 9,007,800	\$ 9,007,800
31	Purchased services	10,342,700	10,342,700
32	Salaries, wages, and fringe benefits-347.0 FTE		

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019	
1	positions.....	31,054,000	31,054,000
2	GROSS APPROPRIATION	\$ 50,404,500	\$ 50,404,500
3	Appropriated from:		
4	Federal revenues:		
5	Other federal revenues	21,165,600	21,165,600
6	Special revenue funds:		
7	Other state restricted revenues	6,620,200	6,620,200
8	State general fund/general purpose	\$ 22,618,700	\$ 22,618,700
9	Sec. 13-105. CAPITAL OUTLAY		
10	Land and acquisitions	\$ 2,000,000	\$ 2,000,000
11	Special maintenance - National Guard	15,000,000	15,000,000
12	Special maintenance - veterans' homes	<u>500,000</u>	<u>500,000</u>
13	GROSS APPROPRIATION	\$ 17,500,000	\$ 17,500,000
14	Appropriated from:		
15	Federal revenues:		
16	Other federal revenues	15,000,000	15,000,000
17	Special revenue funds:		
18	Other state restricted revenues	2,000,000	2,000,000
19	State general fund/general purpose	\$ 500,000	\$ 500,000
20	Sec. 13-106. INFORMATION TECHNOLOGY		
21	Information technology services and projects	<u>\$ 1,390,700</u>	<u>\$ 1,390,700</u>
22	GROSS APPROPRIATION	\$ 1,390,700	\$ 1,390,700
23	Appropriated from:		
24	Federal revenues:		
25	Other federal revenues	572,300	572,300
26	Special revenue funds:		
27	Other state restricted revenues	414,500	414,500
28	State general fund/general purpose	\$ 403,900	\$ 403,900
29	Sec. 13-107. ONE-TIME APPROPRIATIONS		
30	Armory maintenance	<u>\$ 2,500,000</u>	<u>\$ 0</u>
31	GROSS APPROPRIATION	\$ 2,500,000	\$ 0
32	Appropriated from:		

1 Special revenue funds:
2 State general fund/general purpose \$ 2,500,000 \$ 0

4 PART 2

5 PROVISIONS CONCERNING APPROPRIATIONS

6 FISCAL YEAR 2018

8 GENERAL SECTIONS

9 Sec. 13-201. Pursuant to section 30 of article IX of the state constitution of 1963,
10 total state spending from state resources under part 1 for the fiscal year 2018 is
11 \$85,400,100.00 and state spending from state resources to be paid to local units of
12 government for fiscal year 2018 is \$142,400.00. The itemized statement below identifies
13 appropriations from which spending to local units of government will occur:

14 DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

15 Michigan veterans affairs agency administration..... \$ 90,000
16 Military training sites and support facilities..... 52,400
17 TOTAL \$ 142,400

18 Sec. 13-202. The appropriations authorized under this article are subject to the
19 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

20 Sec. 13-203. As used in this article:

21 (a) "Core services" means that phrase as defined in section 373 of the management and
22 budget act, 1984 PA 431, MCL 18.1373.

23 (b) "Department" means the department of military and veterans affairs.

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

25 (d) "DJJHV" means the D.J. Jacobetti home for veterans.

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

27 (f) "HVAC" means heating, ventilation, and air conditioning.

28 (g) "IDG" means interdepartmental grant.

29 (h) "MVAA" means the Michigan veterans affairs agency.

30 (i) "USDVA" means the United States Department of Veterans Affairs.

31 (j) "Support services" means an activity, such as information technology, accounting,
32 human resources, legal, and other support functions that are required to support the

1 ongoing delivery of core services.

2 (k) "USDVA-VHA" means the USDVA Veterans Health Administration.

3 (l) "VSO" means veterans service organization.

4 (m) "Work project" means that term as defined in section 404 of the management and
5 budget act, 1984 PA 431, MCL 18.1404, and that meets the criteria in section 451a(1) of the
6 management and budget act, 1984 PA 431, MCL 18.1451a.

7 Sec. 13-204. The departments and agencies receiving appropriations in part 1 shall
8 use the Internet to fulfill the reporting requirements of this article. This requirement
9 may include transmission of reports via electronic mail to the recipients identified for
10 each reporting requirement, or it may include placement of reports on an Internet or
11 Intranet site.

12 Sec. 13-205. Funds appropriated in part 1 shall not be used for the purchase of
13 foreign goods or services, or both, if competitively priced and of comparable quality
14 American goods or services, or both, are available. Preference shall be given to goods or
15 services, or both, manufactured or provided by Michigan businesses, if they are
16 competitively priced and of comparable quality. In addition, preference should be given to
17 goods or services, or both, that are manufactured or provided by Michigan businesses owned
18 and operated by veterans, if they are competitively priced and of comparable quality.

19 Sec. 13-206. The director shall take all reasonable steps to ensure businesses in
20 deprived and depressed communities compete for and perform contracts to provide services or
21 supplies, or both. Each director shall strongly encourage firms with which the department
22 contracts to subcontract with certified businesses in depressed and deprived communities
23 for services, supplies, or both.

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

31 (a) The dates of each travel occurrence.

32 (b) The transportation and related costs of each travel occurrence, including the

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

4 Sec. 13-208. Funds appropriated in part 1 shall not be used by a principal executive
5 department, state agency, or authority to hire a person to provide legal services that are
6 the responsibility of the attorney general. This prohibition does not apply to legal
7 services for bonding activities and for those outside services that the attorney general
8 authorizes.

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

15 Sec. 13-210. (1) In addition to the funds appropriated in part 1, there is
16 appropriated an amount not to exceed \$10,000,000.00 for federal contingency funds. These
17 funds are not available for expenditure until they have been transferred to another line
18 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
19 MCL 18.1393.

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

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

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

32 Sec. 13-211. The department shall cooperate with the department of technology,

1 management and budget to maintain a searchable website accessible by the public at no cost
2 that includes, but is not limited to, all of the following for each department or agency:

- 3 (a) Fiscal year-to-date expenditures by category.
- 4 (b) Fiscal year-to-date expenditures by appropriation unit.
- 5 (c) Fiscal year-to-date payments to a selected vendor, including the vendor name,
6 payment date, payment amount, and payment description.
- 7 (d) The number of active department employees by job classification.
- 8 (e) Job specifications and wage rates.

9 Sec. 13-212. Within 14 days after the release of the executive budget recommendation,
10 the department shall cooperate with the state budget office to provide the senate and house
11 appropriations chairs, the senate and house appropriations subcommittees chairs, and the
12 senate and house fiscal agencies with an annual report on estimated state restricted fund
13 balances, state restricted fund projected revenues, and state restricted fund expenditures
14 for the fiscal years ending September 30, 2017 and September 30, 2018.

15 Sec. 13-213. The department shall maintain, on a publicly accessible website, a
16 department scorecard that identifies, tracks and regularly updates key metrics that are
17 used to monitor and improve the agency's performance.

18 Sec. 13-214. Total authorized appropriations from all sources under part 1 for legacy
19 costs for the fiscal year ending September 30, 2018 are estimated at \$17,075,800.00. From
20 this amount, total agency appropriations for pension-related legacy costs are estimated at
21 \$8,787,300.00. Total agency appropriations for retiree health care legacy costs are
22 estimated at \$8,288,500.00.

23 Sec. 13-219. The department shall provide quarterly reports to the subcommittees, the
24 senate and house fiscal agencies, and the state budget office, which shall provide the
25 following data:

- 26 (a) A list of all major work projects, including a status report of each project.
- 27 (b) The department's financial status, featuring a report of budgeted versus actual
28 expenditures by part 1 line item including a year-end projection of budget requirements. If
29 projected department budget requirements exceed the allocated budget, the report shall
30 include a plan to reduce overall expenses while still satisfying specified service level
31 requirements.
- 32 (c) A report on the status of performance metrics cited in this part and information

1 required to be reported in this part.

2 (d) The number of active employees at the close of the fiscal quarter by job
3 classification and program.

4 (e) Evidence of efficiencies and management of funds within established
5 appropriations.

6 Sec. 13-222. The appropriations in part 1 are for the core services, support
7 services, and work projects of the department, including, but not limited to, the following
8 core services:

9 (a) Armories and joint force readiness.

10 (b) National Guard training facilities and air bases.

11 (c) Michigan youth challenge academy.

12 (d) Military family relief fund.

13 (e) Starbase grant.

14 (f) National Guard tuition assistance program.

15 (g) Michigan veterans affairs agency administration.

16 (h) Veterans service grants.

17 (i) Veterans' trust fund administration.

18 (j) Veterans' trust fund grants.

19 (k) Board of managers (veterans homes).

20 (l) Grand Rapids home for veterans.

21 (m) D.J. Jacobetti home for veterans.

22 Sec. 13-232. The appropriations in part 1 for capital outlay shall be carried forward
23 at the end of the fiscal year consistent with section 248 of the management and budget act,
24 1984 PA 431, MCL18.1248.

25

26 **MILITARY**

27 Sec. 13-301. (1) From the funds appropriated in part 1 for military operations,
28 effective and efficient executive direction and administrative leadership shall be provided
29 to the department.

30 (2) The department shall operate and maintain National Guard armories.

31 (3) The department shall evaluate armories and submit a quarterly report on the
32 status of the armories.

1 (4) The department shall maintain a system to measure the condition and adequacy of
2 the armories.

3 (5) The Michigan Army National Guard and Air National Guard shall work to provide a
4 culture that is free of sexual assault, through an environment of prevention, education and
5 training, response capability, victim support, reporting procedures, and appropriate
6 accountability that enhances the safety and well-being of all guard members.

7 (6) By December 1, the department shall report the following information to the
8 subcommittees, the senate and house fiscal agencies, and the state budget office:

9 (a) An assessment of the grounds and facilities of each armory to objectively measure
10 and determine the current facility condition and capability to support authorized manpower,
11 unit training, and operations.

12 (b) Recommendations for the placement of new armories, the relocation or
13 consolidation of existing armories, or a change in the mission of units assigned to
14 armories to ideally position the National Guard in current or projected population centers.

15 (c) Recommendations for the enhanced use of armories to facilitate family support
16 programs during deployments.

17 (d) An analysis of the feasibility, potential costs, and benefits of use of armories
18 shared with other local, state, or federal agencies to improve responses to local
19 emergencies as well as the community support provided to armories.

20 (e) An investment strategy and proposed funding amounts in a prioritized project list
21 to correct the most critical facility shortfalls across the inventory of armories in this
22 state.

23 Sec. 13-302. (1) The department shall maintain the Michigan youth challenge academy
24 to provide values, skills, education, and self-discipline instruction for at-risk youth as
25 provided under 32 USC 509.

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

29 (3) The department shall partner with the department of health and human services to
30 identify youth who may be eligible for the challenge program from those youth served by
31 department of health and human services programs. These eligible youth shall be given
32 priority for enrollment in the program.

1 (4) The department shall maintain the staffing and resources necessary to train at
2 least 144 cadets simultaneously at the Michigan youth challenge academy.

3 (5) The department shall ensure that the average grade level increase for Michigan
4 youth challenge academy graduates is 2 years as measured with the test adult basic
5 education (TABE) metrics.

6 (6) Any unexpended private donations to support the Michigan youth challenge academy
7 at the close of the fiscal year shall not lapse to the general fund but shall be carried
8 forward to the subsequent fiscal year.

9 Sec. 13-303. (1) The department shall provide grants for disbursement from the
10 military family relief fund, as provided under the military family relief fund act, 2004 PA
11 363, MCL 35.1211 to 35.1216, and R 200.5 to R 200.95 of the Michigan administrative code.

12 (2) The department shall provide information on the revenues, expenditures for
13 advertising and assistance grants, and fund balance of the Michigan military family relief
14 fund, as provided under section 219.

15 (3) The department shall provide sufficient staffing and other resources to provide
16 outreach to the Michigan families of members of the reserve component of the armed forces
17 called into active duty and to support the processing and approval of grant applications
18 this fiscal year under the Michigan military relief fund and report those applications as
19 provided in section 219.

20 Sec. 13-304. (1) The department shall provide Army and Air National Guard forces,
21 when directed, for state and local emergencies and in support of national military
22 requirements.

23 (2) The department shall operate and maintain Army National Guard training
24 facilities, including Fort Custer and Camp Grayling.

25 (3) The department shall maintain a system that measures the condition and adequacy
26 of air facilities using both quality and functionality criteria.

27 (4) The department shall operate and maintain Air National Guard air bases, including
28 Selfridge Air National Guard base, Battle Creek Air National Guard base, and Alpena combat
29 readiness training center.

30 (5) The department shall provide the following information as provided under section
31 219:

32 (a) The apportioned and assigned strength of the Michigan Army National Guard.

1 (b) The apportioned and assigned strength of the Michigan Air National Guard.

2 (c) Recruiting, retention, and attrition data, including measurement against stated
3 performance goals, for the Michigan Army National Guard.

4 (d) Recruiting, retention, and attrition data, including measurement against stated
5 performance goals, for the Michigan Air National Guard.

6 Sec. 13-305. There is hereby created and established under the jurisdiction and
7 control of the department a revolving account to be known as the billeting fund account.
8 All of the fees and other revenues generated from the operation of the chargeable transient
9 quarters program shall be deposited in the billeting fund account. Appropriations will be
10 made from the account for the support of program operations and the maintenance and
11 operations of the chargeable transient quarters program and will not exceed the estimated
12 revenues for the fiscal year in which they are made, together with unexpended balances from
13 prior years. The department shall submit an annual report of operations and expenditures
14 regarding the billeting fund account to the appropriations committees of the senate and
15 house of representatives, the house and senate fiscal agencies, and the state budget office
16 at the end of the fiscal year.

17 Sec. 13-306. (1) The department shall maintain a National Guard tuition assistance
18 program for members of the Michigan Air and Army National Guard.

19 (2) The objective of the National Guard tuition program is to bolster military
20 readiness by increasing recruitment and retention of Michigan Air and Army National Guard
21 service members (and to fill federally authorized strength levels for the state), improve
22 the Michigan Air and Army National Guard's competitive draw from other military enlistment
23 options in the state, enhance the ability of the Michigan Air and Army National Guard to
24 compete for members and federal dollars with surrounding states, and increase the pool of
25 eligible candidates within the Michigan Air and Army National Guard to become commissioned
26 officers.

27 (3) The department shall make efforts to increase the number of Michigan Air and Army
28 National Guard members participating in the program to 1,100 during the fourth year of the
29 program's existence. To evaluate the effectiveness of the program, the department shall
30 monitor the number of new recruits and new reenlistments and the percentage of those who
31 become participants in the program to determine whether the percentage of authorized
32 Michigan Air and Army National Guard strength obtained and retained is competitive in

1 comparison with the neighboring air and army national guards from the states of Illinois,
2 Indiana, Ohio, and Wisconsin.

3 (4) The general fund/general purpose funds appropriated in part 1 for the National
4 Guard tuition assistance fund shall be deposited to the restricted Michigan national guard
5 tuition assistance fund created in section 4 of the Michigan national guard tuition
6 assistance act, 2014 PA 259, MCL 32.434. All funds in the national guard tuition
7 assistance fund not to exceed \$4,007,000.00 are appropriated and available for expenditure
8 to support the Michigan national guard tuition assistance program.

9 Sec. 13-307. The department shall maintain the starbase program at Air National Guard
10 facilities, as provided under 10 USC 2193b, to improve the knowledge, skills, and interest
11 of students, primarily in the fifth grade, in math, science, and technology. The starbase
12 program is to specifically target minority and at-risk students for participation.

13

14 **MICHIGAN VETERANS AFFAIRS AGENCY**

15 Sec. 13-401. The board of managers and Michigan Veterans' Facility Authority shall
16 exercise certain regulatory and governance authority regarding admission and member affairs
17 at the Grand Rapids and D.J. Jacobetti homes for veterans. The board of managers shall also
18 work to represent the interest of the veterans' community in both advisory and advocacy
19 roles.

20 Sec. 13-402. (1) The MVAA, the board of managers, and the Michigan Veterans Facility
21 Authority shall provide compassionate and quality nursing and domiciliary care services at
22 the Grand Rapids and D.J. Jacobetti homes for veterans so that members can achieve their
23 highest potential of wellness, independence, self-worth, and dignity.

24 (2) The department shall provide resources necessary to provide nursing care services
25 to veterans in accordance with federal standards and provide the results of the annual
26 USDVA survey and certification as proof of compliance.

27 (3) Appropriations in part 1 for the Grand Rapids and the D.J. Jacobetti homes for
28 veterans shall not be used for any purpose other than for veterans and veterans' families.

29 (4) Any contractor providing competency evaluated nursing assistants (CENA) to the
30 Grand Rapids home for veterans shall ensure that each CENA has at least 8 hours of training
31 on information provided by the home.

32 (5) Any contractor providing competency evaluated nursing assistants to the Grand

1 Rapids home for veterans shall ensure that each CENA has at least 1 eight-hour shift of
2 shadowing at the veterans' home.

3 (6) Any contractor providing competency evaluated nursing assistants to the Grand
4 Rapids home for veterans shall ensure that each CENA is competent in the basic skills
5 needed to perform his or her assigned duties at the home.

6 (7) The Grand Rapids home for veterans shall provide each CENA at least 12 hours of
7 in-service training once that individual has been assigned to the home.

8 (8) All complaints of abusive or neglectful care at the Grand Rapids and the D.J.
9 Jacobetti homes for veterans by a resident member, a resident member's family or legal
10 guardian, or staff of the veterans' homes, received by a supervisor shall be referred to
11 the director of nursing or his or her designee upon receipt of such complaint. The director
12 of nursing or his or her designee shall report on not less than a monthly basis, except
13 that the board of managers may specify a more frequent reporting period, to the home
14 administrator, board of managers, agency, subcommittees, the senate and house fiscal
15 agencies, and the state budget office the following information:

16 (a) A description of the process by which resident members and others may file
17 complaints of alleged abuse or neglect at the Grand Rapids and the D.J. Jacobetti homes for
18 veterans.

19 (b) Summary statistics on the number and general nature of complaints of abuse or
20 neglect.

21 (c) Summary statistics on the final disposition of complaints of abuse or neglect
22 received.

23 (9) The Grand Rapids and D.J. Jacobetti homes for veterans shall provide an on-site,
24 board-certified psychiatrist for all resident members with mental health disorders in order
25 to ensure that those resident members receive needed services in a professional and timely
26 manner. The Grand Rapids and D.J. Jacobetti homes for veterans shall provide all members
27 and staff a safe and secure environment.

28 (10) The Grand Rapids and D.J. Jacobetti homes for veterans shall ensure that they
29 effectively develop, execute, and monitor all comprehensive care plans in accordance with
30 federal regulations and their internal policies, with a goal that a comprehensive care plan
31 is fully developed for all resident members.

32 (11) The Grand Rapids and D.J. Jacobetti homes for veterans shall implement controls

1 over their food, maintenance supplies, pharmaceuticals, and medical supplies inventories.

2 (12) The Grand Rapids and D.J. Jacobetti homes for veterans shall establish
3 sufficient controls for calculating resident member maintenance assessments in order to
4 accurately calculate resident member maintenance assessments for each billing cycle. The
5 Grand Rapids and D.J. Jacobetti homes for veterans shall establish sufficient controls to
6 ensure that all past due resident member maintenance assessments are addressed within 30
7 days.

8 (13) The Grand Rapids and D.J. Jacobetti homes for veterans shall establish
9 sufficient controls over monetary donations and donated goods.

10 (14) The Grand Rapids and D.J. Jacobetti homes for veterans shall implement
11 sufficient controls over the handling of resident member funds to ensure the release of
12 funds within 3 business days upon the resident member leaving the home and to ensure that a
13 representative of a resident member is provided a full accounting of that resident member's
14 funds within 10 business days of the death of that resident member.

15 (15) The MVAA shall post on its website all policies adopted by the board of
16 managers, the Michigan Veterans' Facility Authority, and the home related to the
17 administrative operations of the home.

18 (16) The process by which visitors, residents, and employees of the Grand Rapids and
19 D.J. Jacobetti homes for veterans may register complaints shall be displayed in high-
20 traffic areas throughout the home.

21 (17) The MVAA shall report its findings regarding the state veterans' homes'
22 compliance with the requirements and standards under this section in a quarterly report to
23 the legislature and the state budget office. The quarterly reports shall include, but are
24 not limited to, the following information:

25 (a) Quality of care metrics, including:

26 (i) The number of patient care hours and staffing levels measured against USDVA-VHA
27 standards.

28 (ii) Sentinel events reported to the USDVA.

29 (iii) Fall and wound reports.

30 (iv) Complaint reports, including abuse and neglect complaints and outcomes of
31 complaint investigations.

32 (v) Additional minimum data set quality of care indicators used to measure quality of

1 care in long-term care facilities.

2 (b) Quarterly budget update.

3 (c) An accounting of resident member populations at the Grand Rapids and D.J.

4 Jacobetti homes for veterans as follows:

5 (i) By demographics, including period of service, gender, and age.

6 (ii) By care setting, payment source, and associated revenue projections.

7 (d) Updates related to the modernization of the Grand Rapids and D.J. Jacobetti homes
8 for veterans, including information related to the following:

9 (i) Infrastructure/capital outlay improvements.

10 (ii) Information technology updates.

11 (iii) Financial management.

12 (e) Updates on corrective action status related to any audit and survey findings
13 until such findings have been fully addressed.

14 (18) The Grand Rapids and D.J. Jacobetti homes for veterans shall provide to the
15 subcommittees, the senate and house fiscal agencies, and the state budget office the
16 results of any annual or for-cause survey conducted by the USDVA-VHA and any corresponding
17 corrective action plan. This information shall also be made available publicly through the
18 department's or MVAA's website.

19 (19) The MVAA shall provide to the legislature and the state budget office quarterly
20 reports regarding the status of Medicaid certification efforts, including, but not limited
21 to, descriptions of incremental milestones, associated expenditures, and the percent of
22 plan completed.

23 Sec. 13-403. (1) From the increased funds appropriated in part 1 for the D.J.
24 Jacobetti home for veterans, the department shall pursue compliance with current Centers
25 for Medicare and Medicaid Services certification standards. The purpose of this expansion
26 will be to obtain Medicaid certification during fiscal year 2017-2018, to increase the
27 ability to fully utilize all federal funding available to cover the cost of care of
28 eligible veterans living at DJJHV, and to improve overall quality of care for all veterans
29 living at DJJHV.

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

32 (a) The quality of care to members of DJJHV shall increase as a result of increased

1 direct care staffing ratios.

2 (b) The quality of the care environment at DJJHV shall increase as a result of
3 facility updates made according to Medicaid specifications to increase members' access to
4 private and semi-private accommodations.

5 (c) The quality of care for members of DJJHV shall increase as a result of increased
6 ability efforts to implement long-term care evidence-based best practices at DJJHV.

7 (d) The collection of available federal Medicaid revenue shall increase as a result
8 of Medicaid certification.

9 (e) The fiscal stability of DJJHV shall improve due to increased efforts to collect
10 available federal revenue.

11 Sec. 13-404. The department shall ensure that the quality of care for members of the
12 Grand Rapids and D.J. Jacobetti homes for veterans shall exceed the current quality of care
13 for the full spectrum of health care services as a result of the upgrades made to the homes
14 to meet the Centers for Medicare and Medicaid Services certification standards. The
15 department shall provide a quarterly report to the subcommittees which contains evidence
16 that the quality of care for the full spectrum of health care services has improved due to
17 those upgrades.

18 Sec. 13-405. (1) The MVAA shall provide a report, as provided under section 219, on
19 the financial status of the Michigan veterans' trust fund, including the number and amount
20 of emergency grants, state administrative expenses, and county administrative expenses.

21 (2) The Michigan veterans' trust fund board together with the agency shall maintain
22 the staffing and resources necessary to process a minimum of 2,000 applications for
23 veterans' trust fund emergency grants.

24 Sec. 13-406. (1) The MVAA shall provide outreach services to Michigan veterans that
25 advise them on the benefits to which they are entitled, as provided under Executive
26 Reorganization Order No. 2013-2, MCL 32.92. The MVAA shall also do the following:

27 (a) Maintain the staffing partnerships and other resources necessary to develop and
28 operate an outreach program that will communicate benefit eligibility information to at
29 least 50% of Michigan's population of veterans, as assessed by annual census estimates,
30 with a goal of reaching 100% and enabling 100% to access benefit information online.

31 (b) Communicate veteran benefit information pertaining to the Michigan military
32 family relief fund, Michigan veterans' trust fund, and USDVA health, financial, and

1 memorial benefits to which they are entitled.

2 (c) Provide sufficient staffing and other resources to approve requests for military
3 discharge certificates (DD-214) annually.

4 (d) Continue the process to digitize all medical records, military discharge
5 documents, and burial records that are currently on paper and microfilm.

6 (e) Provide a report, as provided under section 219, on the MVAA's performance on the
7 performance measures, outcomes, and initiatives developed by the agency in the strategic
8 plan required by section 501 of 2013 PA 9.

9 (f) Provide a report to the subcommittees, senate and house fiscal agencies, and the
10 state budget office no later than April 1 providing for the following:

11 (i) To the extent known, data on the estimated number of homeless veterans, by
12 county, in this state.

13 (ii) A summary of the activities and strategies developed to date under the MVAA
14 community assessment and regional service delivery model pilot.

15 (2) From the funds appropriated in part 1, the MVAA shall provide for the regional
16 coordination of services, as follows:

17 (a) Regional coordinators shall be selected by the MVAA through a grant agreement
18 with VSOs or by other means.

19 (b) Regional coordinators shall provide the following services:

20 (i) Coordinate veteran benefit counselors' efforts throughout a specified region.

21 (ii) Coordinate services with the department of health and human services and the
22 department of corrections.

23 (iii) Coordinate with regional workforce and economic development agencies.

24 (iv) Coordinate activities among local foundations, nonprofit organizations, and
25 community groups to improve accessibility, enrollment, and utilization of the array of
26 health care, education, employment assistance, and quality of life services provided at the
27 local level.

28 (c) The MVAA may work with MVAA service officers, regional coordinators, county
29 veteran counselors, VSO service officers, and other service providers to incorporate the
30 provision of information relating to mental health care resources into their daily
31 operations to aid veterans in understanding the mental health care support services they
32 may be eligible to receive.

1 (d) The MVAA shall coordinate with the department of health and human services to
2 identify Medicaid recipients who are veterans and who may be eligible for federal veterans
3 health care benefits or other benefits, to the extent that the identification does not
4 violate applicable confidentiality requirements.

5 (e) The MVAA shall collaborate with the department of corrections to create and
6 maintain a process by which prisoners can obtain a copy of their DD-214 form or other
7 military discharge documentation if necessary.

8 (f) The MVAA shall ensure that all MVAA service officers, VSO service officers, and
9 regional coordinators receive appropriate training in processing applications for benefits
10 payable to veterans due to military sexual trauma, post-traumatic stress disorder,
11 depression, anxiety, substance abuse, or other mental health issues.

12 (3) The MVAA shall provide claims processing services to Michigan veterans in support
13 of benefit claims submitted to the USDVA for the health, financial, and memorial benefits
14 for which they are eligible, and shall do all of the following:

15 (a) Report the following information as provided in section 219:

16 (i) The number of benefit claims, by type, submitted to the USDVA by MVAA and
17 coalition partner veteran service officers.

18 (ii) The number of fully developed claims, submitted to the USDVA, with an overall
19 goal of 40% of benefit claims submitted that are considered fully developed by the USDVA.

20 (b) Maintain the staffing and resources necessary to process a minimum of 500 claims
21 per year.

22 (4) The MVAA shall maintain staffing and resources necessary to develop and implement
23 a process to ensure that all county counselors receive the training and accreditation
24 necessary to provide quality services to our veterans. The MVAA shall report information as
25 provided in section 219 on the number and percentage of county veterans counselors
26 requesting training by the MVAA, with an overall goal of 100% of county veterans counselors
27 trained.

28 (5) From the funds appropriated in part 1 for MVAA operations, the MVAA shall provide
29 grant assistance to enhance the capacity and capabilities of counties in providing benefit
30 claims assistance. These funds shall be used to continue the implementation of an Internet-
31 based data system, to increase the number of county veterans counselors, and to increase
32 the number of counties that provide service to veterans through county veterans counselors.

1 The MVAA shall provide a report, as provided in section 219, on the expenditures and
2 activities of the grant funds directed by this subsection.

3 (6) From the funds appropriated in part 1 for MVAA, the MVAA is authorized to expend
4 up to \$50,000.00 to hire legal services to represent veterans benefit cases before federal
5 court to maintain accreditation under 38 CFR 14.628(d)(1)(iv).

6 Sec. 13-407. (1) The MVAA shall disburse VSO grants to assist them to achieve agency
7 goals and performance objectives in partnership with the VSOs. Grants to VSOs will be
8 disbursed to fund programs and projects which are determined by the agency to meet agency
9 performance objectives and ensure that VSOs communicate the availability of emergency
10 grants through the Michigan veterans' trust fund. In disbursing veterans service
11 organization grants, the MVAA shall do the following:

12 (a) Ensure that each VSO that receives grants is issued performance standards.

13 (b) Ensure that each VSO that receives grant funds uses those funds for veterans
14 advocacy and outreach.

15 (c) Monitor the performance of each VSO that receives grants.

16 (2) Veterans service organization grants awarded by the MVAA shall provide for the
17 following, as developed by the MVAA:

18 (a) The provision of service to veterans statewide, using a regional service delivery
19 model, with services provided at specified locations and times, including service provided
20 in state correctional facilities.

21 (b) The payment of a fixed hourly service rate.

22 (c) A specified number of service hours within each geographic region of this state,
23 with a statewide goal based on both current fiscal year appropriations for VSO grant
24 program and Sec, 406 (2)(b) fixed hourly service rate. The statewide goal will include
25 service hours provided to eligible incarcerated veterans within 1 year of their earliest
26 release date.

27 (d) Use of an MVAA-designated Internet-based claims data system.

28 (3) The MVAA shall report the following information as provided in section 219:

29 (a) A summary of activities supported through the appropriation in part 1 for
30 veterans service organization grants, including separately for each service region, the
31 amount of expenditures to date, number of service hours, number of claims for benefits
32 submitted by type of claim, and other information deemed appropriate by the MVAA.

1 (b) The number of fully developed claims, by type, submitted to the USDVA by veterans
2 service organizations, with an overall goal of 40% of benefit claims submitted that are
3 considered fully developed by the USDVA.

4 Sec. 13-408. (1) The Michigan veterans' trust fund board together with the MVAA shall
5 provide emergency grants for disbursement from the Michigan veterans' trust fund, as
6 provided under the following program authorities:

7 (a) Sections 37, 38, and 39 of article IX of the state constitution of 1963.

8 (b) 1946 (1st Ex Sess) PA 9, MCL 35.602 to 35.610.

9 (c) R 35.1 to R 35.7 of the Michigan administrative code.

10 (d) R 35.621 to R 35.623 of the Michigan administrative code.

11 (2) No later than December 1, the MVAA shall provide a detailed report of the
12 Michigan veterans' trust fund that includes, for the prior fiscal year, information on
13 grants provided from the emergency grant program, including details concerning the
14 methodology of allocations, the selection of emergency grant program authorized agents, a
15 description of how the emergency grant program is administered in each county, and a
16 detailed breakdown of trust fund expenditures for that year, including the amount
17 distributed to each county for administrative costs and emergency grants. The report shall
18 also include the number of approved applications, by category of assistance, and the number
19 of denied applications, by reason of denial. The report shall also provide an update on the
20 department's efforts to reduce program administrative costs and maintain the Michigan
21 veterans' trust fund corpus to its original amount of at least \$50,000,000.00.

22 (3) Any funds not expended or encumbered at the end of the current fiscal year shall
23 be deposited into the Michigan veterans' trust fund corpus.

24

25 **CAPITAL OUTLAY**

26 Sec. 13-501. The department shall provide for the acquisition and disposition of
27 National Guard armories, facilities, and lands as provided under sections 368, 382, and
28 382a of the Michigan military act, 1967 PA 150, MCL 32.768, 32.782, and 32.782a.

29 Sec. 13-502. (1) The appropriations in part 1 for special maintenance - National
30 Guard shall be carried forward at the end of the fiscal year consistent with section 248 of
31 the management and budget act, 1984 PA 431, MCL 18.1248.

32 (2) The appropriations for special maintenance - National Guard shall be expended in

1 accordance with the requirements of sections 302 and 304 and shall be expended according to
2 the maintenance priorities of the department to repair and modernize military training
3 sites and support facilities, including armories, which may include projects such as roof,
4 HVAC, or boiler replacement, interior renovations, facility expansion, improvements to
5 parking facilities, and other projects.

6 (3) The department shall provide a quarterly report as provided under section 219
7 providing information on the status, projected costs, and projected completion date of
8 current and planned special maintenance projects at the armories and other National Guard
9 facilities funded from capital outlay appropriations made in part 1 and in prior
10 appropriations years.

11 Sec. 13-503. (1) The appropriations in part 1 for special maintenance - veterans'
12 homes shall be carried forward at the end of the fiscal year consistent with section 248 of
13 the management and budget act, 1984 PA 431, MCL 18.1248.

14 (2) The appropriations for special maintenance - veterans' homes shall be expended in
15 accordance with the requirements of section 501 and shall be expended according to the
16 maintenance priorities of the department to repair and modernize the state's veterans'
17 homes, which may include projects such as roof, HVAC, or boiler replacement, interior
18 renovations, facility expansion, improvements to parking facilities, and other projects
19 designed to enhance the quality of life and medical care of members.

20 (3) The MVAA shall provide a quarterly report as provided under section 219 providing
21 information on the status, projected costs, and projected completion date of current and
22 planned special maintenance projects at the Grand Rapids home for veterans and D.J.
23 Jacobetti home for veterans funded from capital outlay appropriations made in part 1 and in
24 prior appropriations years.

25

26 **ONE-TIME APPROPRIATIONS**

27 Sec. 13-601. (1) The appropriations in part 1 for armory maintenance shall be carried
28 forward at the end of the fiscal year consistent with section 248 of the management and
29 budget act, 1984 PA 431, MCL 18.1248.

30 (2) The appropriations for armory maintenance shall be expended in accordance with
31 the requirements of sections 302 and 304 and shall be expended according to the maintenance
32 priorities of the department to repair and modernize military training sites and support

1 facilities, including armories.

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Article 14

DEPARTMENT OF NATURAL RESOURCES

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 14-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of natural resources are appropriated for the fiscal year ending September 30, 2018, and are anticipated to be appropriated for the fiscal year ending September 30, 2019, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	DEPARTMENT OF NATURAL RESOURCES	
2	APPROPRIATION SUMMARY	
3	Full-time equated unclassified positions.....	6.0 6.0
4	Full-time equated classified positions.....	2,264.8 2,263.8
5	GROSS APPROPRIATION	\$ 416,374,300 \$ 392,621,900
6	Total interdepartmental grants and interdepartmental	
7	transfers.....	232,200 232,200
8	ADJUSTED GROSS APPROPRIATION	\$ 416,142,100 \$ 392,389,700
9	Total federal revenues	70,095,700 70,095,700
10	Total local revenues	0 0
11	Total private revenues	7,446,000 7,446,000
12	Total other state restricted revenues	274,553,100 273,553,100
13	State general fund/general purpose	\$ 64,047,300 \$ 41,294,900
14	<i>State general fund/general purpose schedule:</i>	
15	<i>Ongoing state general fund/general purpose</i>	<i>41,294,900 41,294,900</i>
16	<i>One-time state general fund/general purpose</i>	<i>22,752,400 0</i>
17	Sec. 14-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
18	Full-time equated unclassified positions.....	6.0 6.0
19	Full-time equated classified positions.....	121.1 121.1
20	Unclassified salaries-6.0 FTE positions	\$ 776,700 \$ 776,700
21	Accounting service center	1,489,000 1,489,000
22	Executive direction-11.6 FTE positions	2,136,400 2,136,400
23	Finance and operations-105.5 FTE positions	16,581,800 16,581,800
24	Gifts and pass-through transactions	5,000,000 5,000,000
25	Legal services-4.0 FTE positions	550,500 550,500
26	Natural resources commission	77,100 77,100
27	Property management	<u>3,711,000</u> <u>3,711,000</u>
28	GROSS APPROPRIATION	\$ 30,322,500 \$ 30,322,500
29	Appropriated from:	
30	Interdepartmental grant revenues:	
31	IDG from other restricted funding	232,200 232,200
32	Federal revenues:	

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Other federal revenues	340,700	340,700
2 Special revenue funds:		
3 Private revenues	5,000,000	5,000,000
4 Other state restricted revenues	21,746,700	21,746,700
5 State general fund/general purpose	\$ 3,002,900	\$ 3,002,900
6 Sec. 14-103. DEPARTMENT INITIATIVES		
7 Full-time equated classified positions.....	16.0	16.0
8 Great Lakes restoration initiative	\$ 2,922,000	\$ 2,922,000
9 Invasive species prevention and control-16.0 FTE		
10 positions.....	5,031,700	5,031,700
11 Michigan conservation corps	<u>1,000,000</u>	<u>1,000,000</u>
12 GROSS APPROPRIATION	\$ 8,953,700	\$ 8,953,700
13 Appropriated from:		
14 Federal revenues:		
15 Other federal revenues	2,922,000	2,922,000
16 Special revenue funds:		
17 State general fund/general purpose	\$ 6,031,700	\$ 6,031,700
18 Sec. 14-104. COMMUNICATION AND CUSTOMER SERVICES		
19 Full-time equated classified positions.....	135.3	135.3
20 Marketing and outreach-80.8 FTE positions	\$ 13,738,800	\$ 13,738,800
21 Michigan historical center-54.5 FTE positions	6,013,600	6,013,600
22 Michigan wildlife council	<u>2,100,000</u>	<u>2,100,000</u>
23 GROSS APPROPRIATION	\$ 21,852,400	\$ 21,852,400
24 Appropriated from:		
25 Federal revenues:		
26 Other federal revenues	1,558,300	1,558,300
27 Special revenue funds:		
28 Private revenues	411,200	411,200
29 Other state restricted revenues	14,774,200	14,774,200
30 State general fund/general purpose	\$ 5,108,700	\$ 5,108,700
31 Sec. 14-105. WILDLIFE MANAGEMENT		
32 Full-time equated classified positions.....	227.5	227.5

		For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	Natural resources heritage-9.0 FTE positions	\$ 631,300	\$ 631,300
2	Wildlife management-218.5 FTE positions	<u>41,932,700</u>	<u>41,932,700</u>
3	GROSS APPROPRIATION	\$ 42,564,000	\$ 42,564,000
4	Appropriated from:		
5	Federal revenues:		
6	Other federal revenues	25,158,800	25,158,800
7	Special revenue funds:		
8	Private revenues	315,700	315,700
9	Other state restricted revenues	15,264,300	15,264,300
10	State general fund/general purpose	\$ 1,825,200	\$ 1,825,200
11	Sec. 14-106. FISHERIES MANAGEMENT		
12	Full-time equated classified positions.....	222.5	222.5
13	Aquatic resource mitigation-2.0 FTE positions	\$ 629,300	\$ 629,300
14	Cormorant population mitigation program	150,000	150,000
15	Fish production-63.0 FTE positions	10,242,000	10,242,000
16	Fisheries resource management-157.5 FTE positions	<u>20,639,100</u>	<u>20,639,100</u>
17	GROSS APPROPRIATION	\$ 31,660,400	\$ 31,660,400
18	Appropriated from:		
19	Federal revenues:		
20	Other federal revenues	11,292,000	11,292,000
21	Special revenue funds:		
22	Private revenues	136,200	136,200
23	Other state restricted revenues	19,713,000	19,713,000
24	State general fund/general purpose	\$ 519,200	\$ 519,200
25	Sec. 14-107. LAW ENFORCEMENT		
26	Full-time equated classified positions.....	284.0	284.0
27	General law enforcement-284.0 FTE positions	<u>\$ 42,435,200</u>	<u>\$ 42,435,200</u>
28	GROSS APPROPRIATION	\$ 42,435,200	\$ 42,435,200
29	Appropriated from:		
30	Federal revenues:		
31	Other federal revenues	6,510,900	6,510,900
32	Special revenue funds:		

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019	
1	Other state restricted revenues	24,758,000	24,758,000
2	State general fund/general purpose	\$ 11,166,300	\$ 11,166,300
3	Sec. 14-108. PARKS AND RECREATION DIVISION		
4	Full-time equated classified positions.....	911.9	911.9
5	Forest recreation and trails-53.0 FTE positions	\$ 6,172,400	\$ 6,172,400
6	MacMullan conference center-15.0 FTE positions	1,156,000	1,156,000
7	Recreational boating-170.5 FTE positions	19,011,000	19,011,000
8	State parks-673.4 FTE positions	67,144,900	67,144,900
9	State parks improvement revenue bonds - debt service .	<u>1,191,000</u>	<u>1,191,000</u>
10	GROSS APPROPRIATION	\$ 94,675,300	\$ 94,675,300
11	Appropriated from:		
12	Federal revenues:		
13	Other federal revenues	1,761,200	1,761,200
14	Special revenue funds:		
15	Private revenues	428,000	428,000
16	Other state restricted revenues	90,013,500	90,013,500
17	State general fund/general purpose	\$ 2,472,600	\$ 2,472,600
18	Sec. 14-109. MACKINAC ISLAND STATE PARK COMMISSION		
19	Full-time equated classified positions.....	17.0	17.0
20	Historical facilities system-13.0 FTE positions	\$ 1,583,700	\$ 1,583,700
21	Mackinac Island state park operations-4.0 FTE positions	<u>333,600</u>	<u>333,600</u>
22	GROSS APPROPRIATION	\$ 1,917,300	\$ 1,917,300
23	Appropriated from:		
24	Special revenue funds:		
25	Other state restricted revenues	1,711,400	1,711,400
26	State general fund/general purpose	\$ 205,900	\$ 205,900
27	Sec. 14-110. FOREST RESOURCES DIVISION		
28	Full-time equated classified positions.....	328.5	328.5
29	Forest management and timber market development-195.5		
30	FTE positions.....	\$ 33,780,300	\$ 33,780,300
31	Minerals management-19.0 FTE positions	3,144,900	3,144,900
32	Wildfire protection-114.0 FTE positions	<u>14,758,900</u>	<u>14,758,900</u>

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019	
1	GROSS APPROPRIATION	\$ 51,684,100	\$ 51,684,100
2	Appropriated from:		
3	Federal revenues:		
4	Other federal revenues	4,292,500	4,292,500
5	Special revenue funds:		
6	Private revenues	1,054,900	1,054,900
7	Other state restricted revenues	38,744,700	38,744,700
8	State general fund/general purpose	\$ 7,592,000	\$ 7,592,000
9	Sec. 14-111. GRANTS		
10	Dam management grant program	\$ 350,000	\$ 350,000
11	Deer habitat improvement partnership initiative	200,000	200,000
12	Federal - clean vessel act grants	400,000	400,000
13	Federal - forest stewardship grants	2,000,000	2,000,000
14	Federal - land and water conservation fund payments ..	2,566,900	2,566,900
15	Federal - rural community fire protection	400,000	400,000
16	Federal - urban forestry grants	900,000	900,000
17	Fisheries habitat improvement grants	1,250,000	1,250,000
18	Grants to communities - federal oil, gas, and timber		
19	payments.....	3,450,000	3,450,000
20	Grants to counties - marine safety	3,074,700	3,074,700
21	National recreational trails	3,900,000	3,900,000
22	Nonmotorized trail development and maintenance grants	350,000	350,000
23	Off-road vehicle safety training grants	29,200	29,200
24	Off-road vehicle trail improvement grants	3,706,200	3,706,200
25	Recreation improvement fund grants	907,100	907,100
26	Recreation passport local grants	1,500,000	1,500,000
27	Snowmobile law enforcement grants	380,100	380,100
28	Snowmobile local grants program	8,090,400	8,090,400
29	Trail easements	700,000	700,000
30	Wildlife habitat improvement grants	<u>1,500,000</u>	<u>1,500,000</u>
31	GROSS APPROPRIATION	\$ 35,654,600	\$ 35,654,600
32	Appropriated from:		

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019	
1	Federal revenues:		
2	Other federal revenues	15,184,300 15,184,300	
3	Special revenue funds:		
4	Private revenues	100,000 100,000	
5	Other state restricted revenues	19,670,300 19,670,300	
6	State general fund/general purpose	\$ 700,000 \$ 700,000	
7	Sec. 14-112. INFORMATION TECHNOLOGY		
8	Information technology services and projects	\$ <u>10,327,400</u> \$ <u>10,327,400</u>	
9	GROSS APPROPRIATION	\$ 10,327,400 \$ 10,327,400	
10	Appropriated from:		
11	Special revenue funds:		
12	Other state restricted revenues	9,157,000 9,157,000	
13	State general fund/general purpose	\$ 1,170,400 \$ 1,170,400	
14	Sec. 14-113. CAPITAL OUTLAY		
15	(1) RECREATIONAL LANDS AND INFRASTRUCTURE		
16	State parks repair and maintenance	\$ 9,500,000 \$ 9,500,000	
17	Wetlands restoration, enhancement and acquisition	<u>1,500,000</u> <u>1,500,000</u>	
18	GROSS APPROPRIATION	\$ 11,000,000 \$ 11,000,000	
19	Appropriated from:		
20	Special revenue funds:		
21	Other state restricted revenues	9,500,000 9,500,000	
22	State general fund/general purpose	\$ 1,500,000 \$ 1,500,000	
23	(2) WATERWAYS BOATING PROGRAM		
24	East Tawas state harbor, Iosco County, harbor		
25	renovation, dock replacements, dredging, fueling		
26	station, new electrical/utilities, phase I (total		
27	authorized cost is increased from \$70,000 to		
28	\$3,120,000; federal share is increased from \$0 to		
29	\$1,550,000; state share is increased from \$70,000		
30	to \$1,570,000).....		\$ 1,500,000 \$ 1,500,000
31	Local boating infrastructure maintenance and		
32	improvements.....		2,500,000 2,500,000

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 State boating infrastructure maintenance	5,575,000	5,575,000
2 GROSS APPROPRIATION	\$ 9,575,000	\$ 9,575,000
3 Appropriated from:		
4 Federal revenues:		
5 Other federal revenues	1,075,000	1,075,000
6 Special revenue funds:		
7 Other state restricted revenues	8,500,000	8,500,000
8 State general fund/general purpose	\$ 0	\$ 0
9 Sec. 14-114. ONE-TIME APPROPRIATIONS		
10 Full-time equated classified positions.....	1.0	0.0
11 Abandoned mines-1.0 FTE position	\$ 2,002,400	\$ 0
12 Land ownership tracking system	2,900,000	0
13 State parks repair and maintenance	10,000,000	0
14 Trail development	5,000,000	0
15 Wetland mitigation bank grants	3,850,000	0
16 GROSS APPROPRIATION	\$ 23,752,400	\$ 0
17 Appropriated from:		
18 Special revenue funds:		
19 Other state restricted revenues	1,000,000	0
20 State general fund/general purpose	\$ 22,752,400	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2018

GENERAL SECTIONS

Sec. 14-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for the fiscal year 2018 is \$338,600,400.00 and state spending from state resources to be paid to local units of government for fiscal year 2018 is \$9,854,300.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF NATURAL RESOURCES

1	Off-road vehicle trail improvement grants.....	\$	534,500
2	Dam management grant program.....		175,000
3	Snowmobile law enforcement grants.....		380,100
4	Fisheries habitat improvement grants.....		125,000
5	Grants to counties - marine safety.....		1,407,300
6	Recreation passport local grants.....		1,500,000
7	Wildlife habitat improvement grants.....		150,000
8	Wetland mitigation bank grants.....		2,700,000
9	Recreation improvement fund grants.....		90,700
10	Local boating infrastructure maintenance and improvements.....		2,500,000
11	Nonmotorized trail development and maintenance grants.....		262,500
12	Off-road vehicle safety training grants.....		<u>29,200</u>
13	TOTAL	\$	9,854,300

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

16 Sec. 14-203. As used in this article:

- 17 (a) "Department" means the department of natural resources.
- 18 (b) "Director" means the director of the department.
- 19 (c) "FTE" means full-time equated.
- 20 (d) "IDG" means interdepartmental grant.

21 Sec. 14-204. The departments and agencies receiving appropriations in part 1 shall
22 use the Internet to fulfill the reporting requirements of this article. This requirement
23 may include transmission of reports via electronic mail to the recipients identified for
24 each reporting requirement, or it may include placement of reports on an Internet or
25 Intranet site.

26 Sec. 14-205. Funds appropriated in part 1 shall not be used for the purchase of
27 foreign goods or services, or both, if competitively priced and of comparable quality
28 American goods or services, or both, are available. Preference shall be given to goods or
29 services, or both, manufactured or provided by Michigan businesses, if they are
30 competitively priced and of comparable quality. In addition, preference should be given to
31 goods or services, or both, that are manufactured or provided by Michigan businesses owned
32 and operated by veterans, if they are competitively priced and of comparable quality.

1 Sec. 14-206. The director shall take all reasonable steps to ensure businesses in
2 deprived and depressed communities compete for and perform contracts to provide services or
3 supplies, or both. Each director shall strongly encourage firms with which the department
4 contracts to subcontract with certified businesses in depressed and deprived communities
5 for services, supplies, or both.

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

13 (a) The dates of each travel occurrence.

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

18 Sec. 14-208. Funds appropriated in part 1 shall not be used by a principal executive
19 department, state agency, or authority to hire a person to provide legal services that are
20 the responsibility of the attorney general. This prohibition does not apply to legal
21 services for bonding activities and for those outside services that the attorney general
22 authorizes.

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

29 Sec. 14-210. (1) In addition to the funds appropriated in part 1, there is
30 appropriated an amount not to exceed \$3,000,000.00 for federal contingency funds. These
31 funds are not available for expenditure until they have been transferred to another line
32 item in this article under section 393(2) of the management and budget act, 1984 PA 431,

1 MCL 18.1393.

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

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

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

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

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

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

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

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

22 (e) Job specifications and wage rates.

23 Sec. 14-212. Within 14 days after the release of the executive budget recommendation,
24 the department shall cooperate with the state budget office to provide the senate and house
25 appropriations chairs, the senate and house appropriations subcommittees chairs, and the
26 senate and house fiscal agencies with an annual report on estimated state restricted fund
27 balances, state restricted fund projected revenues, and state restricted fund expenditures
28 for the fiscal years ending September 30, 2017 and September 30, 2018.

29 Sec. 14-213. The department shall maintain, on a publicly accessible website, a
30 department scorecard that identifies, tracks and regularly updates key metrics that are
31 used to monitor and improve the agency's performance.

32 Sec. 14-214. Total authorized appropriations from all sources under part 1 for legacy

1 costs for the fiscal year ending September 30, 2018 are estimated at \$44,255,600.00. From
2 this amount, total agency appropriations for pension-related legacy costs are estimated at
3 \$22,774,200.00. Total agency appropriations for retiree health care legacy costs are
4 estimated at \$21,481,400.00.

5 Sec. 14-215. Appropriations of state restricted game and fish protection funds have
6 been made in the following amounts to the following departments and agencies:

7	Legislative auditor general	\$ 31,300
8	Attorney general.....	756,300
9	Department of technology, management and budget	492,500
10	Department of treasury	3,013,100

11 Sec. 14-216. Pursuant to section 43703(3) of the natural resources and environmental
12 protection act, 1994 PA 451, MCL 324.43703, there is appropriated from the game and fish
13 protection trust fund to the game and fish protection account of the Michigan conservation
14 and recreation legacy fund, \$6,000,000.00 for the fiscal year ending September 30, 2018.

15
16 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

17 Sec. 14-302. The department may charge land acquisition projects appropriated for the
18 fiscal year ending September 30, 2018, and for prior fiscal years, a standard percentage
19 fee to recover actual costs, and may use the revenue derived to support the land
20 acquisition service charges provided for in part 1.

21 Sec. 14-303. As appropriated in part 1, the department may charge both application
22 fees and transaction fees related to the exchange or sale of state-owned land or rights in
23 land authorized by part 21 of the natural resources and environmental protection act, 1994
24 PA 451, MCL 324.2101 to 324.2162. The fees shall be set by the director of the department
25 at a rate which allows the department to recover its costs for providing these services.

26
27 **COMMUNICATION AND CUSTOMER SERVICES**

28 Sec. 14-404. For the purposes of administering the museum store as provided in
29 section 7a of 1913 PA 271, MCL 399.7a, the department is exempt from section 261 of the
30 management and budget act, 1984 PA 431, MCL 18.1261.

31 Sec. 14-405. As appropriated in part 1, proceeds in excess of costs incurred in the
32 conduct of auctions, sales, or transfers of artifacts no longer considered suitable for the

1 collections of the state historical museum may be expended upon receipt for additional
2 material for the collection. The department shall notify the chairpersons, vice
3 chairpersons, and minority vice chairpersons of the senate and house appropriations
4 subcommittees on natural resources 1 week prior to any auctions or sales. Any unexpended
5 funds may be carried forward into the next succeeding fiscal year.

6 Sec. 14-406. As appropriated in part 1, funds collected by the department for
7 historical markers; document reproduction and services; conferences, admissions, workshops,
8 and training classes; and the use of specialized equipment, facilities, exhibits,
9 collections, and software shall be used for expenses necessary to provide the required
10 services. The department may charge fees for the aforementioned services, including
11 admission fees. Any unexpended funds may be carried forward into the next succeeding fiscal
12 year.

13 Sec. 14-408. By October 21, 2017, the department shall submit to the senate and house
14 appropriations subcommittees on natural resources a report on all land transactions
15 approved by the natural resources commission in the fiscal year ending September 30, 2017.
16 For each land transaction, the report shall include the size of the parcel, the county and
17 municipality in which the parcel is located, the dollar amount of the transaction, the fund
18 source affected by the transaction, and whether the transaction is by purchase, public
19 auction, transfer, exchange, or conveyance.

20

21 **FISHERIES MANAGEMENT**

22 Sec. 14-601. (1) From the appropriation in part 1 for aquatic resource mitigation,
23 not more than \$758,000.00 shall be allocated for grants to watershed councils, resource
24 development councils, soil conservation districts, local governmental units, and other
25 nonprofit organizations for stream habitat stabilization and soil erosion control.

26 (2) The fisheries division in the department shall develop priority and cost
27 estimates for all projects recommended for grants under subsection (1).

28 Sec. 14-603. The department shall provide an annual report to the legislature on use
29 of funding provided for cormorant management. The department shall use general fund/general
30 purpose revenue for this purpose and submit revenue appropriated in part 1 for cormorant
31 management to the United States Department of Agriculture Animal and Plant Health
32 Inspection Service to allow for increased taking of cormorants and their nests. If any

1 funds appropriated for cormorant management are retained by the department, or other funds
2 become available for this purpose, the department shall use those funds to harass
3 cormorants with the goal of reducing foraging attempts on fish populations.

4

5 **LAW ENFORCEMENT**

6 Sec. 14-701. From the increased funds appropriated in part 1 for conservation
7 officers, the department shall hire, train, and outfit 10 detectives and/or specialists as
8 well as 2 support staff. The primary purpose of the new staff is to conduct long-term
9 surveillance and covert investigations to combat illegal activities and enforce
10 regulations.

11

12 **FOREST RESOURCES DIVISION**

13 Sec. 14-802. From the funds appropriated in part 1, the department shall provide
14 quarterly reports on the number of acres of state forestland marked or treated for timber
15 harvest to the senate and house appropriations subcommittees on natural resources and the
16 standing committees of the senate and house of representatives with primary responsibility
17 for natural resources issues. The department shall complete and deliver these reports by 45
18 days after the end of the fiscal quarter.

19 Sec. 14-803. In addition to the money appropriated in part 1, the department may
20 receive and expend money from federal sources to provide response to wildfires as required
21 by a compact with the federal government. If additional expenditure authorization is
22 required, the department shall notify the state budget office that expenditure under this
23 section is required. The department shall notify the house and senate appropriations
24 subcommittees on natural resources and the house and senate fiscal agencies of the
25 expenditures under this section by November 1, 2018.

26 Sec. 14-807. (1) In addition to the funds appropriated in part 1, there is
27 appropriated from the disaster and emergency contingency fund up to \$800,000.00 to cover
28 costs related to any disaster as defined in section 2 of the emergency management act, 1976
29 PA 390, MCL 30.402.

30 (2) Funds appropriated under subsection (1) shall not be expended unless the state
31 budget director recommends the expenditure and the department notifies the house and senate
32 committees on appropriations. By December 1 each year, the department shall provide a

1 report to the senate and house fiscal agencies and the state budget office on the use of
2 the disaster and emergency contingency fund during the prior fiscal year.

3 (3) If Federal Emergency Management Agency (FEMA) reimbursement is approved for costs
4 paid from the disaster and emergency contingency fund, the federal revenue shall be
5 deposited into the disaster and emergency contingency fund.

6 (4) Unexpended and unencumbered funds remaining in the disaster and emergency
7 contingency fund at the close of the fiscal year shall not lapse to the general fund and
8 shall be carried forward and be available for expenditures in subsequent fiscal years.

9

10 **GRANTS**

11 Sec. 14-1001. Federal pass-through funds to local institutions and governments that
12 are received in amounts in addition to those included in part 1 for grants to communities -
13 federal oil, gas, and timber payments and that do not require additional state matching
14 funds are appropriated for the purposes intended. By November 30, 2017, the department
15 shall report to the senate and house appropriations subcommittees on natural resources, the
16 senate and house fiscal agencies, and the state budget director on all amounts appropriated
17 under this section during the fiscal year ending September 30, 2017.

18

19 **CAPITAL OUTLAY**

20 Sec. 14-1103. The appropriations in part 1 for capital outlay shall be carried
21 forward at the end of the fiscal year consistent with the provisions of section 248 of the
22 management and budget act, 1984 PA 431, MCL 18.1248.

23

24 **ONE-TIME APPROPRIATIONS**

25 Sec. 14-1201. From the increased funds appropriated in part 1 for wetland mitigation
26 banking, the department will increase available wetland mitigation bank credits with a goal
27 of 1,800. The purpose of this program is to provide affordable mitigation credits for
28 municipalities and agricultural producers.

29 Sec. 14-1202. From the increased funds appropriated in part 1 for abandoned mine
30 shafts, the department will close additional abandoned mine shafts on DNR-management lands
31 with a goal of 50. The purpose of the program is to remove the potential for dangerous
32 accidents at those sites.

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Article 15

DEPARTMENT OF STATE

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 15-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of state are appropriated for the fiscal year ending September 30, 2018, and are anticipated to be appropriated for the fiscal year ending September 30, 2019, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	DEPARTMENT OF STATE	
2	APPROPRIATION SUMMARY	
3	Full-time equated unclassified positions.....	6.0 6.0
4	Full-time equated classified positions.....	1,608.0 1,608.0
5	GROSS APPROPRIATION	\$ 249,358,500 \$ 249,358,500
6	Total interdepartmental grants and interdepartmental	
7	transfers.....	20,000,000 20,000,000
8	ADJUSTED GROSS APPROPRIATION	\$ 229,358,500 \$ 229,358,500
9	Total federal revenues	1,460,000 1,460,000
10	Total local revenues	0 0
11	Total private revenues	50,100 50,100
12	Total other state restricted revenues	205,709,400 205,709,400
13	State general fund/general purpose	\$ 22,139,000 \$ 22,139,000
14	<i>State general fund/general purpose schedule:</i>	
15	<i>Ongoing state general fund/general purpose</i>	<i>22,139,000 22,139,000</i>
16	<i>One-time state general fund/general purpose</i>	<i>0 0</i>
17	Sec. 15-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
18	Full-time equated unclassified positions.....	6.0 6.0
19	Full-time equated classified positions.....	146.0 146.0
20	Secretary of state-1.0 FTE position	\$ 112,500 \$ 112,500
21	Unclassified salaries-5.0 FTE positions	647,700 647,700
22	Operations-116.0 FTE positions	25,420,300 25,420,300
23	Executive direction-30.0 FTE positions	4,590,000 4,590,000
24	Property management	9,758,300 9,758,300
25	Worker's compensation	<u>246,200 246,200</u>
26	GROSS APPROPRIATION	\$ 40,775,000 \$ 40,775,000
27	Appropriated from:	
28	Special revenue funds:	
29	Other state restricted revenues	36,084,200 36,084,200
30	State general fund/general purpose	\$ 4,690,800 \$ 4,690,800
31	Sec. 15-103. LEGAL SERVICES	
32	Full-time equated classified positions.....	94.0 94.0

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019	
1	Operations-94.0 FTE positions	\$ 14,940,200	\$ 14,940,200
2	GROSS APPROPRIATION	\$ 14,940,200	\$ 14,940,200
3	Appropriated from:		
4	Special revenue funds:		
5	Other state restricted revenues	13,034,100	13,034,100
6	State general fund/general purpose	\$ 1,906,100	\$ 1,906,100
7	Sec. 15-104. CUSTOMER DELIVERY SERVICES		
8	Full-time equated classified positions.....	1,323.0	1,323.0
9	Branch operations-932.0 FTE positions	\$ 87,887,700	\$ 87,887,700
10	Central operations-389.0 FTE positions	50,617,300	50,617,300
11	Credit and debit assessment services	8,000,000	8,000,000
12	Motorcycle safety education administration-2.0 FTE		
13	positions.....	337,500	337,500
14	Motorcycle safety education grants	1,800,000	1,800,000
15	Organ donor program	<u>129,100</u>	<u>129,100</u>
16	GROSS APPROPRIATION	\$ 148,771,600	\$ 148,771,600
17	Appropriated from:		
18	Interdepartmental grant revenues:		
19	IDG from department of transportation	20,000,000	20,000,000
20	Federal revenues:		
21	Other federal revenues	1,460,000	1,460,000
22	Special revenue funds:		
23	Private revenues	50,100	50,100
24	Other state restricted revenues	120,286,900	120,286,900
25	State general fund/general purpose	\$ 6,974,600	\$ 6,974,600
26	Sec. 15-105. ELECTION REGULATION		
27	Full-time equated classified positions.....	45.0	45.0
28	County clerk education and training fund	\$ 100,000	\$ 100,000
29	Election administration and services-45.0 FTE		
30	positions.....	7,209,800	7,209,800
31	Fees to local units	<u>109,800</u>	<u>109,800</u>
32	GROSS APPROPRIATION	\$ 7,419,600	\$ 7,419,600

For Fiscal	For Fiscal
Year Ending	Year Ending
Sept. 30, 2018	Sept. 30, 2019

1	Appropriated from:		
2	Special revenue funds:		
3	Other state restricted revenues	443,500	443,500
4	State general fund/general purpose	\$ 6,976,100	\$ 6,976,100
5	Sec. 15-106. INFORMATION TECHNOLOGY		
6	Information technology services and projects	\$ <u>37,452,100</u>	\$ <u>37,452,100</u>
7	GROSS APPROPRIATION	\$ 37,452,100	\$ 37,452,100

8	Appropriated from:		
9	Special revenue funds:		
10	Other state restricted revenues	35,860,700	35,860,700
11	State general fund/general purpose	\$ 1,591,400	\$ 1,591,400

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2018

GENERAL SECTIONS

Sec. 15-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for the fiscal year 2018 is \$227,848,400.00 and state spending from state resources to be paid to local units of government for fiscal year 2018 is \$1,215,900.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE

24	Fees to local units.....	\$	109,800
25	Motorcycle safety education grants.....		<u>1,106,100</u>
26	TOTAL	\$	1,215,900

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

Sec. 15-203. As used in this article:

- (a) "Department" means the department of state.
- (b) "Director" means the secretary of state.
- (c) "FTE" means full-time equated.

1 (d) "IDG" means interdepartmental grant.

2 Sec. 15-204. The departments and agencies receiving appropriations in part 1 shall
3 use the Internet to fulfill the reporting requirements of this article. This requirement
4 may include transmission of reports via electronic mail to the recipients identified for
5 each reporting requirement, or it may include placement of reports on an Internet or
6 Intranet site.

7 Sec. 15-205. Funds appropriated in part 1 shall not be used for the purchase of
8 foreign goods or services, or both, if competitively priced and of comparable quality
9 American goods or services, or both, are available. Preference shall be given to goods or
10 services, or both, manufactured or provided by Michigan businesses, if they are
11 competitively priced and of comparable quality. In addition, preference should be given to
12 goods or services, or both, that are manufactured or provided by Michigan businesses owned
13 and operated by veterans, if they are competitively priced and of comparable quality.

14 Sec. 15-206. The director shall take all reasonable steps to ensure businesses in
15 deprived and depressed communities compete for and perform contracts to provide services or
16 supplies, or both. Each director shall strongly encourage firms with which the department
17 contracts to subcontract with certified businesses in depressed and deprived communities
18 for services, supplies, or both.

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

26 (a) The dates of each travel occurrence.

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

31 Sec. 15-208. Funds appropriated in part 1 shall not be used by a principal executive
32 department, state agency, or authority to hire a person to provide legal services that are

1 the responsibility of the attorney general. This prohibition does not apply to legal
2 services for bonding activities and for those outside services that the attorney general
3 authorizes.

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

10 Sec. 15-210. (1) In addition to the funds appropriated in part 1, there is
11 appropriated an amount not to exceed \$2,000,000.00 for federal contingency funds. These
12 funds are not available for expenditure until they have been transferred to another line
13 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
14 MCL 18.1393.

15 (2) In addition to the funds appropriated in part 1, there is appropriated an amount
16 not to exceed \$7,500,000.00 for state restricted contingency funds. These funds are not
17 available for expenditure until they have been transferred to another line item in this
18 article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

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

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

32 (c) Fiscal year-to-date payments to a selected vendor, including the vendor name,

1 payment date, payment amount, and payment description.

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

3 (e) Job specifications and wage rates.

4 Sec. 15-212. Within 14 days after the release of the executive budget recommendation,
5 the department shall cooperate with the state budget office to provide the senate and house
6 appropriations chairs, the senate and house appropriations subcommittees chairs, and the
7 senate and house fiscal agencies with an annual report on estimated state restricted fund
8 balances, state restricted fund projected revenues, and state restricted fund expenditures
9 for the fiscal years ending September 30, 2017 and September 30, 2018.

10 Sec. 15-213. The department shall maintain, on a publicly accessible website, a
11 department scorecard that identifies, tracks and regularly updates key metrics that are
12 used to monitor and improve the agency's performance.

13 Sec. 15-214. Total authorized appropriations from all sources under part 1 for legacy
14 costs for the fiscal year ending September 30, 2018 are estimated at \$31,170,200.00. From
15 this amount, total agency appropriations for pension-related legacy costs are estimated at
16 \$16,040,400.00. Total agency appropriations for retiree health care legacy costs are
17 estimated at \$15,129,800.00.

18

19 **DEPARTMENT OF STATE**

20 Sec. 15-703. From the funds appropriated in part 1, the department of state shall
21 sell copies of records including, but not limited to, records of motor vehicles, off-road
22 vehicles, snowmobiles, watercraft, mobile homes, personal identification cardholders,
23 drivers, and boat operators and shall charge \$11.00 per record sold only as authorized in
24 section 208b of the Michigan vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA
25 222, MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the natural resources and
26 environmental protection act, 1994 PA 451, MCL 324.80130, 324.80315, 324.81114, and
27 324.82156. The revenue received from the sale of records shall be credited to the
28 transportation administration collection fund created under section 810b of the Michigan
29 vehicle code, 1949 PA 300, MCL 257.810b. The department of state shall provide quarterly
30 reports to the legislature and the senate and house fiscal agencies. The report shall be
31 provided within 15 days of the close of the quarter and shall include the number of records
32 sold and the revenues collected.

1 Sec. 15-704. From the funds appropriated in part 1, the secretary of state may enter
2 into agreements with the department of corrections for the manufacture of vehicle
3 registration plates 15 months before the registration year in which the registration plates
4 will be used.

5 Sec. 15-705. (1) The department of state may accept gifts, donations, contributions,
6 and grants of money and other property from any private or public source to underwrite, in
7 whole or in part, the cost of a departmental publication that is prepared and disseminated
8 under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923. A private or public
9 funding source may receive written recognition in the publication and may furnish a traffic
10 safety message, subject to departmental approval, for inclusion in the publication. The
11 department may reject a gift, donation, contribution, or grant. The department may furnish
12 copies of a publication underwritten, in whole or in part, by a private source to the
13 underwriter at no charge.

14 (2) The department of state may sell and accept paid advertising for placement in a
15 departmental publication that is prepared and disseminated under the Michigan vehicle code,
16 1949 PA 300, MCL 257.1 to 257.923. The department may charge and receive a fee for any
17 advertisement appearing in a departmental publication and shall review and approve the
18 content of each advertisement. The department may refuse to accept advertising from any
19 person or organization. The department may furnish a reasonable number of copies of a
20 publication to an advertiser at no charge.

21 (3) Pending expenditure, the funds received under this section shall be deposited in
22 the Michigan department of state publications fund created by section 211 of the Michigan
23 vehicle code, 1949 PA 300, MCL 257.211. Funds given, donated, or contributed to the
24 department from a private source are appropriated and allocated for the purpose for which
25 the revenue is furnished. Funds granted to the department from a public source are
26 allocated and may be expended upon receipt. The department shall not accept a gift,
27 donation, contribution, or grant if receipt is conditioned upon a commitment of state
28 funding at a future date. Revenue received from the sale of advertising is appropriated and
29 may be expended upon receipt.

30 (4) Any unexpended revenues received under this section shall be carried over into
31 subsequent fiscal years and shall be available for appropriation for the purposes described
32 in this section.

1 (5) On March 1 of each year, the department of state shall file a report with the
2 senate and house of representatives standing committees on appropriations, the senate and
3 house fiscal agencies, and the state budget director. The report shall include all of the
4 following information:

5 (a) The amount of gifts, contributions, donations, and grants of money received by
6 the department under this section for the prior fiscal year.

7 (b) A listing of the expenditures made from the amounts received by the department as
8 reported in subdivision (a).

9 (c) A listing of any gift, donation, contribution, or grant of property other than
10 funding received by the department under this section for the prior year.

11 (d) The total revenue received from the sale of paid advertising accepted under this
12 section and a statement of the total number of advertising transactions.

13 (6) In addition to copies delivered without charge as the secretary of state
14 considers necessary, the department of state may sell copies of manuals and other
15 publications regarding the sale, ownership, or operation or regulation of motor vehicles,
16 with amendments, at prices to be established by the secretary of state. As used in this
17 subsection, the term "manuals and other publications" includes videos and proprietary
18 electronic publications. All funds received from sales of these manuals and other
19 publications shall be credited to the Michigan department of state publications fund.

20 Sec. 15-707. Funds collected by the department of state under section 211 of the
21 Michigan vehicle code, 1949 PA 300, MCL 257.211, are appropriated for all expenses
22 necessary to provide for the costs of the publication. Funds are allotted for expenditure
23 when they are received by the department of treasury and shall not lapse to the general
24 fund at the end of the fiscal year.

25 Sec. 15-708. From the funds appropriated in part 1, the department of state shall use
26 available balances at the end of the state fiscal year to provide payment to the department
27 of state police in the amount of \$332,000.00 for the services provided by the traffic
28 accident records program as first appropriated in 1990 PA 196 and 1990 PA 208.

29 Sec. 15-709. From the funds appropriated in part 1, the department of state may
30 restrict funds from miscellaneous revenue to cover cash shortages created from normal
31 branch office operations. This amount shall not exceed \$50,000.00 of the total funds
32 available in miscellaneous revenue.

1 Sec. 15-711. Collector plate and fund-raising registration plate revenues collected
2 by the department of state are appropriated and allotted for distribution to the recipient
3 university or public or private agency overseeing a state-sponsored goal when received.
4 Distributions shall occur on a quarterly basis or as otherwise authorized by law. Any
5 revenues remaining at the end of the fiscal year shall not lapse to the general fund but
6 shall remain available for distribution to the university or agency in the next fiscal
7 year.

8 Sec. 15-712. The department of state may produce and sell copies of a training video
9 designed to inform registered automotive repair facilities of their obligations under
10 Michigan law. The price shall not exceed the cost of production and distribution. The money
11 received from the sale of training videos shall revert to the department of state and be
12 placed in the auto repair facility account.

13 Sec. 15-713. (1) The department of state, in collaboration with the gift of life
14 transplantation society or its successor federally designated organ procurement
15 organization, may develop and administer a public information campaign concerning the
16 Michigan organ donor program.

17 (2) The department of state may solicit funds from any private or public source to
18 underwrite, in whole or in part, the public information campaign authorized by this
19 section. The department may accept gifts, donations, contributions, and grants of money and
20 other property from private and public sources for this purpose. A private or public
21 funding source underwriting the public information campaign, in whole or in substantial
22 part, shall receive sponsorship credit for its financial backing.

23 (3) Funds received under this section, including grants from state and federal
24 agencies, shall not lapse to the general fund at the end of the fiscal year but shall
25 remain available for expenditure for the purposes described in this section.

26 (4) Funding appropriated in part 1 for the organ donor program shall be used for
27 producing a pamphlet to be distributed with driver licenses and personal identification
28 cards regarding organ donations. The funds shall be used to update and print a pamphlet
29 that will explain the organ donor program and encourage people to become donors by marking
30 a checkoff on driver license and personal identification card applications.

31 (5) The pamphlet shall include a return reply form addressed to the gift of life
32 organization. Funding appropriated in part 1 for the organ donor program shall be used to

1 pay for return postage costs.

2 (6) In addition to the appropriations in part 1, the department of state may receive
3 and expend funds from the organ and tissue donation education fund for administrative
4 expenses.

5 Sec. 15-714. (1) Except as otherwise provided under subsection (2), at least 180 days
6 before closing a branch office or consolidating a branch office and at least 60 days before
7 relocating a branch office, the department of state shall inform members of the senate and
8 house of representatives standing committees on appropriations and legislators who
9 represent affected areas regarding the details of the proposal. The information provided
10 shall be in written form and include all analyses done regarding criteria for changes in
11 the location of branch offices, including, but not limited to, branch transactions,
12 revenue, and the impact on citizens of the affected area. The impact on citizens shall
13 include information regarding additional distance to branch office locations resulting from
14 the plan. The written notice provided by the department of state shall also include
15 detailed estimates of costs and savings that will result from the overall changes made to
16 the branch office structure and the same level of detail regarding costs for new leased
17 facilities and expansions of current leased space.

18 (2) If the consolidation of a branch office is with another branch office that is
19 located within the same local unit of government or the relocation of a branch office is to
20 another location that is located within the same local unit of government, the department
21 of state is not required to provide the notification or written information described in
22 subsection (1).

23 (3) As used in this section, "local unit of government" means a city, village,
24 township, or county.

25 Sec. 15-715. (1) Any service assessment collected by the department of state from the
26 user of a credit or debit card under section 3 of 1995 PA 144, MCL 11.23, may be used by
27 the department for necessary expenses related to that service and may be remitted to a
28 credit or debit card company, bank, or other financial institution.

29 (2) The service assessment imposed by the department of state for credit and debit
30 card services may be based either on a percentage of each individual credit or debit card
31 transaction, or on a flat rate per transaction, or both, scaled to the amount of the
32 transaction. However, the department shall not charge any amount for a service assessment

1 which exceeds the costs billable to the department for service assessments.

2 (3) If there is a balance of service assessments received from credit and debit card
3 services remaining on September 30, the balance may be carried forward to the following
4 fiscal year and appropriated for the same purpose.

5 (4) As used in this section, "service assessment" means and includes costs associated
6 with service fees imposed by credit and debit card companies and processing fees imposed by
7 banks and other financial institutions.

8 Sec. 15-717. (1) The department of state may accept nonmonetary gifts, donations, or
9 contributions of property from any private or public source to support, in whole or in
10 part, the operation of a departmental function relating to licensing, regulation, or
11 safety. The department may recognize a private or public contributor for making the
12 contribution. The department may reject a gift, donation, or contribution.

13 (2) The department of state shall not accept a gift, donation, or contribution under
14 subsection (1) if receipt of the gift, donation, or contribution is conditioned upon a
15 commitment of future state funding.

16 (3) On March 1 of each year, the department of state shall file a report with the
17 senate and house of representatives standing committees on appropriations, the senate and
18 house fiscal agencies, and the state budget director. The report shall list any gift,
19 donation, or contribution received by the department under subsection (1) for the prior
20 calendar year.

21 Sec. 15-722. (1) From the funds appropriated in part 1 for information technology
22 services and projects, the department of state shall establish a legacy modernization
23 project. The purpose of this program expansion is modernization of the entire system and
24 removal of existing programs from the legacy mainframes.

25 (2) The department of state shall provide a report on the status of the legacy
26 modernization project that includes, but is not limited to, itemization of all expenditures
27 made on behalf of the project, anticipated completion date of the project, time frame of
28 each phase of the project, the cost of the project, the number of employees assigned to
29 implement each phase of the project, the contracts entered into for the project,
30 anticipated overall cost of the project, and any other information the department considers
31 necessary. The plan shall be distributed to the senate and house of representatives
32 standing committees on appropriations subcommittees on general government, as well as the

1 senate and house fiscal agencies, and the state budget director by January 1.

2 Sec. 15-723. From the funds appropriated in part 1 for additional staff in Legal
3 Services, the department will expand consumer protection programs aimed at fraud prevention
4 and detection and increase regulatory enforcement to allow for more reviews of repair
5 facilities and mechanics with the goal of closing cases in less than 180 days.

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Article 16

DEPARTMENT OF STATE POLICE

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 16-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of state police are appropriated for the fiscal year ending September 30, 2018, and are anticipated to be appropriated for the fiscal year ending September 30, 2019, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	DEPARTMENT OF STATE POLICE	
2	APPROPRIATION SUMMARY	
3	3.0	3.0
4	3,437.0	3,437.0
5	\$ 693,588,900	\$ 690,754,200
6	Total interdepartmental grants and interdepartmental	
7	26,221,600	26,221,600
8	\$ 667,367,300	\$ 664,532,600
9	83,662,500	83,662,500
10	5,835,200	5,835,200
11	178,100	178,100
12	135,423,700	139,502,900
13	\$ 442,267,800	\$ 435,353,900
14	<i>State general fund/general purpose schedule:</i>	
15	422,490,900	435,353,900
16	19,776,900	0
17	Sec. 16-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
18	3.0	3.0
19	83.0	83.0
20	\$ 586,100	\$ 586,100
21	1,058,400	1,058,400
22	8,831,300	8,831,300
23	40,942,200	43,733,400
24	<u>4,170,100</u>	<u>4,170,100</u>
25	\$ 55,588,100	\$ 58,379,300
26	Appropriated from:	
27	Interdepartmental grant revenues:	
28	26,000	26,000
29	1,400	1,400
30	3,900	3,900
31	135,800	135,800
32	158,200	158,200

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Interdepartmental transfers	38,200	38,200
2 Federal revenues:		
3 Other federal revenues	546,000	546,000
4 Special revenue funds:		
5 Local revenues	6,200	6,200
6 Michigan merit award trust fund	17,600	17,600
7 Other state restricted revenues	5,488,600	6,349,800
8 State general fund/general purpose	\$ 49,166,200	\$ 51,096,200
9 Sec. 16-103. LAW ENFORCEMENT		
10 Full-time equated classified positions.....	530.0	530.0
11 Biometrics and identification-54.0 FTE positions	\$ 9,294,100	\$ 9,294,100
12 Criminal justice information center-134.0 FTE positions	19,917,400	19,917,400
13 Forensic science-270.0 FTE positions	43,876,100	43,896,600
14 Grants and community services-17.0 FTE positions	19,042,500	19,042,500
15 Training-55.0 FTE positions	<u>10,466,100</u>	<u>10,466,100</u>
16 GROSS APPROPRIATION	\$ 102,596,200	\$ 102,616,700
17 Appropriated from:		
18 Interdepartmental grant revenues:		
19 IDG from department of corrections	318,200	318,200
20 IDG from department of state	368,700	368,700
21 IDG from department of transportation	1,197,700	1,197,700
22 IDG from department of treasury	664,900	664,900
23 IDG from other restricted funding	2,398,700	2,398,700
24 Interdepartmental transfers	750,000	750,000
25 Federal revenues:		
26 Other federal revenues	16,409,400	16,409,400
27 Special revenue funds:		
28 Local revenues	915,300	915,300
29 Private revenues	100,000	100,000
30 Other state restricted revenues	32,591,700	32,612,200
31 State general fund/general purpose	\$ 46,881,600	\$ 46,881,600
32 Sec. 16-104. COMMISSION ON LAW ENFORCEMENT STANDARDS		

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Full-time equated classified positions.....	18.0	18.0
2 Public safety officers benefit program-1.0 FTE position \$	151,100	\$ 151,100
3 Standards and training/justice training grants-14.0 FTE		
4 positions.....	9,887,100	10,464,600
5 Training only to local units-3.0 FTE positions	<u>654,500</u>	<u>654,500</u>
6 GROSS APPROPRIATION	\$ 10,692,700	\$ 11,270,200
7 Appropriated from:		
8 Federal revenues:		
9 Other federal revenues	175,700	175,700
10 Special revenue funds:		
11 Other state restricted revenues	9,215,900	9,793,400
12 State general fund/general purpose	\$ 1,301,100	\$ 1,301,100
13 Sec. 16-105. FIELD SERVICES		
14 Full-time equated classified positions.....	2,213.0	2,213.0
15 Investigative services-180.5 FTE positions	\$ 33,824,800	\$ 36,387,000
16 Post operations-2,002.5 FTE positions	295,519,600	306,452,600
17 Secure cities partnership-30.0 FTE positions	<u>7,831,100</u>	<u>7,831,100</u>
18 GROSS APPROPRIATION	\$ 337,175,500	\$ 350,670,700
19 Appropriated from:		
20 Interdepartmental grant revenues:		
21 IDG from department of treasury	6,096,400	6,096,400
22 Interdepartmental transfers	775,200	775,200
23 Federal revenues:		
24 Other federal revenues	6,675,300	6,675,300
25 Special revenue funds:		
26 Local revenues	2,079,400	2,079,400
27 Michigan merit award trust fund	819,300	819,300
28 Other state restricted revenues	48,700,400	51,262,600
29 State general fund/general purpose	\$ 272,029,500	\$ 282,962,500
30 Sec. 16-106. SPECIALIZED SERVICES		
31 Full-time equated classified positions.....	593.0	593.0
32 Commercial vehicle enforcement-201.0 FTE positions ...	\$ 28,721,700	\$ 28,772,100

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Commercial vehicle regulation-22.0 FTE positions	2,226,200	2,226,200
2 Emergency management and homeland security-67.0 FTE		
3 positions.....	16,021,800	16,021,800
4 Hazardous materials programs-25.0 FTE positions	30,139,700	30,139,700
5 Highway safety planning-26.0 FTE positions	18,001,900	18,001,900
6 Intelligence operations-184.0 FTE positions	24,804,000	24,811,400
7 Secondary road patrol program-1.0 FTE position	11,069,300	11,069,300
8 Special operations-67.0 FTE positions	<u>12,012,500</u>	<u>12,012,500</u>
9 GROSS APPROPRIATION	\$ 142,997,100	\$ 143,054,900
10 Appropriated from:		
11 Interdepartmental grant revenues:		
12 IDG from department of transportation	10,239,400	10,239,400
13 IDG from department of treasury	681,900	681,900
14 Interdepartmental transfers	1,902,200	1,902,200
15 Federal revenues:		
16 Other federal revenues	58,899,000	58,899,000
17 Special revenue funds:		
18 Local revenues	1,700,100	1,700,100
19 Private revenues	78,100	78,100
20 Other state restricted revenues	29,219,100	29,276,900
21 State general fund/general purpose	\$ 40,277,300	\$ 40,277,300
22 Sec. 16-107. INFORMATION TECHNOLOGY		
23 Information technology services and projects	<u>\$ 24,762,400</u>	<u>\$ 24,762,400</u>
24 GROSS APPROPRIATION	\$ 24,762,400	\$ 24,762,400
25 Appropriated from:		
26 Interdepartmental grant revenues:		
27 IDG from department of state	3,800	3,800
28 IDG from department of transportation	256,900	256,900
29 IDG from department of treasury	171,100	171,100
30 IDG from other restricted funding	12,200	12,200
31 Interdepartmental transfers	20,800	20,800
32 Federal revenues:		

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Other federal revenues	957,100	957,100
2 Special revenue funds:		
3 Local revenues	1,134,200	1,134,200
4 Michigan merit award trust fund	6,100	6,100
5 Other state restricted revenues	9,365,000	9,365,000
6 State general fund/general purpose	\$ 12,835,200	\$ 12,835,200
7 Sec. 16-108. ONE-TIME APPROPRIATIONS		
8 Disaster and emergency contingency fund	\$ 10,000,000	\$ 0
9 Equipment lifecycle replacement - secure cities	1,000,000	0
10 Fair and impartial policing training grants	1,000,000	0
11 Forensic science	730,000	0
12 Law enforcement job task analysis	200,000	0
13 Sexual assault prevention and education initiative ...	600,000	0
14 Trooper school	<u>6,246,900</u>	<u>0</u>
15 GROSS APPROPRIATION	\$ 19,776,900	\$ 0
16 Appropriated from:		
17 Special revenue funds:		
18 State general fund/general purpose	\$ 19,776,900	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2018

GENERAL SECTIONS

Sec. 16-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for the fiscal year 2018 is \$577,691,500.00 and state spending from state resources to be paid to local units of government for fiscal year 2018 is \$14,113,200.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE POLICE

31 Standards and training/justice training grants.....	\$	2,500,100
32 Training only to local units.....		654,500

1	Secondary road patrol program.....	10,958,600
2	TOTAL	\$ 14,113,200

3 Sec. 16-202. The appropriations authorized under this article are subject to the
4 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

5 Sec. 16-203. As used in this article:

6 (a) "CJIS" means Criminal Justice Information Systems.

7 (b) "Core service" means that phrase as defined in section 373 of the management and
8 budget act, 1984 PA 431, MCL 18.1373.

9 (c) "Department" means the department of state police.

10 (d) "Director" means the director of the department.

11 (e) "DNA" means deoxyribonucleic acid.

12 (f) "DTMB" means the department of technology, management and budget.

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

14 (h) "IDG" means interdepartmental grant.

15 (i) "MCOLES" means the Michigan commission on law enforcement standards.

16 (j) "Support service" means an activity required to support the ongoing delivery of
17 core services.

18 Sec. 16-204. The departments and agencies receiving appropriations in part 1 shall
19 use the Internet to fulfill the reporting requirements of this article. This requirement
20 may include transmission of reports via electronic mail to the recipients identified for
21 each reporting requirement, or it may include placement of reports on an Internet or
22 Intranet site.

23 Sec. 16-205. Funds appropriated in part 1 shall not be used for the purchase of
24 foreign goods or services, or both, if competitively priced and of comparable quality
25 American goods or services, or both, are available. Preference shall be given to goods or
26 services, or both, manufactured or provided by Michigan businesses, if they are
27 competitively priced and of comparable quality. In addition, preference should be given to
28 goods or services, or both, that are manufactured or provided by Michigan businesses owned
29 and operated by veterans, if they are competitively priced and of comparable quality.

30 Sec. 16-206. The director shall take all reasonable steps to ensure businesses in
31 deprived and depressed communities compete for and perform contracts to provide services or
32 supplies, or both. Each director shall strongly encourage firms with which the department

1 contracts to subcontract with certified businesses in depressed and deprived communities
2 for services, supplies, or both.

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

10 (a) The dates of each travel occurrence.

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

15 Sec. 16-208. Funds appropriated in part 1 shall not be used by a principal executive
16 department, state agency, or authority to hire a person to provide legal services that are
17 the responsibility of the attorney general. This prohibition does not apply to legal
18 services for bonding activities and for those outside services that the attorney general
19 authorizes.

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

26 Sec. 16-210. (1) In addition to the funds appropriated in part 1, there is
27 appropriated an amount not to exceed \$10,000,000.00 for federal contingency funds. These
28 funds are not available for expenditure until they have been transferred to another line
29 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
30 MCL 18.1393.

31 (2) In addition to the funds appropriated in part 1, there is appropriated an amount
32 not to exceed \$3,500,000.00 for state restricted contingency funds. These funds are not

1 available for expenditure until they have been transferred to another line item in this
2 article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

7 (4) In addition to the funds appropriated in part 1, there is appropriated an amount
8 not to exceed \$200,000.00 for private contingency funds. These funds are not available for
9 expenditure until they have been transferred to another line item in this article under
10 section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

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

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

19 (e) Job specifications and wage rates.

20 Sec. 16-212. Within 14 days after the release of the executive budget recommendation,
21 the department shall cooperate with the state budget office to provide the senate and house
22 appropriations chairs, the senate and house appropriations subcommittees chairs, and the
23 senate and house fiscal agencies with an annual report on estimated state restricted fund
24 balances, state restricted fund projected revenues, and state restricted fund expenditures
25 for the fiscal years ending September 30, 2017 and September 30, 2018.

26 Sec. 16-213. The department shall maintain, on a publicly accessible website, a
27 department scorecard that identifies, tracks and regularly updates key metrics that are
28 used to monitor and improve the agency's performance.

29 Sec. 16-214. Total authorized appropriations from all sources under part 1 for legacy
30 costs for the fiscal year ending September 30, 2018 are estimated at \$124,240,400.00. From
31 this amount, total agency appropriations for pension-related legacy costs are estimated at
32 \$70,149,700.00. Total agency appropriations for retiree health care legacy costs are

1 estimated at \$54,090,700.00.

2 Sec. 16-215. Based on the availability of federal funding and the demonstrated need
3 as indicated by applications submitted to the state court administrative office, the
4 department shall provide \$1,500,000.00 in Byrne justice assistance grant program funding to
5 the judiciary by interdepartmental grant.

6 Sec. 16-219. The department shall provide quarterly reports to the subcommittees, the
7 senate and house fiscal agencies, and the state budget office that provide the following
8 data:

9 (a) A list of major work projects, including the status of each project.

10 (b) The department's financial status, featuring a report of budgeted versus actual
11 expenditures by part 1 line item including a year-end projection of budget requirements. If
12 projected department budget requirements exceed the allocated budget, the report shall
13 include a plan to reduce overall expenses while still satisfying specified service level
14 requirements.

15 (c) A report on the performance metrics cited or information required to be reported
16 in this part, reasons for nonachievement of metric targets, and proposed corrective
17 actions.

18 Sec. 16-221. The appropriations in part 1 are for the core services, support
19 services, and work projects of the department, including, but not limited to, the following
20 core services:

21 (a) State security operations.

22 (b) Training.

23 (c) Michigan commission on law enforcement standards.

24 (d) Criminal justice information systems.

25 (e) Forensic analysis and biometric identification.

26 (f) Post operations and investigative services.

27 (g) Special operations.

28 (h) Intelligence operations.

29 (i) Commercial vehicle regulation and enforcement.

30 (j) Emergency management and homeland security.

31 (k) Highway safety planning.

32 (l) Secondary road patrol program.

1 Sec. 16-226. (1) When the department provides contractual services to a local unit of
2 government, the department shall be reimbursed for all costs incurred in providing the
3 services, including, but not limited to, retirement and overtime costs.

4 (2) The department shall define service cost models for those services requiring
5 reimbursement.

6 (3) Contractual services provided to an entity other than a local unit of government
7 may be provided by department personnel, but only on an overtime basis outside the normal
8 work schedule of the personnel.

9 (4) This section does not apply to services provided to state agencies.

10 (5) Revenues received for contractual or reimbursed services in excess of the
11 appropriation in part 1 are appropriated and may be received and expended by the department
12 for the purposes for which funds are received.

13 (6) If additional authorization is approved in the statewide integrated governmental
14 management application (SIGMA) by the state budget office under this section, the
15 department shall notify the subcommittees and the senate and house fiscal agencies within
16 10 days after the approval. The notification shall include the amount and funding source
17 of the additional authorization, the date of its approval, and the projected use of funds
18 to be expended.

19 Sec. 16-232. The department shall serve as an active liaison between the DTMB and
20 state, local, regional, and federal public safety agencies on matters pertaining to the
21 Michigan public safety communications system and shall report user issues to the DTMB.

22 Sec. 16-238. Money privately donated to the department is appropriated under part 1
23 to be used for the purposes designated by the donor of the money, if specified.

24 Sec. 16-241. (1) Federal revenues authorized by and available from the federal
25 government in excess of the appropriation in part 1 are appropriated and may be received
26 and expended by the department for purposes authorized under state law and subject to
27 federal requirements.

28 (2) If additional authorization is approved in the statewide integrated governmental
29 management application (SIGMA) by the state budget office under this section, the
30 department shall notify the subcommittees and the senate and house fiscal agencies within
31 10 days after the approval. The notification shall include the amount and funding source
32 of the additional authorization, the date of its approval, and the projected use of funds

1 to be expended.

2

3 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

4 Sec. 16-301. (1) The department shall provide security services at the State Capitol
5 Complex facilities and the State Secondary Complex as provided under section 6c of 1935 PA
6 59, MCL 28.6c.

7 (2) The department shall maintain the staff and resources necessary to respond to
8 emergencies at the State Capitol Complex, State Secondary Complex, House Office Building,
9 Farnum Building, Capitol parking lot, Townsend Parking Ramp, the Roosevelt Parking Ramp,
10 and other areas as directed.

11 (3) The department may develop a phased approach for improving security at the
12 Capitol Building.

13 (4) The department shall maintain a goal of annually conducting 35,000 property
14 inspections of state owned and leased facilities.

15

16 **LAW ENFORCEMENT**

17 Sec. 16-401. (1) The department shall develop and deliver professional, innovative,
18 and quality training that supports the law enforcement and public safety efforts of the
19 criminal justice community.

20 (2) The department shall provide performance data as provided under section 219 for
21 average classroom occupancy rate, with an annual goal of at least 55%.

22 (3) The department shall submit a report to the subcommittees and the senate and
23 house fiscal agencies within 60 days of the conclusion of any trooper, motor carrier, or
24 state properties security recruit school. The report shall include the following:

25 (a) The number of veterans and the number of MCOLES-certified police officers who
26 were admitted to and the number who graduated from the recruit school.

27 (b) The total number of recruits who were admitted to the school, the number of
28 recruits who graduated from the school, and the location at which each of these recruits is
29 assigned.

30 (4) The department shall distribute and review course evaluations to ensure that
31 quality training is provided.

32 Sec. 16-402. (1) In accordance with applicable state and federal laws and

1 regulations, the department shall maintain and ensure compliance with CJIS databases and
2 applications in the support of public safety and law enforcement communities.

3 (2) The department shall improve the accuracy, timeliness, and completeness of
4 criminal history information by conducting a minimum of 30 outreach activities targeted to
5 criminal justice agencies.

6 (3) The department shall provide for the compilation of crime statistics consistent
7 with the uniform crime reporting (UCR) program and the national incident-based report
8 system (NIBRS).

9 (4) The department shall provide for the compilation and evaluation of traffic crash
10 reports and the maintenance of the state accident data collection system.

11 (5) The department shall make traffic crash information available to the public at a
12 reasonable cost. For bulk access to the accident records in which the vehicle
13 identification number has been collected and computerized, the department shall make those
14 records available to the public at cost, provided that the name and address have been
15 excluded.

16 (6) In accordance with applicable state and federal laws and regulations, the
17 department shall provide for the maintenance and dissemination of criminal history records
18 and juvenile records, including to the extent necessary to exchange criminal history
19 records information with the Federal Bureau of Investigation and other states through the
20 interstate identification index, the National Crime Information Center, and other federal
21 CJIS databases and indices.

22 (7) In accordance with applicable state and federal laws, the department shall
23 provide for the maintenance of records, including criminal history records regarding
24 firearms licensure.

25 (8) The department shall maintain the staff and resources necessary to maintain the
26 sex offender registry and enforce the registration requirements as provided by law.

27 (9) The department shall provide information on the number of background checks
28 processed through the Internet criminal history access tool (ICHAT) as provided in section
29 219.

30 (10) The following unexpended and unencumbered revenues deposited into the criminal
31 justice information center service fee shall not lapse to the general fund, but shall be
32 carried forward into the subsequent fiscal year:

1 (a) Fees for fingerprinting and criminal record checks and name-based criminal record
2 checks pursuant to 1935 PA 120, MCL 28.271 to 28.273.

3 (b) Fees for application and licensing for initial and renewal concealed pistol
4 licenses pursuant to 1927 PA 372, MCL 28.421 to 28.435.

5 (c) Revenue from other sources, including, but not limited to, investment and
6 interest earnings.

7 (11) Unexpended and unencumbered revenue generated by state records management system
8 fees shall not lapse to the general fund, but shall be carried forward into the subsequent
9 fiscal year.

10 Sec. 16-403. (1) The department shall provide forensic testing services to aid in
11 criminal investigations.

12 (2) The department shall ensure its ability to maintain accreditation by a federally
13 designated accrediting agency, as provided under 42 USC 14132.

14 (3) The department shall provide forensic science services with an average turnaround
15 time of 55 days, assuming an annual caseload volume commensurate with that received in
16 fiscal year 2012-2013, and shall achieve a goal of a 30-day average turnaround time across
17 all forensic science disciplines.

18 (4) The department shall provide the following data as provided in section 219:

19 (a) The average turnaround time for processing forensic evidence across all
20 disciplines.

21 (b) Forensic laboratory staffing levels, including scientists in training, and
22 vacancies.

23 (c) The number of backlogged cases in each discipline.

24 (5) The department shall provide for the forensic testing and analysis/profiling of
25 DNA evidence to aid criminal investigations by law enforcement agencies in this state.

26 Sec. 16-404. (1) The biometrics and identification division shall house and manage
27 the automated fingerprint identification system, the statewide network of agency
28 photographs, and combined offender DNA index system biometric databases.

29 (2) The department shall provide data on the number of 10-print and palm-print
30 submissions to the database, with a goal of at least 97% of submissions provided
31 electronically as provided in section 219.

32 (3) The department shall maintain the staffing and resources necessary to have a 28-

1 day average wait time for scheduling a polygraph examination, assuming an annual caseload
2 received commensurate with fiscal year 2012-2013, with a goal of achieving a 15-day average
3 wait time.

4 (4) If changes are made to the department's protocol for retaining and purging DNA
5 analysis samples and records, the department shall post a copy of the protocol changes on
6 the department's website.

7 Sec. 16-405. Not later than December 1 of the subsequent fiscal year, the department
8 shall submit a report to the subcommittees and senate and house fiscal agencies that
9 includes, but is not limited to, all of the following information:

10 (a) Sexual assault kit analysis backlog at the beginning of the current fiscal year.

11 (b) The number of sexual assault kits collected or submitted for analysis during the
12 current fiscal year.

13 (c) The number of sexual assault kits analyzed and the number of associated DNA
14 profiles created and uploaded during the current fiscal year.

15 (d) Sexual assault kit analysis backlog at the ending of the current fiscal year.

16 (e) The average turnaround time to analyze sexual assault kits and to create and
17 upload associated DNA profiles for the current fiscal year.

18 Sec. 16-406. The department shall provide administrative support for the following
19 grant and community service programs:

20 (a) The operations of the automobile theft prevention authority.

21 (b) Administration of the Edward Byrne memorial justice assistance program and other
22 grant programs as well as the department's community policing efforts.

23 (c) Oversight and administration of 9-1-1 operations statewide.

24

25 **COMMISSION ON LAW ENFORCEMENT STANDARDS**

26 Sec. 16-501. (1) MCOLES shall establish standards for the selection, employment,
27 training, education, licensing, and revocation of all law enforcement officers and provide
28 the basic law enforcement training curriculum for law enforcement training academy programs
29 statewide.

30 (2) MCOLES shall maintain staffing and resources necessary to update law enforcement
31 standards within 120 days of the enactment date of any new legislation.

32

1 **FIELD SERVICES**

2 Sec. 16-601. (1) Department enlisted personnel who are employed to enforce traffic
3 laws as provided in section 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e,
4 shall not be prohibited from responding to crimes in progress or other emergency situations
5 and are responsible for making every effort to protect all residents of this state.

6 (2) The department shall maintain the staffing and resources necessary to continually
7 work to enhance traffic safety throughout this state and shall dedicate a minimum of
8 455,200 hours to statewide patrol, of which a minimum of 40,000 shall be committed to
9 distressed cities in this state, and 4,000 shall be committed to Belle Isle. The department
10 shall work to improve public safety efforts within distressed cities by enhancing data
11 analysis capabilities and identifying crime trends and areas with high occurrence of crime.

12 (3) The department shall maintain the staffing and resources necessary to perform
13 activities to maintain a 93% compliance rate for reporting by registered sex offenders.

14 (4) The department shall submit a report on or before December 1 to the subcommittees
15 and senate and house fiscal agencies regarding the secure cities partnership during the
16 prior fiscal year.

17 Sec. 16-602. (1) The department shall identify and apprehend criminals through
18 criminal investigations in this state.

19 (2) The department shall maintain the staffing and resources necessary to provide a
20 comparable number of hours investigating crimes as those performed in fiscal year 2012-
21 2013.

22 (3) The department shall maintain the staffing and resources necessary to annually
23 meet or exceed a case clearance rate of 62%.

24 (4) The department shall annually provide 4 training opportunities to local law
25 enforcement partners with the goal of increasing their knowledge of gambling laws, trends,
26 legal issues, and opioid-related investigations.

27 (5) The department shall maintain the staffing and resources necessary to increase
28 the number of opioid-related investigations by 20% above the number of such investigations
29 conducted in the 2014-2015 fiscal year conducted by multijurisdictional task forces and
30 hometown security teams. The department shall work to enhance investigative and drug
31 interdiction efforts by enhancing data analysis capabilities and linking investigations
32 among multijurisdictional task forces and hometown security teams.

1 Sec. 16-603. (1) The department shall provide protection to this state, its economy,
2 welfare, and vital state-sponsored programs through the prevention and suppression of
3 organized smuggling of untaxed tobacco products in the state, through enforcement of the
4 tobacco products tax act, 1993 PA327, MCL205.421 to 205.436, and other laws pertaining to
5 combating criminal activity in this state, by maintaining a tobacco tax enforcement unit.

6 (2) The department shall submit an annual report on December 1 to the subcommittees,
7 the senate and house appropriations subcommittees on general government, the senate and
8 house fiscal agencies, and the state budget office that details expenditures and activities
9 related to tobacco tax enforcement for the prior fiscal year.

10 (3) The tobacco tax enforcement unit shall dedicate a minimum of 16,600 hours to
11 tobacco tax enforcement.

12 Sec. 16-604. (1) The department shall provide fire investigation services to citizens
13 of this state through training and investigative assistance to public safety agencies in
14 this state.

15 (2) The department shall maintain the staffing and resources necessary to maintain
16 readiness to respond appropriately to at least the number of requests for fire
17 investigation services that occurred in fiscal year 2010-2011 and shall be available for
18 call out statewide 100% of the time.

19

20 **SPECIALIZED SERVICES**

21 Sec. 16-701. (1) The department shall operate the Michigan intelligence operation
22 center for homeland security as the state's primary federally designated fusion center to
23 receive, analyze, gather, and disseminate threat-related information among federal, state,
24 local, tribal, and private sector partners.

25 (2) The department shall ensure public safety by providing public and private sector
26 partners with timely and accurate information regarding critical information key resource
27 threats as reported to or discovered by the Michigan intelligence operations center for
28 homeland security and shall increase public awareness on how to report suspicious activity
29 through website or telephone communications.

30 (3) The department shall maintain the staffing and resources necessary to support the
31 cyber section, including the Michigan cyber command center, the computer crimes unit, and
32 the Internet crimes against children task force. The department shall maintain the staffing

1 and resources necessary to increase the number of cases completed by the computer crimes
2 unit by 40% above the number of cases completed in the 2014-2015 fiscal year. The unit
3 shall pursue process improvement initiatives to effectively utilize staff resources in
4 providing investigatory assistance and evidentiary analysis for law enforcement and
5 criminal justice agencies statewide.

6 (4) The department shall maintain the staffing and resources necessary to provide
7 digital forensic analysis services with a goal of decreasing backlogs of digital forensic
8 analysis cases annually until the department maintains a 60-day turnaround time.

9 Sec. 16-702. (1) The department shall provide specialized services in support of, and
10 to enhance, local, state, and federal law enforcement operations within this state in
11 accordance with all applicable state and federal laws and regulations.

12 (2) The department shall maintain the staffing and resources necessary to provide
13 training to maintain readiness to respond appropriately to at least the number of requests
14 for specialty services which occurred in fiscal year 2010-2011.

15 (3) The canine unit shall be available for call out statewide 100% of the time.

16 (4) The bomb squad unit shall be available for call out statewide 100% of the time.

17 (5) The emergency support teams shall be available for call out statewide 100% of the
18 time.

19 (6) The marine services team shall be available for call out statewide 100% of the
20 time.

21 (7) Aviation services shall be available for call out statewide 100% of the time,
22 unless prohibited by weather or unexpected mechanical breakdowns.

23 Sec. 16-703. (1) The department shall maintain commercial vehicle regulation, school
24 bus inspections, and enforcement activities, including enforcement of requirements
25 concerning size, weight, and load restrictions; operating authority; registration; fuel
26 taxes; transportation of hazardous materials; operations of new entrants; and commercial
27 driver's licenses.

28 (2) The department shall maintain the staffing and resources necessary to meet
29 inspection goals consistent with the department's federal motor carrier assistance program
30 activities.

31 (3) Revenue collected under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.42,
32 shall be expended in accordance with that act. Unexpended and unencumbered revenues shall

1 not lapse to the general fund but shall be carried forward into the subsequent fiscal year.

2 Sec. 16-704. (1) The department shall coordinate the mitigation, preparation,
3 response, and recovery activities of municipal, county, state, and federal governments, and
4 other governmental entities, for all hazards, disasters, and emergencies.

5 (2) The state director of emergency management may expend money appropriated under
6 part 1 to call upon any agency or department of the state or any resource of the state to
7 protect life or property or to provide for the health or safety of the population in any
8 area of the state in which the governor proclaims a state of emergency or state of disaster
9 under 1945 PA 302, MCL 10.31 to 10.33, or under the emergency management act, 1976 PA 390,
10 MCL 30.401 to 30.421. The state director of emergency management may expend the amounts the
11 director considers necessary to accomplish these purposes. The director shall submit to the
12 state budget director as soon as possible a complete report of all actions taken under the
13 authority of this section. The report shall contain, as a separate item, a statement of all
14 money expended that is not reimbursable from federal money. The state budget director shall
15 review the expenditures and submit recommendations to the legislature in regard to any
16 possible need for a supplemental appropriation.

17 (3) In addition to the money appropriated in part 1, the department may receive and
18 expend money from local, private, federal, or state sources for the purpose of providing
19 emergency management training to local or private interests and for the purpose of
20 supporting emergency preparedness, response, recovery, and mitigation activity. If
21 additional expenditure authorization in the statewide integrated governmental management
22 application (SIGMA) is approved by the state budget office under this section, the
23 department and the state budget office shall notify the subcommittees and the senate and
24 house fiscal agencies within 10 days after the approval. The notification shall include the
25 amount and source and the additional authorization, the date of its approval, and the
26 projected use of funds to be expended under the authorization.

27 (4) The department shall foster, promote, and maintain partnerships to protect this
28 state and homeland from all hazards.

29 (5) The department shall maintain the staffing and resources necessary to do all of
30 the following:

31 (a) Serve approximately 105 local emergency management preparedness programs and 88
32 local emergency planning committees in this state.

1 (b) Operate and maintain the state's emergency operations center and provide command
2 and control in support of emergency response services.

3 (c) Maintain readiness, including training and equipment to respond to civil
4 disorders and natural disasters commensurate with the capabilities of fiscal year 2010-
5 2011.

6 (d) Perform hazardous materials response training.

7 (6) The department shall conduct a minimum of 6 training sessions to enhance safe
8 response in the event of natural or manmade incidents, emergencies, or disasters.

9 (7) In addition to the funds appropriated in part 1, there is appropriated from the
10 disaster and emergency contingency fund an amount necessary to cover costs related to any
11 disaster or emergency as defined in the emergency management act, 1976 PA 390, MCL 30.401
12 to 30.421. Funds shall be expended as provided under sections 18 and 19 of the emergency
13 management act, 1976 PA 390, MCL 30.418 and 30.419, and R 30.51 to R 30.61 of the Michigan
14 administrative code.

15 (8) Funds in the disaster and emergency contingency fund shall not be expended unless
16 the state budget director approves the expenditure and the department and the state budget
17 office notify the senate and house appropriations committees. If expenditures are made from
18 the disaster and emergency contingency fund during a month, the department shall submit
19 monthly reports to the house and senate fiscal agencies detailing the purpose of the
20 expenditures. These monthly reports shall be submitted within 30 days after the end of the
21 month during which funds from the disaster and emergency contingency fund were expended.

22 (9) Upon the declaration of a state of emergency or disaster by the governor pursuant
23 to section 3 of the emergency management act, 1976 PA 390, MCL 30.403, approval of the
24 state budget director, and notification of the subcommittees and house and senate fiscal
25 agencies, the director may expend funds appropriated from any source to any line item
26 within part 1 for the purpose of paying the necessary and reasonable expenses incurred by
27 the department in responding to or mitigating the effects of any emergency or disaster as
28 those terms are defined in section 2 of the emergency management act, 1976 PA 390, MCL
29 30.402.

30 Sec. 16-705. The department shall provide for the planning, administration, and
31 implementation of highway traffic safety programs to save lives and reduce injuries on
32 Michigan roads in partnership with other public and private organizations.

1 Sec. 16-706. (1) The department shall provide funding to county sheriff departments
2 to patrol secondary roads.

3 (2) The sheriffs' duties under the secondary road patrol program, as outlined in
4 section 76(2) of 1846 RS 14, MCL 51.76, are to patrol and monitor traffic violations; to
5 enforce the criminal laws of this state, violations of which are observed by or brought to
6 the attention of the sheriff's department while patrolling and monitoring secondary roads;
7 to investigate accidents involving motor vehicles; and to provide emergency assistance to
8 persons on or near a highway or road the sheriff is patrolling and monitoring.

9 (3) The department shall provide the following information on secondary road patrol
10 activities supported by appropriations in part 1.

11 (a) The number of funded full-time equivalent county sheriff secondary road patrol
12 deputies.

13 (b) The number of hours dedicated to patrol under the secondary road patrol program,
14 with an annual goal of at least 178,000 hours.

15 (4) The information required to be reported under subsection (3) shall be reported on
16 an annual basis.

17

18 **ONE-TIME APPROPRIATIONS**

19 Sec. 16-902. (1) Funding provided in part 1 for the sexual assault prevention and
20 education initiative shall be used to provide and administer grants to public or nonpublic
21 community colleges, colleges, and universities with a physical presence in the state to
22 address campus sexual assault issues to improve the safety and security of students,
23 faculty, and staff in campus environments in the state.

24 (2) Grant funds awarded shall support sexual assault programs, including education,
25 awareness, prevention, reporting, and bystander intervention programs.

26 (3) The department shall issue awards no later than December 1, 2017, with a grant
27 period of 1 year.

28 (4) The department shall report on grant activities to the subcommittees and the
29 state budget office by February 28, 2019.

30 (5) Unexpended and appropriations in part 1 for the sexual assault prevention and
31 education initiative are designated as work project appropriations. Any unencumbered or
32 unallotted funds at the end of the fiscal year shall be carried forward into the succeeding

1 fiscal year. The following is in compliance with section 451a(1) of the management and
2 budget act, 1984 PA 431, MCL 18.1451a:

3 (a) The purpose of the project is to provide grants for sexual assault education,
4 awareness, prevention, reporting, and bystander intervention programs.

5 (b) The project will be accomplished by grants to eligible community colleges,
6 colleges, and universities.

7 (c) The total estimated cost of the project is \$600,000.00.

8 (d) The estimated completion date is September 30, 2019.

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Article 17

DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 17-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of talent and economic development are appropriated for the fiscal year ending September 30, 2018, and are anticipated to be appropriated for the fiscal year ending September 30, 2019, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT	
2	APPROPRIATION SUMMARY	
3	Full-time equated unclassified positions.....	6.0 6.0
4	Full-time equated classified positions.....	1,609.0 1,609.0
5	GROSS APPROPRIATION	\$ 1,143,324,800 \$ 1,114,324,800
6	Total interdepartmental grants and interdepartmental	
7	transfers.....	0 0
8	ADJUSTED GROSS APPROPRIATION	\$ 1,143,324,800 \$ 1,114,324,800
9	Total federal revenues	762,144,800 762,144,800
10	Total local revenues	500,000 500,000
11	Total private revenues	5,620,900 5,620,900
12	Total other state restricted revenues	181,556,700 181,556,700
13	State general fund/general purpose	\$ 193,502,400 \$ 164,502,400
14	<i>State general fund/general purpose schedule:</i>	
15	<i>Ongoing state general fund/general purpose</i>	<i>164,502,400 164,502,400</i>
16	<i>One-time state general fund/general purpose</i>	<i>29,000,000 0</i>
17	Sec. 17-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
18	Full-time equated unclassified positions.....	6.0 6.0
19	Full-time equated classified positions.....	3.0 3.0
20	Unclassified salaries-6.0 FTE positions	\$ 1,086,900 \$ 1,086,900
21	Executive direction and operations-3.0 FTE positions .	<u>1,397,100</u> <u>1,397,100</u>
22	GROSS APPROPRIATION	\$ 2,484,000 \$ 2,484,000
23	Appropriated from:	
24	Federal revenues:	
25	Other federal revenues	1,803,000 1,803,000
26	Special revenue funds:	
27	Other state restricted revenues	487,100 487,100
28	State general fund/general purpose	\$ 193,900 \$ 193,900
29	Sec. 17-103. MICHIGAN STRATEGIC FUND	
30	Full-time equated classified positions.....	197.0 197.0
31	Administrative services-37.0 FTE positions	\$ 6,212,900 \$ 6,212,900
32	Arts and cultural program	10,150,000 10,150,000

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Business attraction and community revitalization	115,500,000	115,500,000
2 Community college skilled trades equipment program ...	4,600,000	4,600,000
3 Community development block grants	47,000,000	47,000,000
4 Entrepreneurship eco-system	19,400,000	19,400,000
5 Facility for rare isotope beams	7,300,000	7,300,000
6 Job creation services-160.0 FTE positions	22,298,000	22,298,000
7 Pure Michigan	<u>34,000,000</u>	<u>34,000,000</u>
8 GROSS APPROPRIATION	\$ 266,460,900	\$ 266,460,900
9 Appropriated from:		
10 Federal revenues:		
11 Other federal revenues	53,936,100	53,936,100
12 Special revenue funds:		
13 Private revenues	350,000	350,000
14 21st century jobs fund	75,000,000	75,000,000
15 Other state restricted revenues	5,051,500	5,051,500
16 State general fund/general purpose	<u>\$ 132,123,300</u>	<u>\$ 132,123,300</u>
17 Sec. 17-104. TALENT INVESTMENT AGENCY		
18 Full-time equated classified positions.....	1,087.0	1,087.0
19 Community ventures-7.0 FTE positions	<u>\$ 9,806,700</u>	<u>\$ 9,806,700</u>
20 Executive direction-14.0 FTE positions	1,991,400	1,991,400
21 Information technology services and projects	22,501,000	22,501,000
22 Going pro	30,908,300	30,908,300
23 Unemployment insurance agency-846.0 FTE positions	137,953,400	137,953,400
24 Workforce development programs	385,822,900	385,822,900
25 Workforce program administration-220.0 FTE positions .	<u>32,339,500</u>	<u>32,339,500</u>
26 GROSS APPROPRIATION	\$ 621,323,200	\$ 621,323,200
27 Appropriated from:		
28 Federal revenues:		
29 Social security act, temporary assistance for needy		
30 families.....	63,698,800	63,698,800
31 Other federal revenues	474,846,900	474,846,900
32 Special revenue funds:		

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Local revenues	500,000	500,000
2 Private revenues	5,270,900	5,270,900
3 Other state restricted revenues	48,782,100	48,782,100
4 State general fund/general purpose	\$ 28,224,500	\$ 28,224,500
5 Sec. 17-105. LAND BANK FAST TRACK AUTHORITY		
6 Full-time equated classified positions.....	6.0	6.0
7 Land bank fast track authority-6.0 FTE positions	\$ 5,259,100	\$ 5,259,100
8 GROSS APPROPRIATION	\$ 5,259,100	\$ 5,259,100
9 Appropriated from:		
10 Federal revenues:		
11 Other federal revenues	1,000,000	1,000,000
12 Special revenue funds:		
13 Other state restricted revenues	298,400	298,400
14 State general fund/general purpose	\$ 3,960,700	\$ 3,960,700
15 Sec. 17-106. MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY		
16 Full-time equated classified positions.....	316.0	316.0
17 Housing and rental assistance-316.0 FTE positions	\$ 44,372,000	\$ 44,372,000
18 Lighthouse preservation program	307,500	307,500
19 Michigan state housing development authority technology		
20 services and projects.....	3,598,500	3,598,500
21 Payments on behalf of tenants	166,860,000	166,860,000
22 Property management	3,659,600	3,659,600
23 GROSS APPROPRIATION	\$ 218,797,600	\$ 218,797,600
24 Appropriated from:		
25 Federal revenues:		
26 Other federal revenues	166,860,000	166,860,000
27 Special revenue funds:		
28 Other state restricted revenues	51,937,600	51,937,600
29 State general fund/general purpose	\$ 0	\$ 0
30 Sec. 17-107. ONE-TIME APPROPRIATIONS		
31 Arts and cultural program	\$ 1,000,000	\$ 0
32 Business attraction and community revitalization	10,000,000	0

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Project rising tide	2,000,000	0
2 Protect and grow	1,000,000	0
3 Going pro	10,000,000	0
4 Talent marketing	5,000,000	0
5 GROSS APPROPRIATION	\$ 29,000,000	\$ 0
6 Appropriated from:		
7 Special revenue funds:		
8 State general fund/general purpose	\$ 29,000,000	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2018

GENERAL SECTIONS

Sec. 17-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for the fiscal year 2018 is \$375,059,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2018 is \$34,300,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT

21 Going pro.....	\$	22,000,000
22 Workforce development programs.....		11,300,000
23 Arts and cultural program.....		1,000,000
24 TOTAL	\$	34,300,000

Sec. 17-202. The appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 17-203. As used in this article:

- (a) "Department" means the department of talent and economic development.
- (b) "Director" means the director of the department.
- (c) "DTMB" means the Michigan department of technology, management and budget.
- (d) "FTE" means full-time equated.
- (e) "Fund" means the Michigan strategic fund.

1 (f) "MAIN" means the Michigan administrative information network.

2 (g) "MEDC" means the Michigan economic development corporation, which is the public
3 body corporate created under section 28 of article VII of the state constitution of 1963
4 and the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, by
5 contractual interlocal agreement effective April 5, 1999, between local participating
6 economic development corporations formed under the economic development corporations act,
7 1974 PA 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund.

8 (h) "MEGA" means the Michigan Economic Growth Authority.

9 (i) "PATH" means Partnership. Accountability. Training. Hope.

10 (j) "TANF" means Temporary assistance for needy families.

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

16 Sec. 17-205. Funds appropriated in part 1 shall not be used for the purchase of
17 foreign goods or services, or both, if competitively priced and of comparable quality
18 American goods or services, or both, are available. Preference shall be given to goods or
19 services, or both, manufactured or provided by Michigan businesses, if they are
20 competitively priced and of comparable quality. In addition, preference should be given to
21 goods or services, or both, that are manufactured or provided by Michigan businesses owned
22 and operated by veterans, if they are competitively priced and of comparable quality.

23 Sec. 17-206. The director shall take all reasonable steps to ensure businesses in
24 deprived and depressed communities compete for and perform contracts to provide services or
25 supplies, or both. Each director shall strongly encourage firms with which the department
26 contracts to subcontract with certified businesses in depressed and deprived communities
27 for services, supplies, or both.

28 Sec. 17-207. The departments and agencies receiving appropriations in part 1 shall
29 prepare a report on out-of-state travel expenses not later than January 1 of each year. The
30 travel report shall be a listing of all travel by classified and unclassified employees
31 outside this state in the immediately preceding fiscal year that was funded in whole or in
32 part with funds appropriated in the department's budget. The report shall be submitted to

1 the senate and house appropriations committees, the house and senate fiscal agencies, and
2 the state budget director. The report shall include the following information:

3 (a) The dates of each travel occurrence.

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

8 Sec. 17-208. Funds appropriated in part 1 shall not be used by a principal executive
9 department, state agency, or authority to hire a person to provide legal services that are
10 the responsibility of the attorney general. This prohibition does not apply to legal
11 services for bonding activities and for those outside services that the attorney general
12 authorizes.

13 Sec. 17-209. Not later than November 30, the state budget office shall prepare and
14 transmit a report that provides for estimates of the total general fund/general purpose
15 appropriation lapses at the close of the prior fiscal year. This report shall summarize the
16 projected year-end general fund/general purpose appropriation lapses by major departmental
17 program or program areas. The report shall be transmitted to the chairpersons of the senate
18 and house appropriations committees and the senate and house fiscal agencies.

19 Sec. 17-210. (1) In addition to the funds appropriated in part 1, there is
20 appropriated an amount not to exceed \$30,000,000.00 for federal contingency funds. These
21 funds are not available for expenditure until they have been transferred to another line
22 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
23 MCL 18.1393.

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

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

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

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

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

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

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

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

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

12 (e) Job specifications and wage rates.

13 Sec. 17-212. Within 14 days after the release of the executive budget recommendation,
14 the department shall cooperate with the state budget office to provide the senate and house
15 appropriations chairs, the senate and house appropriations subcommittees chairs, and the
16 senate and house fiscal agencies with an annual report on estimated state restricted fund
17 balances, state restricted fund projected revenues, and state restricted fund expenditures
18 for the fiscal years ending September 30, 2017 and September 30, 2018.

19 Sec. 17-213. The department shall maintain, on a publicly accessible website, a
20 department scorecard that identifies, tracks and regularly updates key metrics that are
21 used to monitor and improve the agency's performance.

22 Sec. 17-214. Total authorized appropriations from all sources under part 1 for legacy
23 costs for the fiscal year ending September 30, 2018 are estimated at \$32,357,000.00. From
24 this amount, total agency appropriations for pension-related legacy costs are estimated at
25 \$16,651,100.00. Total agency appropriations for retiree health care legacy costs are
26 estimated at \$15,705,900.00.

27 Sec. 17-215. Federal pass-through funds to local institutions and governments that
28 are received in amounts in addition to those included in part 1 and that do not require
29 additional state matching funds are appropriated for the purposes intended. The department
30 may carry forward into the succeeding fiscal year unexpended federal pass-through funds to
31 local institutions and governments that do not require additional state matching funds. The
32 department shall report the amount and source of the funds to the senate and house

1 appropriation subcommittees on general government, the senate and house fiscal agencies,
2 and the state budget office within 10 business days after receiving any additional pass-
3 through funds.

4

5 **MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY**

6 Sec. 17-994. In addition to the funds appropriated in part 1, the funds collected by
7 state historic preservation programs for document reproduction and services and application
8 fees are appropriated for all expenses necessary to provide the required services. These
9 funds are available for expenditure when they are received and may be carried forward into
10 the succeeding fiscal year.

11

12 **LAND BANK FAST TRACK AUTHORITY**

13 Sec. 17-995. In addition to the amounts appropriated in part 1, the land bank fast
14 track authority may expend revenues received under the land bank fast track act, 2003 PA
15 258, MCL 124.751 to 124.774, for the purposes authorized by the act, including, but not
16 limited to, the acquisition, lease, management, demolition, maintenance, or rehabilitation
17 of real or personal property, payment of debt service for notes or bonds issued by the
18 authority, and other expenses to clear or quiet title property held by the authority.

19

20 **MICHIGAN STRATEGIC FUND**

21 Sec. 17-1005. In addition to the appropriations in part 1, Travel Michigan may
22 receive and expend revenue related to the use of "Pure Michigan" and all other copyrighted
23 slogans and images. This revenue may come from the direct licensing of the name and image
24 or from the royalty payments from various merchandise sales. Revenue collected is
25 appropriated for the marketing of the state as a travel destination. The funds are
26 available for expenditure when they are received by the department of treasury. The fund
27 shall provide a report that lists the revenues by source received from the use of "Pure
28 Michigan" and all other copyrighted slogans and images. The report shall provide a detailed
29 list of expenditures of revenues received under this section. The report shall be provided
30 to the appropriations subcommittees on general government, the fiscal agencies, and the
31 state budget office by April 10.

32 Sec. 17-1008. As a condition of receiving funds under part 1, any interlocal

1 agreement entered into by the fund shall include language which states that if a local unit
2 of government has a contract or memorandum of understanding with a private economic
3 development agency, the MEDC will work cooperatively with that private organization in that
4 local area.

5 Sec. 17-1009. (1) Of the funds appropriated to the fund or through grants to the
6 MEDC, no funds shall be expended for the purchase of options on land or the purchase of
7 land unless at least 1 of the following conditions applies:

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

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

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

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

20 Sec. 17-1011. (1) From the appropriations in part 1 to the fund and granted or
21 transferred to the MEDC, any unexpended or unencumbered balance shall be disposed of in
22 accordance with the requirements in the management and budget act, 1984 PA 431, MCL 18.1101
23 to 18.1594, unless carryforward authorization has been otherwise provided for.

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

26 Sec. 17-1012. (1) As a condition of receiving funds under part 1, the fund shall
27 ensure that the MEDC and the fund comply with all of the following:

28 (a) The freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

29 (b) The open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

30 (c) Annual audits of all financial records by the auditor general or his or her
31 designee.

32 (d) All reports required by law to be submitted to the legislature.

1 (2) If the MEDC is unable for any reason to perform duties under this part, the fund
2 may exercise those duties.

3 Sec. 17-1013. As a condition for receiving the appropriations in part 1, any staff of
4 the MEDC involved in private fundraising activities shall not be party to any decisions
5 regarding the awarding of grants, incentives, or tax abatements from the fund, the MEDC, or
6 the Michigan economic growth authority.

7 Sec. 17-1024. From the funds appropriated in part 1 for business attraction and
8 community revitalization, not less than \$20,000,000.00 shall be granted by the fund board
9 for brownfield redevelopment and historic preservation projects under the community
10 revitalization program authorized by chapter 8C of the Michigan strategic fund act, 1984 PA
11 270, MCL 125.2090 to 125.2090d.

12 Sec. 17-1032. (1) The department shall report to the subcommittees, the state budget
13 director, and the fiscal agencies on the status of the film incentives at the same time as
14 it submits the annual report required under section 455 of the Michigan business tax act,
15 2007 PA 36, MCL 208.1455. The department of treasury shall provide the department of talent
16 and economic development with the data necessary to prepare the report. Incentives included
17 in the report shall include all of the following:

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

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

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

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

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

28 (f) Loans to an eligible production company or film and digital media private equity
29 fund authorized under section 88d(3), (4), and (5) of the Michigan strategic fund act, 2005
30 PA 225, MCL 125.2088d.

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

32 (a) For each tax credit, the number of contracts signed, the projected expenditures

1 qualifying for the credit, and the estimated value of the credits. For loans, the number of
2 loans made under each section, the interest rate of those loans, the loan amount, the
3 percent of the projected budget of each production financed by those loans, and the
4 estimated interest earnings from the loan.

5 (b) For credits authorized under section 455 of the Michigan business tax act, 2007
6 PA 36, MCL 208.1455, for productions completed by December 31, the expenditures of each
7 production eligible for the credit that has filed a request for certificate of completion
8 with the film office, broken down into expenditures for goods, services, or salaries and
9 wages and showing separately expenditures in each local unit of government, including
10 expenditures for personnel, whether or not they were made to a Michigan entity, and whether
11 or not they were taxable under the laws of this state. For loans, the report shall include
12 the number of loans that have been fully repaid, with principal and interest shown
13 separately, and the number of loans that are delinquent or in default, and the amount of
14 principal that is delinquent or is in default.

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

17 (i) The number of temporary jobs created.

18 (ii) The number of permanent jobs created.

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

21 (3) For any information not included in the report due to the provisions of section
22 455(6), 457(6), or 459(6) of the Michigan business tax act, 2007 PA 36, MCL 208.1455,
23 208.1457, and 208.1459, the report shall do all of the following:

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

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

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

29 (4) Any information not disclosed due to the provisions of section 455(6), 457(6), or
30 459(6) of the Michigan business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459,
31 shall be presented at the lowest level of aggregation that would no longer describe the
32 commercial and financial operations or intellectual property of the company.

1 Sec. 17-1034. Each business incubator or accelerator that received an award from the
2 fund shall maintain and update a dashboard of indicators to measure the effectiveness of
3 the business incubator and accelerator programs. Indicators shall include the direct jobs
4 created, new companies launched as a direct result of business incubator or accelerator
5 involvement, businesses expanded as a direct result of business incubator or accelerator
6 involvement, direct investment in client companies, private equity financing obtained by
7 client companies, grant funding obtained by client companies, and other measures developed
8 by the recipient business incubators and accelerators in conjunction with the MEDC.
9 Dashboard indicators shall be reported for the prior fiscal year and cumulatively, if
10 available. Each recipient shall submit a copy of their dashboard indicators to the fund by
11 March 1. The fund shall transmit the local reports to the senate and house of
12 representatives appropriations subcommittees on general government, the senate and house
13 fiscal agencies, and the state budget office by March 15.

14 Sec. 17-1035. From the appropriation in part 1, the Michigan council for arts and
15 cultural affairs shall administer an arts and cultural grant program that maintains an
16 equitable geographic distribution of funding and utilizes past arts and cultural grant
17 programs as a guideline for administering this program. The council shall do all of the
18 following:

19 (a) On or before October 1, the fund shall publish proposed application criteria,
20 instructions, and forms for use by eligible applicants. The fund shall provide at least a
21 2-week period for public comment before finalizing the application criteria, instructions,
22 and forms.

23 (b) A nonrefundable application fee may be assessed for each application. Application
24 fees shall be deposited in the council for the arts fund and are appropriated for expenses
25 necessary to administer the programs. These funds are available for expenditure when they
26 are received and may be carried forward to the following fiscal year.

27 (c) Grants are to be made to public and private arts and cultural entities.

28 (d) Within 1 business day after the award announcements, the council shall provide to
29 each member of the legislature and the fiscal agencies a list of all grant recipients and
30 the total award given to each recipient, sorted by county.

31 Sec. 17-1036. (1) The general fund/general purpose funds appropriated in part 1 to
32 the fund for business attraction and community revitalization shall be transferred to the

1 21st century jobs trust fund per section 90b(3) of the Michigan strategic fund act, 1984 PA
2 270, MCL 125.2090b.

3 (2) Funds transferred to the 21st century jobs trust fund under subsection (1) are
4 appropriated and available for allocation as authorized in the Michigan strategic fund act,
5 1984 PA 270, MCL 125.2001 to 125.2094.

6 Sec. 17-1038. (1) From the funds appropriated in part 1, the department shall work
7 with Michigan State University to gather information and create an annual progress report
8 on the construction of the Facility for Rare Isotope Beams. The report shall include, but
9 is not limited to, the following information:

10 (a) If construction is ahead of the scheduled timeline made with the United States
11 Department of Energy at the end of the previous fiscal year and the number of weeks.

12 (b) If the cost of construction is under or over the amount projected for the
13 previous fiscal year and the amount.

14 (c) The number of Michigan companies that have been contracted for the project, the
15 total amount of those contracts, and number of permanent and temporary employees employed
16 in the previous fiscal year.

17 (2) The department shall report to the state budget director, appropriations
18 subcommittees, senate and house appropriation subcommittees on general government, and
19 senate and house fiscal agencies by March 15. If information is not provided by Michigan
20 State University by March 15, the department shall provide notice of steps taken to get the
21 required information and when it will be available.

22 Sec. 17-1040. As a condition of receiving funds in part 1, the department of talent
23 and economic development shall utilize MAIN, or a successor DTMB-administered
24 administrative information system used across state government, as an appropriation and
25 expenditure reporting system to track all financial transactions with individual vendors,
26 contractual partners, grantees, recipients of business incentives, and recipients of other
27 economic assistance. Encumbrances and expenditures shall be reported in a timely manner.

28 Sec. 17-1042. For the funds appropriated in part 1 for business attraction and
29 community revitalization, the fund shall report quarterly on the amount of funds considered
30 appropriated, pre-encumbered, encumbered, and expended. The report shall also include a
31 listing of all previous appropriations for business attraction and community
32 revitalization, or a predecessor, that were considered appropriated, pre-encumbered,

1 encumbered, or expended that have lapsed back to the fund for any purpose. The report shall
2 be submitted to the chairpersons of the senate and house of representatives standing
3 committees on appropriations, the chairpersons of the senate and house of representatives
4 standing committees on appropriations subcommittees on general government, the senate and
5 house fiscal agencies, and the state budget office.

6 Sec. 17-1043. (1) The fund, in conjunction with the department of treasury, shall
7 report to the senate and house of representatives appropriations subcommittees on general
8 government, the senate and house fiscal agencies, and the state budget office by November 1
9 on the annual cost of the Michigan economic growth authority tax credits. The report shall
10 include for each year the board-approved credit amount, adjusted for credit amendments
11 where applicable, and the actual and projected value of tax credits for each year from 1995
12 to the expiration of the credit program. For years for which credit claims are complete,
13 the report shall include the total of actual certificated credit amounts. For years for
14 which claims are still pending or not yet submitted, the report shall include a combination
15 of actual credits where available and projected credits. Credit projections shall be based
16 on updated estimates of employees, wages, and benefits for eligible companies.

17 (2) In addition to the report under subsection (1), the fund, in conjunction with the
18 department of treasury, shall report to the senate and house of representatives
19 appropriations subcommittees on general government, the senate and house fiscal agencies,
20 and the state budget office by November 1 on the annual cost of all other certificated
21 credits by program, for each year until the credits expire or can no longer be collected.
22 The report shall include estimates on the brownfield redevelopment credit, film credits,
23 MEGA photovoltaic technology credit, MEGA polycrystalline silicon manufacturing credit,
24 MEGA vehicle battery credit, and other certificated credits.

25 Sec. 17-1050. From the funds appropriated in part 1 for business attraction and
26 community revitalization, the department shall identify specific outcomes and performance
27 measures including, but not limited to, the following:

28 (a) Total verified jobs created during the fiscal year ending September 30, 2018.

29 (b) Total private investment obtained during the fiscal year ending September 30,
30 2018.

31 (c) Amount of private and public square footage created and reactivated during the
32 fiscal year ending September 30, 2018.

1 Sec. 17-1051. From the funds appropriated in part 1 for talent marketing, the
2 department shall identify specific outcomes and performance measures including, but not
3 limited to, the following:

4 (a) Number of active job seeker accounts and number of active employer accounts
5 through the Mitalent.org portal during the fiscal year ending September 30, 2018.

6 (b) Number of website visits through Mitalent.org and total employment numbers by job
7 sector as tracked by labor market information during the fiscal year ending September 30,
8 2018.

9 Sec. 17-1052. From the one-time funds appropriated in part 1 for project rising tide,
10 the department shall identify specific outcomes and performance measures including, but not
11 limited to, the following:

12 (a) Number of communities participating in and completing the redevelopment ready
13 communities best practices evaluation during the fiscal year ending September 30, 2018.

14 (b) Number of technical assistance projects completed during the fiscal year ending
15 September 30, 2018.

16 Sec. 17-1053. From the increased funds appropriated in part 1 for the arts and
17 cultural program, the department shall identify specific outcomes and performance measures
18 including, but not limited to, the following:

19 (a) Number of applications received during the fiscal year ending September 30, 2018.

20 (b) Number of grants awarded during the fiscal year ending September 30, 2018.

21 (c) Number of FTEs supported by grants during the fiscal year ending September 30,
22 2018.

23 Sec. 17-1054. From the funds appropriated in part 1 for protect and grow, the
24 department shall identify specific outcomes and performance measures including, but not
25 limited to, the following:

26 (a) Funding commitments made by federal and private sources during the fiscal year
27 ending September 30, 2018.

28 (b) Dollar amount invested, by location, in Michigan defense infrastructure during
29 the fiscal year ending September 30, 2018.

30

31 **TALENT INVESTMENT AGENCY**

32 Sec. 17-1060. The talent investment agency shall administer the PATH training program

1 in accordance with the requirements of section 407(d) of title IV of the social security
2 act, 42 USC 607, the state social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, and all
3 other applicable laws and regulations.

4 Sec. 17-1061. From the funds appropriated in part 1 for workforce programs
5 subgrantees, the talent investment agency may allocate funding for grants to nonprofit
6 organizations that offer programs pursuant to the workforce investment act of 1998, 29 USC
7 2801 to 2945, or the workforce innovation and opportunity act, 29 USC 3101 to 3361,
8 eligible youth focusing on apprenticeship readiness, pre-apprenticeship and apprenticeship
9 activities, entrepreneurship, work-readiness skills, job shadowing, and financial literacy.
10 Organizations eligible for funding under this section must have the capacity to provide
11 similar programs in urban areas, as determined by the United States Bureau of the Census
12 according to the most recent federal decennial census. Additionally, programs eligible for
13 funding under this section must include the participation of local business partners. The
14 talent investment agency shall develop other appropriate eligibility requirements to ensure
15 compliance with applicable federal rules and regulations.

16 Sec. 17-1062. The talent investment agency shall make available, in person or by
17 telephone, 1 disabled veterans outreach program specialist or local veterans employment
18 representative to Michigan Works! service centers, as resources permit, during hours of
19 operation, and shall continue to make the appropriate placement of veterans and disabled
20 veterans a priority.

21 Sec. 17-1063. (1) In addition to the funds appropriated in part 1, any unencumbered
22 and unrestricted federal workforce investment act of 1998, 29 USC 2801 to 2945, workforce
23 innovation and opportunity act, 29 USC 3101 to 3361, or trade adjustment assistance funds
24 available from prior fiscal years are appropriated for the purposes originally intended.

25 (2) The talent investment agency shall report by February 15 to the subcommittees,
26 the fiscal agencies, and the state budget office on the amount by fiscal year of federal
27 workforce investment act of 1998, 29 USC 2801 to 2945, workforce innovation and opportunity
28 act, 29 USC 3101 to 3361, funds appropriated under this section.

29 Sec. 17-1065. The talent investment agency shall publish data and reports annually by
30 February 15 on the agency website concerning the status of career technology and going pro
31 funded in part 1. The report shall include the following:

32 (a) The number of awardees participating in the program and the names of those

1 awardees organized by major industry group.

2 (b) The amount of funding received by each awardee under the program.

3 (c) Amount of funding leveraged from each awardee or other funding source for each
4 awardee project.

5 (d) Training models established by each awardee.

6 (e) The number of individuals enrolled in a skilled trades training program by
7 awardee.

8 (f) The number of individuals who completed the program and were hired by awardee.

9 (g) The number of applications received and the number of applications approved for
10 each region.

11 (h) The talent investment agency shall expand workforce training and reemployment
12 services to better connect workers to in-demand jobs and identify specific outcomes with
13 performance metrics for this initiative, including, but not limited to, new
14 apprenticeships, jobs created, jobs retained, training completed, and employment retention
15 rate at 6 months, and hourly wage at 6 months.

16 Sec. 17-1066. As a condition of receiving funds in part 1 for going pro, the talent
17 investment agency shall administer the program as follows:

18 (a) The talent investment agency shall work cooperatively with grantees to maximize
19 the amount of funds from part 1 that are available for direct training.

20 (b) The talent investment agency, workforce development partners, including regional
21 Michigan Works! agencies, and employers shall collaborate and work cooperatively to
22 prioritize and streamline the expenditure of the funds appropriated in part 1. The talent
23 investment agency shall ensure that going pro provides a collaborative statewide network of
24 workforce and employee skill development partners that addresses the employee talent needs
25 throughout the state.

26 (c) The talent investment agency shall ensure that grants are utilized for individual
27 skill enhancement and to address in-demand talent needs in Michigan.

28 (d) The talent investment agency shall develop program goals and detailed guidance
29 for prospective participants to follow to qualify under the program. The program goals and
30 detailed guidance shall be posted on the talent investment agency website and distributed
31 to workforce development partners, including local Michigan Works! agencies, by October 1.
32 Periodic assessments of employer and employee needs shall be evaluated on a regional basis,

1 and the talent investment agency shall identify solutions and goals to be implemented to
2 satisfy those needs. The talent investment agency shall notify the senate and house of
3 representatives standing committees on appropriations, the senate and house of
4 representatives standing committees on appropriations subcommittees on general government,
5 the senate and house fiscal agencies, and the state budget office on any program goal,
6 solution, or guidance changes not fewer than 14 days prior to the finalization and
7 publication of the changes. Revenue received by the talent investment agency for going pro
8 may be expended for the purpose of the program.

9 (e) Up to \$5,000,000.00 of the funds may be expended to match federal funds. The
10 intent of these funds will involve improving and increasing the skill level of employees in
11 skilled trades in the automotive industry and the manufacturing processes within the
12 changing manufacturing environment.

13 Sec. 17-1068. (1) Of the funds appropriated in part 1 for the workforce training
14 programs, the talent investment agency shall provide a report by March 15 to the senate and
15 house of representatives standing committees on appropriations subcommittees on general
16 government, the state budget director, and the fiscal agencies on the status of the
17 workforce training programs. The report shall include the following:

18 (a) The amount of funding allocated to each Michigan Works! agency and the total
19 funding allocated to the workforce training programs statewide by fund source.

20 (b) The number of participants enrolled in education or training programs by each
21 Michigan Works! agency.

22 (c) The average duration of training for training program participants by each
23 Michigan Works! agency.

24 (d) The number of participants enrolled in remedial education programs and the number
25 of participants enrolled in literacy programs.

26 (e) The number of participants enrolled in programs at 2-year institutions.

27 (f) The number of participants enrolled in 4-year institutions.

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

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

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

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

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

5 (1) The actual revenues received by the fund source and fund appropriated for each
6 discrete workforce development program area.

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

8 Sec. 17-1078. (1) From the funds appropriated in part 1 for the unemployment
9 insurance agency, the talent investment agency shall maintain customer service standards
10 for employers and claimants making use of the various means by which they can access the
11 system.

12 (2) The talent investment agency shall identify specific outcomes and performance
13 metrics for this initiative, including, but not limited to, the following:

14 (a) Unemployment benefit fund balance.

15 (b) Process improvement - fiscal integrity.

16 (c) Process improvement - determination timeliness.

17 (d) Process improvement - determination quality.

18 Sec. 17-1079. (1) The talent investment agency shall extend the interagency agreement
19 with the department of health and human services for the duration of the current fiscal
20 year, which concerns TANF funding to provide job readiness and welfare-to-work programming.
21 The interagency agreement shall include specific outcome and performance reporting
22 requirements as described in this section. TANF funding provided to the talent investment
23 agency in the current fiscal year is contingent on compliance with the data and reporting
24 requirements described in this section. The interagency agreement shall require the talent
25 investment agency to provide all of the following items for the previous year to the senate
26 and house appropriations committees by January 1 of the current fiscal year:

27 (a) An itemized spending report on TANF funding, including all of the following:

28 (i) Direct services to clients.

29 (ii) Administrative expenditures.

30 (b) The number of family independence program clients served through the TANF
31 funding, including all of the following:

32 (i) The number and percentage who obtained employment through Michigan Works!.

1 (ii) The number and percentage who fulfilled their TANF work requirement through
2 other job readiness programming.

3 (iii) Average TANF spending per client.

4 (iv) The number and percentage of clients who were referred to Michigan Works! but
5 did not receive a job or job readiness placement and the reasons why.

6 (2) Not later than March 15 of the current fiscal year, the department shall provide
7 to the senate and house appropriations subcommittees on the department budget, the senate
8 and house fiscal agencies, and the senate and house policy offices an annual report on the
9 following matters itemized by Michigan Works! agency: the number of referrals to Michigan
10 Works! job readiness programs, the number of referrals to Michigan Works! job readiness
11 programs who became a participant in the Michigan Works! job readiness programs, the number
12 of participants who obtained employment, and the cost per participant case.

13 Sec. 17-1080. (1) From the funds appropriated in part 1 for community ventures, the
14 department of talent and economic development may expend not more than \$2,000,000.00 of the
15 funds as matching funds upon the commitment of matching dollars from private sources. For
16 every \$1.00 the department of talent and economic development elects to receive from a
17 private source for the purposes of a community ventures program match, the department of
18 talent and economic development shall expend \$1.00 from the appropriation in part 1 up to
19 \$2,000,000.00. Funds received from private sources for a community ventures program match
20 are appropriated upon receipt and shall be expended for the purposes of the community
21 ventures program.

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

24 (a) The number of commitments from private sources, including the dollar amount
25 committed and source.

26 (b) Additional participants served with challenge funds.

27 (c) Jobs created and the average wage.

28 Sec. 17-1084. From the funds appropriated in part 1 for going pro, the department
29 shall identify specific outcomes and performance measures including, but not limited to,
30 the following:

31 (a) Number of job training grants awarded to employers during the fiscal year ending
32 September 30, 2018.

1 (b) Number of individuals enrolled in and completing training during the fiscal year
2 ending September 30, 2018.

3 (c) Number of new jobs and apprenticeships created during the fiscal year ending
4 September 30, 2018.

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Article 18

DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 18-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of technology, management and budget are appropriated for the fiscal year ending September 30, 2018, and are anticipated to be appropriated for the fiscal year ending September 30, 2019, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET	
2	APPROPRIATION SUMMARY	
3	Full-time equated unclassified positions.....	6.0 6.0
4	Full-time equated classified positions.....	2,937.0 2,927.0
5	GROSS APPROPRIATION	\$ 1,405,543,900 \$ 1,324,605,100
6	Total interdepartmental grants and interdepartmental	
7	transfers.....	713,959,000 713,959,000
8	ADJUSTED GROSS APPROPRIATION	\$ 691,584,900 \$ 610,646,100
9	Total federal revenues	4,985,300 4,985,300
10	Total local revenues	2,316,700 2,316,700
11	Total private revenues	127,700 127,700
12	Total other state restricted revenues	111,399,300 111,399,300
13	State general fund/general purpose	\$ 572,755,900 \$ 491,817,100
14	<i>State general fund/general purpose schedule:</i>	
15	<i>Ongoing state general fund/general purpose</i>	<i>491,817,100 491,817,100</i>
16	<i>One-time state general fund/general purpose</i>	<i>80,938,800 0</i>
17	Sec. 18-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
18	Full-time equated unclassified positions.....	6.0 6.0
19	Full-time equated classified positions.....	800.5 800.5
20	Unclassified salaries-6.0 FTE positions	\$ 1,031,500 \$ 1,031,500
21	Administrative services-133.5 FTE positions	17,551,800 17,551,800
22	Budget and financial management-203.0 FTE positions ..	38,842,600 38,842,600
23	Building operation services-212.0 FTE positions	92,591,700 92,591,700
24	Bureau of labor market information and strategies-44.0	
25	FTE positions.....	5,772,400 5,772,400
26	Business support services-98.0 FTE positions	11,679,700 11,679,700
27	Design and construction services-40.0 FTE positions ..	6,520,000 6,520,000
28	Executive operations-12.0 FTE positions	2,387,400 2,387,400
29	Motor vehicle fleet-35.0 FTE positions	74,299,300 74,299,300
30	Office of the state employer-23.0 FTE positions	3,484,600 3,484,600
31	Property management	<u>7,817,400 7,817,400</u>
32	GROSS APPROPRIATION	\$ 261,978,400 \$ 261,978,400

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019	
1	Appropriated from:		
2	Interdepartmental grant revenues:		
3	IDG from department of health and human services	710,300	710,300
4	IDG from department of licensing and regulatory affairs	100,000	100,000
5	IDG from other restricted funding	188,778,700	188,778,700
6	Federal revenues:		
7	Other federal revenues	4,985,300	4,985,300
8	Special revenue funds:		
9	Local revenues	86,900	86,900
10	Private revenues	127,700	127,700
11	Other state restricted revenues	23,673,500	23,673,500
12	State general fund/general purpose	\$ 43,516,000	\$ 43,516,000
13	Sec. 18-103. TECHNOLOGY SERVICES		
14	Full-time equated classified positions.....	1,484.5	1,484.5
15	Education services-29.0 FTE positions	\$ 4,148,000	\$ 4,148,000
16	General services-315.5 FTE positions	107,508,000	107,508,000
17	Health and human services-617.5 FTE positions	297,460,500	297,460,500
18	Public protection-155.5 FTE positions	57,780,400	57,780,400
19	Resources services-146.5 FTE positions	20,716,900	20,716,900
20	Transportation services-89.5 FTE positions	32,873,300	32,873,300
21	Enterprise identity management-6.0 FTE positions	9,335,600	9,335,600
22	Information technology investment fund	65,000,000	65,000,000
23	Homeland security initiative/cyber security-25.0 FTE		
24	positions.....	16,169,300	16,169,300
25	Michigan public safety communications system-100.0 FTE		
26	positions.....	<u>40,174,500</u>	<u>40,174,500</u>
27	GROSS APPROPRIATION	\$ 651,166,500	\$ 651,166,500
28	Appropriated from:		
29	Interdepartmental grant revenues:		
30	IDG from other restricted funding	520,487,100	520,487,100
31	Special revenue funds:		
32	Local revenues	2,229,800	2,229,800

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 State general fund/general purpose	\$ 128,449,600	\$ 128,449,600
2 Sec. 18-104. STATEWIDE APPROPRIATIONS		
3 Professional development fund - NERES	\$ 250,000	\$ 250,000
4 Professional development fund - UAW	<u>700,000</u>	<u>700,000</u>
5 GROSS APPROPRIATION	\$ 950,000	\$ 950,000
6 Appropriated from:		
7 Interdepartmental grant revenues:		
8 IDG from other restricted funding	950,000	950,000
9 Special revenue funds:		
10 State general fund/general purpose	\$ 0	\$ 0
11 Sec. 18-105. SPECIAL PROGRAMS		
12 Full-time equated classified positions.....	192.0	192.0
13 Office of children's ombudsman-14.0 FTE positions	\$ 1,814,900	\$ 1,814,900
14 Property management - executive/legislative	1,223,400	1,223,400
15 Public private partnership	1,500,000	1,500,000
16 Regional prosperity grants	2,500,000	2,500,000
17 Retirement services-167.0 FTE positions	29,277,600	29,277,600
18 School reform office operations-11.0 FTE positions ...	<u>3,115,100</u>	<u>3,115,100</u>
19 GROSS APPROPRIATION	\$ 39,431,000	\$ 39,431,000
20 Appropriated from:		
21 Special revenue funds:		
22 Other state restricted revenues	25,373,800	25,373,800
23 State general fund/general purpose	\$ 14,057,200	\$ 14,057,200
24 Sec. 18-106. STATE BUILDING AUTHORITY RENT		
25 State building authority rent - community colleges ...	\$ 30,879,600	\$ 30,879,600
26 State building authority rent - department of		
27 corrections.....	21,029,900	21,029,900
28 State building authority rent - state agencies	49,665,800	49,665,800
29 State building authority rent - universities	<u>144,995,300</u>	<u>144,995,300</u>
30 GROSS APPROPRIATION	\$ 246,570,600	\$ 246,570,600
31 Appropriated from:		
32 Special revenue funds:		

		For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	State general fund/general purpose	\$ 246,570,600	\$ 246,570,600
2	Sec. 18-107. CIVIL SERVICE COMMISSION		
3	Full-time equated classified positions.....	450.0	450.0
4	Agency services-74.0 FTE positions	\$ 13,186,400	\$ 13,186,400
5	Employee benefits-16.0 FTE positions	5,713,900	5,713,900
6	Executive direction-40.0 FTE positions	9,428,500	9,428,500
7	Human resources operations-320.0 FTE positions	38,323,700	38,323,700
8	Information technology services and projects	<u>3,381,900</u>	<u>3,381,900</u>
9	GROSS APPROPRIATION	\$ 70,034,400	\$ 70,034,400
10	Appropriated from:		
11	Special revenue funds:		
12	Other state restricted revenues	46,479,900	46,479,900
13	State general fund/general purpose	\$ 23,554,500	\$ 23,554,500
14	Sec. 18-108. CAPITAL OUTLAY		
15	Enterprisewide special maintenance for state facilities	\$ 26,000,000	\$ 26,000,000
16	Major special maintenance, remodeling, and additions		
17	for state agencies.....	<u>2,000,000</u>	<u>2,000,000</u>
18	GROSS APPROPRIATION	\$ 28,000,000	\$ 28,000,000
19	Appropriated from:		
20	Interdepartmental grant revenues:		
21	IDG from other restricted funding	2,000,000	2,000,000
22	Special revenue funds:		
23	State general fund/general purpose	\$ 26,000,000	\$ 26,000,000
24	Sec. 18-109. INFORMATION TECHNOLOGY		
25	Information technology services and projects	<u>\$ 26,474,200</u>	<u>\$ 26,474,200</u>
26	GROSS APPROPRIATION	\$ 26,474,200	\$ 26,474,200
27	Appropriated from:		
28	Interdepartmental grant revenues:		
29	IDG from other restricted funding	932,900	932,900
30	Special revenue funds:		
31	Other state restricted revenues	15,872,100	15,872,100
32	State general fund/general purpose	\$ 9,669,200	\$ 9,669,200

For Fiscal
Year Ending
Sept. 30, 2018

For Fiscal
Year Ending
Sept. 30, 2019

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Sec. 18-110. ONE-TIME APPROPRIATIONS		
2 Full-time equated classified positions.....	10.0	0.0
3 Capital outlay - university, community college and		
4 state agency planning authorization - department of		
5 health and human services, Caro center replacement -		
6 new state psychiatric hospital - for program and		
7 planning to be paid for from state resources		
8 (estimated total authorized cost \$115,000,000; state		
9 building authority share \$114,499,900; general fund		
10 share \$500,100).....	\$ 100	\$ 0
11 Capital outlay - university, community college and		
12 state agency planning authorization - department of		
13 technology, management and budget, Secondary Complex -		
14 Secretary of State Building addition - for program and		
15 planning to be paid for from state resources		
16 (estimated total authorized cost \$34,100,000; state		
17 building authority share \$34,099,900; general fund		
18 share \$100).....	100	0
19 Capital outlay - university, community college and		
20 state agency planning authorization - Henry Ford		
21 college, entrepreneur and innovation institute/		
22 technology building renovation and addition - for		
23 program and planning to be paid for from community		
24 college resources (estimated total authorized cost		
25 \$14,900,000; community college share \$8,200,000;		
26 state building authority share \$6,699,900; general		
27 fund share \$100).....	100	0
28 Capital outlay - university, community college and		
29 state agency planning authorization - Wayne state		
30 university, STEM innovation learning center - for		
31 program and planning to be paid for from university		
32 resources (estimated total authorized cost		

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 \$29,500,000; university share \$14,750,000; state		
2 building authority share \$14,749,900; general fund		
3 share \$100).....	100	0
4 Capital outlay - university, community college and		
5 state agency planning authorization - Saginaw valley		
6 state university, college of business and management		
7 expansion - for program and planning to be paid for		
8 from university resources (estimated total authorized		
9 cost \$17,500,000; university share \$7,700,000; state		
10 building authority share \$9,799,900; general fund		
11 share \$100).....	100	0
12 Capital outlay - university, community college and		
13 State agency planning authorization - St. Clair		
14 county community college, health sciences - AJ Theisen		
15 building renovation - for program and planning to be		
16 paid for from community college resources (estimated		
17 total authorized cost \$9,800,000; community college		
18 share \$4,900,000; state building authority share		
19 \$4,899,900; general fund share \$100).....	100	0
20 Capital outlay - university, community college and		
21 state agency planning authorization - Michigan		
22 technology university, H-STEM engineering and health		
23 technologies complex, phase I - for program and		
24 planning to be paid for from university resources		
25 (estimated total authorized cost \$39,600,000;		
26 university share \$9,900,000; state building authority		
27 share \$29,699,900; general fund share \$100).....	100	0
28 Citizen centric government information technology		
29 project.....	5,534,300	0
30 Drinking water declaration of emergency reserve fund .	25,000,000	0
31 Homeland security initiative/cyber security	4,000,000	0
32 Information technology investment fund	7,500,000	0

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Michigan infrastructure fund deposit	20,000,000	0
2 Michigan public safety communications system lifecycle		
3 replacement.....	5,000,000	0
4 MAIN operations for fiscal year 2017 closeout	2,087,600	0
5 Michigan.gov content management system	9,050,000	0
6 School reform office - performance information system		
7 upgrade.....	353,000	0
8 SIGMA transition support-10.0 FTE positions	2,413,200	0
9 GROSS APPROPRIATION	\$ 80,938,800	\$ 0
10 Appropriated from:		
11 Special revenue funds:		
12 State general fund/general purpose	\$ 80,938,800	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2018

GENERAL SECTIONS

19 Sec. 18-201. Pursuant to section 30 of article IX of the state constitution of 1963,
20 total state spending from state resources under part 1 for the fiscal year 2018 is
21 \$684,155,200.00 and state spending from state resources to be paid to local units of
22 government for fiscal year 2018 is \$2,500,000.00. The itemized statement below identifies
23 appropriations from which spending to local units of government will occur:

24 DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET

25 Regional prosperity grants.....	\$	2,500,000
26 TOTAL	\$	2,500,000

27 Sec. 18-202. The appropriations authorized under this article are subject to the
28 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

29 Sec. 18-203. As used in this article:

30 (a) "COBRA" means the consolidated omnibus budget reconciliation act of 1985, Public
31 Law 99-272, 100 Stat 82.

32 (b) "Department" means the department of technology, management and budget.

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

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

3 (e) "IDG" means interdepartmental grant.

4 (f) "IT" means information technology.

5 (g) "ITIF" means information technology investment fund.

6 (h) "JCOS" means the joint capital outlay subcommittee.

7 (i) "MAIN" means the Michigan administrative information network.

8 (j) "MDHHS" means the Michigan department of health and human services.

9 (k) "MDLARA" means the Michigan department of licensing and regulatory affairs

10 (l) "MPSCS" means the Michigan public safety communication system.

11 (m) "NERE" means nonexclusively represented employees.

12 (n) "ORS" means the office of retirement systems.

13 (o) "State building authority" means the authority created under 1964 PA 183, MCL
14 830.411 to 830.425.

15 (p) "STEM" means science, technology, engineering and mathematics.

16 (q) "UAW" means the united auto workers.

17 Sec. 18-204. The departments and agencies receiving appropriations in part 1 shall
18 use the Internet to fulfill the reporting requirements of this article. This requirement
19 may include transmission of reports via electronic mail to the recipients identified for
20 each reporting requirement, or it may include placement of reports on an Internet or
21 Intranet site.

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

29 Sec. 18-206. The director of each department receiving appropriations in part 1 shall
30 take all reasonable steps to ensure businesses in deprived and depressed communities
31 compete for and perform contracts to provide services or supplies, or both. Each director
32 shall strongly encourage firms with which the department contracts to subcontract with

1 certified businesses in depressed and deprived communities for services, supplies, or both.

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

9 (a) The dates of each travel occurrence.

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

14 Sec. 18-208. Funds appropriated in part 1 shall not be used by a principal executive
15 department, state agency, or authority to hire a person to provide legal services that are
16 the responsibility of the attorney general. This prohibition does not apply to legal
17 services for bonding activities and for those outside services that the attorney general
18 authorizes.

19 Sec. 18-209. Not later than November 30, the state budget office shall prepare and
20 transmit a report that provides for estimates of the total general fund/general purpose
21 appropriation lapses at the close of the prior fiscal year. This report shall summarize the
22 projected year-end general fund/general purpose appropriation lapses by major departmental
23 program or program areas. The report shall be transmitted to the chairpersons of the senate
24 and house appropriations committees and the senate and house fiscal agencies.

25 Sec. 18-210. (1) In addition to the funds appropriated in part 1, there is
26 appropriated an amount not to exceed \$4,000,000.00 for federal contingency funds. These
27 funds are not available for expenditure until they have been transferred to another line
28 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
29 MCL 18.1393.

30 (2) In addition to the funds appropriated in part 1, there is appropriated an amount
31 not to exceed \$8,000,000.00 for state restricted contingency funds. These funds are not
32 available for expenditure until they have been transferred to another line item in this

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

2 (3) In addition to the funds appropriated in part 1, there is appropriated an amount
3 not to exceed \$150,000.00 for local contingency funds. These funds are not available for
4 expenditure until they have been transferred to another line item in this article under
5 section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

10 Sec. 18-211. The department shall cooperate with the department of technology,
11 management and budget to maintain a searchable website accessible by the public at no cost
12 that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

18 (e) Job specifications and wage rates.

19 Sec. 18-212. Within 14 days after the release of the executive budget recommendation,
20 the department shall cooperate with the state budget office to provide the senate and house
21 appropriations chairs, the senate and house appropriations subcommittees chairs, and the
22 senate and house fiscal agencies with an annual report on estimated state restricted fund
23 balances, state restricted fund projected revenues, and state restricted fund expenditures
24 for the fiscal years ending September 30, 2017 and September 30, 2018.

25 Sec. 18-213. The department shall maintain, on a publicly accessible website, a
26 department scorecard that identifies, tracks and regularly updates key metrics that are
27 used to monitor and improve the agency's performance.

28 Sec. 18-214. Total authorized appropriations from all sources under part 1 for legacy
29 costs for the fiscal year ending September 30, 2018 are estimated at \$84,145,300.00. From
30 this amount, total agency appropriations for pension-related legacy costs are estimated at
31 \$43,301,700.00. Total agency appropriations for retiree health care legacy costs are
32 estimated at \$40,843,600.00.

1 Sec. 18-215. In addition to the general fund/general purpose appropriations for
2 special maintenance, remodeling, and addition - state facilities in part 1, there is also
3 appropriated related federal and state restricted funds up to the amounts that will be
4 earned based upon the initiatives undertaken with the funds in part 1. The state budget
5 director shall determine and authorize the appropriate manner for implementing this
6 section.

7 Sec. 18-216. In addition to the general fund/general purpose appropriations for
8 enterprisewide information technology investments in part 1, there is also appropriated
9 related federal and state restricted funds up to the amounts that will be earned based upon
10 the initiatives undertaken with the funds in part 1. The state budget director shall
11 determine and authorize the appropriate manner for implementing this section.

12

13 **DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET**

14 Sec. 18-802. Proceeds in excess of necessary costs incurred in the conduct of
15 transfers or auctions of state surplus, salvage, or scrap property made pursuant to section
16 267 of the management and budget act, 1984 PA 431, MCL 18.1267, are appropriated to the
17 department to offset costs incurred in the acquisition and distribution of federal surplus
18 property. The department shall provide consolidated Internet auction services through the
19 state's contractors for all local units of government.

20 Sec. 18-803. (1) The department may receive and expend funds in addition to those
21 authorized by part 1 for maintenance and operation services provided specifically to other
22 principal executive departments or state agencies, the legislative branch, the judicial
23 branch, or private tenants, or provided in connection with facilities transferred to the
24 operational jurisdiction of the department.

25 (2) The department may receive and expend funds in addition to those authorized by
26 part 1 for real estate, architectural, design, and engineering services provided
27 specifically to other principal executive departments or state agencies, the legislative
28 branch, the judicial branch, or private tenants.

29 (3) The department may receive and expend funds in addition to those authorized in
30 part 1 for mail pickup and delivery services provided specifically to other principal
31 executive departments and state agencies, the legislative branch, or the judicial branch.

32 (4) The department may receive and expend funds in addition to those authorized in

1 part 1 for purchasing services provided specifically to other principal executive
2 departments and state agencies, the legislative branch, or the judicial branch.

3 Sec. 18-804. (1) The source of financing in part 1 for statewide appropriations shall
4 be funded by assessments against longevity and insurance appropriations throughout state
5 government in a manner prescribed by the department. Funds shall be used as specified in
6 joint labor/management agreements or through the coordinated compensation hearings process.
7 Any deposits made under this subsection and any unencumbered funds are restricted revenues,
8 may be carried over into the succeeding fiscal years, and are appropriated.

9 (2) In addition to the funds appropriated in part 1 for statewide appropriations, the
10 department may receive and expend funds in such additional amounts as may be specified in
11 joint labor/management agreements or through the coordinated compensation hearings process
12 in the same manner and subject to the same conditions as prescribed in subsection (1).

13 Sec. 18-805. To the extent a specific appropriation is required for a detailed source
14 of financing included in part 1 for the department appropriations financed from special
15 revenue and internal service and pension trust funds, or MAIN user charges, the specific
16 amounts are appropriated within the special revenue internal service and pension trust
17 funds in portions not to exceed the aggregate amount appropriated in part 1.

18 Sec. 18-806. In addition to the funds appropriated in part 1, the department may
19 receive and expend funds from other principal executive departments and state agencies to
20 implement administrative leave bank transfer provisions as may be specified in joint
21 labor/management agreements. The amounts may also be transferred to other principal
22 executive departments and state agencies under the joint agreement and any amounts
23 transferred under the joint agreement are authorized for receipt and expenditure by the
24 receiving principal executive department or state agency. Any amounts received by the
25 department under this section and intended, under the joint labor/management agreements, to
26 be available for use beyond the close of the fiscal year and any unencumbered funds may be
27 carried over into the succeeding fiscal year.

28 Sec. 18-807. The source of financing in part 1 for the Michigan administrative
29 information network and statewide integrated governmental management applications shall be
30 funded by proportionate charges assessed against the respective state funds benefiting from
31 this project in the amounts determined by the department.

32 Sec. 18-808. (1) Deposits against the interdepartmental grant from building occupancy

1 and parking charges appropriated in part 1 shall be collected, in part, from state
2 agencies, the legislative branch, and the judicial branch based on estimated costs
3 associated with maintenance and operation of buildings managed by the department. To the
4 extent excess revenues are collected due to estimates of building occupancy charges
5 exceeding actual costs, the excess revenues may be carried forward into succeeding fiscal
6 years for the purpose of returning funds to state agencies.

7 (2) Appropriations in part 1 to the department for management and budget services
8 from building occupancy charges and parking charges, may be increased to return excess
9 revenue collected to state agencies.

10 Sec. 18-809. On a quarterly basis, the department shall notify the chairpersons of
11 the senate and house of representatives standing committees on appropriations, the
12 chairpersons of the senate and house of representatives standing committees on
13 appropriations subcommittees on general government, the house and senate fiscal agencies,
14 and the state budget director on any revisions that increase or decrease current contracts
15 by more than \$500,000.00 for computer software development, hardware acquisition, or
16 quality assurance.

17 Sec. 18-811. The department may receive and expend funds from the Vietnam veterans
18 memorial monument fund as provided in the Michigan Vietnam veterans memorial act, 1988 PA
19 234, MCL 35.1051 to 35.1057. Funds are appropriated and allocated when received and may be
20 expended upon receipt.

21 Sec. 18-812. The Michigan veterans' memorial park commission may receive and expend
22 money from any source, public or private, including, but not limited to, gifts, grants,
23 donations of money, and government appropriations, for the purposes described in Executive
24 Order No. 2001-10. Funds are appropriated and allocated when received and may be expended
25 upon receipt. Any deposits made under this section and unencumbered funds are restricted
26 revenues and may be carried over into succeeding fiscal years.

27 Sec. 18-813. (1) Funds in part 1 for motor vehicle fleet are appropriated to the
28 department for administration and for the acquisition, lease, operation, maintenance,
29 repair, replacement, and disposal of state motor vehicles.

30 (2) The appropriation in part 1 for motor vehicle fleet shall be funded by revenue
31 from rates charged to principal executive departments and agencies for utilizing vehicle
32 travel services provided by the department. Revenue in excess of the amount appropriated in

1 part 1 from the motor transport fund and any unencumbered funds are restricted revenues and
2 may be carried over into the succeeding fiscal year.

3 (3) Pursuant to the department's authority under sections 213 and 215 of the
4 management and budget act, 1984 PA 431, MCL 18.1213 and 18.1215, the department shall
5 maintain a plan regarding the operation of the motor vehicle fleet. The plan shall include
6 the number of vehicles assigned to, or authorized for use by, state departments and
7 agencies, efforts to reduce travel expenditures, the number of cars in the motor vehicle
8 fleet, the number of miles driven by fleet vehicles, and the number of gallons of fuel
9 consumed by fleet vehicles. The plan shall include a calculation of the amount of state
10 motor vehicle fuel taxes that would have been incurred by fleet vehicles if fleet vehicles
11 were required by law to pay motor fuel taxes. The plan shall include a description of fleet
12 garage operations, the goods sold and services provided by the fleet garage, the cost to
13 operate the fleet garage, the number of fleet garage locations, and the number of employees
14 assigned to each fleet garage. The plan may be adjusted during the fiscal year based on
15 needs and cost savings to achieve the maximum value and efficiency from the state motor
16 fleet. Within 60 days after the close of the fiscal year, the department shall provide a
17 report to the senate and house of representatives standing committees on appropriations,
18 the senate and house fiscal agencies, and the state budget director detailing the current
19 plan and changes made to the plan during the fiscal year.

20 (4) The department may charge state agencies for fuel cost increases that exceed
21 \$3.04 per gallon of unleaded gasoline. The department shall notify state agencies, in
22 writing or by electronic mail, at least 30 days before implementing additional charges for
23 fuel cost increases. Revenues received from these charges are appropriated upon receipt.

24 (5) The state budget director, upon notification to the senate and house of
25 representatives standing committees on appropriations, may adjust spending authorization
26 and the IDG from motor transport fund in the department in order to ensure that the
27 appropriations for motor vehicle fleet in the department budget equal the expenditures for
28 motor vehicle fleet in the budgets for all executive branch agencies.

29 Sec. 18-814. The department shall develop a plan regarding the use of the funds
30 appropriated in part 1 for the enterprisewide information technology investment projects.
31 The plan shall include, but not be limited to, a description of proposed information
32 technology investment projects, the time frame for completion of the information technology

1 investment projects, the proposed cost of the information technology investment projects,
2 the number of employees assigned to implement each information technology investment
3 project, the contracts entered into for each information technology investment project, and
4 any other information the department deems necessary. The plan shall be distributed to the
5 senate and house of representatives standing committees on appropriations subcommittees on
6 general government, as well as the senate and house fiscal agencies and the state budget
7 director on a quarterly basis. The submitted plan shall also include anticipated spending
8 reductions or overages for each of the proposed information technology investment projects.
9 The department shall notify the senate and house of representatives standing committees on
10 appropriations subcommittees on general government, the senate and house fiscal agencies,
11 and the state budget director when a project funded under an information technology
12 investment project line item in part 1 is expected to require a transfer of dollars from
13 another project in excess of \$500,000.00.

14 Sec. 18-814a. The funds appropriated in part 1 for information technology investment
15 projects shall be used for the modernization of state information technology systems,
16 improvement of the state's cyber security framework, and to achieve efficiencies.

17 Sec. 18-818. In addition to the funds appropriated in part 1, the department may
18 receive and expend money from the Michigan law enforcement officers memorial monument fund
19 as provided in the Michigan law enforcement officers memorial act, 2004 PA 177, MCL 28.781
20 to 28.787.

21 Sec. 18-820. The department shall make available to the public a list of all parcels
22 of real property owned by the state that are available for purchase. The list shall be
23 posted on the Internet through the department's website.

24 Sec. 18-822b. (1) A public-private partnership investment fund is created in the
25 department. Subject to subsections (2) and (3), public-private partnership investments
26 shall include, but are not limited to, all of the following:

27 (a) Capital asset improvements including buildings, land, or structures.

28 (b) Energy resource exploration, extraction, generation, and sales.

29 (c) Financial and investment incentive opportunities.

30 (d) Infrastructure construction, maintenance, and operation.

31 (e) Public-private sector joint ventures that provide economic benefit to an area or
32 to the state.

1 (2) Public-private investments shall not include projects, consultant expenses, staff
2 effort, or any other activity related to the development, financing, construction,
3 operation, or implementation of the Detroit River International Crossing or any successor
4 project unless the project is approved by the legislature and signed into law.

5 (3) The state budget director shall determine whether or not a specific public-
6 private partnership investment opportunity qualifies for funding under subsection (1).

7 (4) Investment development revenue, including a portion of the proceeds from the sale
8 of any public-private partnership investment designated in subsection (1), shall be
9 deposited into the fund created in subsection (1) and shall be available for
10 administration, development, financing, marketing, and operating expenditures associated
11 with public-private partnerships, unless otherwise provided by law. Public-private
12 partnership investments authorized in subsection (1) are authorized for public or private
13 operation or sale consistent with state law. Expenditures from the fund are authorized for
14 investment purposes as designated in subsection (1) to enhance the marketable value of each
15 investment. The unencumbered balance remaining in the fund at the end of the fiscal year
16 may be carried forward for appropriation in future years.

17 (5) An annual report shall be transmitted to the senate and house of representatives
18 standing committees on appropriations, the senate and house fiscal agencies, and the state
19 budget office not later than December 31 of each year. This report shall detail both of the
20 following:

21 (a) The revenue and expenditure activity in the fund for the preceding fiscal year.

22 (b) Public-private partnership investments as identified under subsection (1).

23 (6) The department shall monitor the revenue deposited in the public-private
24 partnership investment fund created in subsection (1). If the revenue in the fund is
25 insufficient to pay the amount appropriated in part 1 for public-private partnership
26 investment, then the department shall propose a legislative transfer to fund the line from
27 the appropriations in part 1.

28 Sec. 18-822c. The funds appropriated in part 1 shall not be used to support any staff
29 effort, projects, consultant expenses, or any other activity related to the development,
30 financing, construction, operation, or implementation of the Detroit River International
31 Crossing or any successor project unless the project is approved by the legislature and
32 signed into law.

1 Sec. 18-822f. (1) The funds appropriated in part 1 for the regional prosperity
2 initiative are to be used as competitive grants to eligible regional planning organizations
3 qualifying for funding as a regional prosperity collaborative, a regional prosperity
4 council, or a regional prosperity board. A regional planning organization may not qualify
5 for funding under more than 1 category in the same state fiscal year. As used in this
6 section:

7 (a) "Eligible regional planning organization" means any of the following:

8 (i) An existing regional planning commission created pursuant to 1945 PA 281, MCL
9 125.11 to 125.25.

10 (ii) An existing regional economic development commission created pursuant to 1966 PA
11 46, MCL 125.1231 to 125.1237.

12 (iii) An existing metropolitan area council formed pursuant to the metropolitan
13 councils act, 1989 PA 292, MCL 124.651 to 124.729.

14 (iv) A Michigan metropolitan planning organization established pursuant to the moving
15 ahead for progress in the 21st century act, Public Law 112-141.

16 (b) "Freedom of Information Act" means the freedom of information act, U.S. Code.
17 Title 5, Part 1, Chapter 5, Subchapter II, Section 552.

18 (c) "Open meetings act" means the open meetings act, 1976 PA 267, MCL 15.261 to
19 15.275.

20 (d) "Regional prosperity board" means a regional body that has a singular governing
21 board with representation from private, public, and nonprofit entities engaged in joint
22 decision-making practices for the purpose of creating or maintaining a phase three:
23 regional prosperity plan.

24 (e) "Regional prosperity collaborative" means any committee developed by a regional
25 planning organization or a metropolitan planning organization that serves to bring
26 organizational representation together from private, public, and nonprofit entities within
27 a region for the purpose of creating or maintaining a phase one: regional prosperity plan.

28 (f) "Regional prosperity council" means a regional body with representation from
29 private, public, and nonprofit entities with shared administrative services and an
30 executive governing entity, as demonstrated by a formal local agreement or agreements for
31 the purpose of creating or maintaining a phase two: regional prosperity plan.

32 (2) Regional planning organizations may qualify to receive not more than \$250,000.00

1 of incentive-based funding as a regional prosperity collaborative subject to meeting all of
2 the following requirements:

3 (a) The regional prosperity collaborative has created a phase one: regional
4 prosperity plan, as follows:

5 (i) The regional prosperity collaborative must include regional representatives from
6 adult education, workforce development, community development, economic development,
7 transportation, and higher education organizations.

8 (ii) The plan is required, at a minimum, to include a 5-year plan focused on economic
9 growth and vitality for the region, as well as a performance dashboard and measurable
10 annual goals to support the 5-year plan.

11 (iii) The 5-year plan shall address regional strategies related to adult education,
12 workforce development, economic development, transportation, higher education, and business
13 development.

14 (iv) The regional prosperity collaborative shall adopt the plan by a minimum 2/3
15 majority vote of its members.

16 (b) The regional prosperity collaborative adheres to accountability and transparency
17 measures required in the open meetings act and the freedom of information act.

18 (c) The regional prosperity collaborative convenes monthly meetings, open to the
19 public, to consider and discuss issues leading to a common vision of economic prosperity
20 for the region, including, but not limited to, community development, economic development,
21 talent, and infrastructure opportunities.

22 (d) The regional prosperity collaborative makes available on the grant recipient's
23 publicly accessible Internet site pertinent documents, including, but not limited to,
24 monthly meeting agendas, minutes of monthly meetings, voting records, and the regional
25 prosperity plan and performance dashboard.

26 (e) The regional prosperity collaborative keeps a status report detailing the
27 spending associated with previous regional prosperity initiative grants. Organizations that
28 have successfully received grant awards in previous fiscal years shall be required to make
29 available to the department and on a publicly accessible Internet site information
30 regarding the use of those grant dollars.

31 (3) Regional planning organizations eligible to receive a payment as a regional
32 prosperity collaborative under subsection (2) may qualify to receive a 1-time grant of not

1 more than \$75,000.00 to produce a plan to transform the regional prosperity collaborative
2 into a regional prosperity council or regional prosperity board, including necessary local
3 formal agreements, to make recommendations that eliminate duplicative efforts and
4 administrative functions, and to leverage resources through cooperation, collaboration, and
5 consolidations of organizations or programs throughout the region. Plans produced to
6 transform the regional prosperity collaborative into a regional prosperity council or
7 regional prosperity board shall be made available on the grant recipient's publicly
8 accessible Internet site.

9 (4) Regional planning organizations may qualify to receive not more than \$375,000.00
10 of incentive-based funding as a regional prosperity council subject to meeting all of the
11 following requirements:

12 (a) A regional prosperity council has been formed and includes regional
13 representatives from adult education, workforce development, community development,
14 economic development, transportation, and higher education organizations.

15 (b) An eligible regional prosperity council will demonstrate shared administrative
16 services between 2 public regional entities included in subdivision (a). In addition, the
17 council must have and maintain an executive governing entity, as demonstrated by a formal
18 local agreement or agreements.

19 (c) The regional prosperity council has created a phase two: regional prosperity
20 plan, as follows:

21 (i) The regional prosperity council shall identify opportunities for shared
22 administrative services and decision-making among the private, public, and nonprofit
23 entities within the region and shall continue collaboration with regional prosperity
24 council members, including, but not limited to, representatives from adult education
25 providers, workforce development agencies, community development agencies, economic
26 development agencies, transportation service providers, and higher education institutions.

27 (ii) The plan is required to include, but is not limited to, all of the following:

28 (A) A status report of the approved 5-year plan.

29 (B) The addition of a 10-year plan for the region which builds upon prior work and is
30 focused on economic growth and vitality in the region.

31 (C) A prioritized list of regional projects.

32 (D) A performance dashboard with measurable annual goals.

1 (iii) The regional prosperity council shall adopt the plan by a minimum 2/3 vote of
2 its members.

3 (d) The regional prosperity council adheres to accountability and transparency
4 measures required in the open meetings act and the freedom of information act.

5 (e) The regional prosperity council convenes monthly meetings, open to the public, to
6 consider and discuss issues leading to a common vision of economic prosperity for the
7 region, including, but not limited to, community development, economic development, talent,
8 and infrastructure opportunities.

9 (f) The regional prosperity council makes available on the grant recipient's publicly
10 accessible Internet site pertinent documents, including, but not limited to, monthly
11 meeting agendas, minutes of monthly meetings, voting records, and the regional prosperity
12 plan and performance dashboard.

13 (g) The regional prosperity council keeps a status report detailing the spending
14 associated with previous regional prosperity initiative grants. Organizations that have
15 successfully received grant awards in previous fiscal years shall be required to make
16 available to the department and on a publicly accessible Internet site information
17 regarding the use of those grant dollars.

18 (5) Regional planning organizations eligible to receive a payment as a regional
19 prosperity council under subsection (4) may qualify to receive a 1-time grant of not more
20 than \$75,000.00 to produce a plan to transform the regional prosperity council into a
21 regional prosperity board, including a singular private/public governance structure that
22 comports with federal guidelines for governance under the workforce investment act, Public
23 Law 105-220, the moving ahead for progress in the 21st century act, Public Law 112-141, the
24 economic development administration and Appalachian regional development reform act of
25 1998, Public Law 105-393, and recommendations to eliminate duplicative efforts,
26 administrative functions, and leverage resources through cooperation, collaboration, and
27 consolidations of organizations or programs throughout the region.

28 (6) Regional planning organizations may qualify to receive not more than \$500,000.00
29 of incentive-based funding as a regional prosperity board subject to meeting all of the
30 following requirements:

31 (a) The regional prosperity board has been formed and at a minimum, must demonstrate
32 the consolidation of a regional metropolitan planning organization, where one exists, state

1 designated regional planning agency boards, workforce development boards and federally
2 designated regional economic development districts within a region.

3 (b) The regional prosperity board has created a phase three: regional prosperity
4 plan, as follows:

5 (i) The regional prosperity board shall create a regional services recommendations
6 report prioritizing the list of state-funded services and programs provided to the region,
7 and recommendations for state-regional partnerships to support the adopted regional
8 prosperity plan.

9 (ii) The plan is required to include a status report of the approved 10-year plan for
10 the creation of an updated regional prosperity plan.

11 (iii) The regional prosperity board shall adopt the plan by a minimum 2/3 vote of its
12 members.

13 (c) The regional prosperity board adheres to accountability and transparency measures
14 required in the open meetings act and the freedom of information act.

15 (d) The regional prosperity board convenes monthly meetings, open to the public, to
16 consider and discuss issues leading to a common vision of economic prosperity for the
17 region, including, but not limited to, community development, economic development, talent,
18 and infrastructure opportunities.

19 (e) The regional prosperity board makes available on the grant recipient's publicly
20 accessible Internet site pertinent documents, including, but not limited to, monthly
21 meeting agendas, minutes of monthly meetings, voting records, and the regional prosperity
22 plan and performance dashboard.

23 (7) Regional planning organizations eligible to receive a payment as a regional
24 prosperity board under subsection (6) may qualify to receive not more than \$125,000.00, to
25 implement the prioritized regional prosperity plan projects.

26 (8) Regional planning organizations eligible to receive a payment as a regional
27 prosperity collaborative, board, or council may partner with other eligible regional
28 planning organizations to submit joint applications. In the instance of a joint
29 application, 1 regional planning organization shall be utilized as the overall applicant.
30 The department may award a joint application award of no greater than the sum of potential
31 application dollars which would have otherwise been available through individual
32 applications.

1 (9) The department shall develop an application process and method of grant
2 distribution for the regional prosperity initiative. Funding applications from regional
3 planning organizations shall be due to the department by December 1, 2017. The department
4 shall notify regional planning organizations of grant application status by January 1,
5 2018. The department shall ensure that processes are established to verify that qualifying
6 regional planning organizations meet the requirements under subsections (2), (3), (4), (5),
7 (6), and (7), as applicable.

8 (10) Unexpended funds appropriated in part 1 for the regional prosperity initiative
9 are designated as work project appropriations, and any unencumbered or unallotted funds
10 shall not lapse at the end of the fiscal year and shall be available for expenditure for
11 regional prosperity initiative projects under this section until the projects have been
12 completed. The following is in compliance with section 451a of the management and budget
13 act, 1984 PA 431, MCL 18.1451a:

14 (a) The purpose of the projects is to provide incentive-based grants to recipients
15 under this section.

16 (b) The projects will be accomplished by grants to qualified regional planning
17 organizations.

18 (c) The total estimated cost of all projects is \$2,500,000.00.

19 (d) The estimated completion date is September 30, 2022.

20 Sec. 18-822i. (1) From the funds appropriated in part 1, the department shall assure
21 all of the following:

22 (a) That public schools that are placed in the state school reform/redesign school
23 district or under a chief executive officer under section 1280c of the revised school code,
24 1976 PA 451, MCL 380.1280c, remain in compliance with all applicable state and federal law
25 concerning special education.

26 (b) That students at public schools described in subdivision (a) with individualized
27 education programs are afforded special education services in accordance with applicable
28 state and federal law concerning special education.

29 (2) The department shall report to the legislature on the number of students in
30 public schools described in subsection (1)(a) who have an individualized education program
31 and the performance results of those students after the change in governance of the public
32 school.

1 Sec. 18-822l. From the funds appropriated in part 1 for the school reform office, the
2 school reform office shall conduct 1 public hearing in the school district of priority
3 schools that the school reform office has determined require an intervention authorized by
4 section 1280c(6) or (7) of the revised school code, 1976 PA 451, MCL 380.1280c. The school
5 reform office shall give notice to the district prior to the public hearing. The public
6 hearing shall include an outline of the plan for academic improvement of the schools and a
7 projected time frame of the school reform office's involvement with the schools.

8 Sec. 18-822o. From the funds appropriated in part 1 for the school reform office, the
9 school reform office shall make an effort to coordinate with the department of education to
10 streamline state services and resources, reduce duplication, and increase efficiency.

11

12 **INFORMATION TECHNOLOGY**

13 Sec. 18-823. (1) The department may sell and accept paid advertising for placement on
14 any state website under its jurisdiction. The department shall review and approve the
15 content of each advertisement. The department may refuse to accept advertising from any
16 person or organization or require modification to advertisements based upon criteria
17 determined by the department. Revenue received under this subsection shall be used for
18 operating costs of the department and for future technology enhancements to state of
19 Michigan e-government initiatives. Funds received under this subsection shall be limited to
20 \$250,000.00. Any funds in excess of \$250,000.00 shall be deposited in the state general
21 fund.

22 (2) The department may accept gifts, donations, contributions, bequests, and grants
23 of money from any public or private source to assist with the underwriting or sponsorship
24 of state webpages or services offered on those webpages. A private or public funding source
25 may receive recognition in the webpage. The department may reject any gift, donation,
26 contribution, bequest, or grant.

27 (3) Funds accepted by the department under subsection (1) or (2) are appropriated and
28 allotted when received and may be expended upon approval of the state budget director. The
29 state budget office shall notify the senate and house of representatives standing
30 committees on appropriations subcommittees on general government and the senate and house
31 fiscal agencies within 10 days after the approval is given.

32 Sec. 18-824. The department may enter into agreements to supply spatial information

1 and technical services to other principal executive departments, state agencies, local
2 units of government, and other organizations. The department may receive and expend funds
3 in addition to those authorized in part 1 for providing information and technical services,
4 publications, maps, and other products. The department may expend amounts received for
5 salaries, supplies, and equipment necessary to provide informational products and technical
6 services.

7 Sec. 18-825. The legislature shall have access to all historical and current data
8 contained within MAIN, or its successor, pertaining to state departments. State departments
9 shall have access to all historical and current data contained within MAIN, or its
10 successor.

11 Sec. 18-826. When used in this part and part 1, "information technology services"
12 means services involving all aspects of managing and processing information, including, but
13 not limited to, all of the following:

14 (a) Application and mobile development and maintenance.

15 (b) Desktop computer support and management.

16 (c) Cyber security.

17 (d) Social media.

18 (e) Mainframe computer support and management.

19 (f) Server support and management.

20 (g) Local area network support and management, including, but not limited to, wired
21 and wireless network build-out, support, and management.

22 (h) Information technology project management.

23 (i) Information technology planning and budget management.

24 (j) Telecommunication services, infrastructure, and support.

25 Sec. 18-827. (1) Funds appropriated in part 1 for the Michigan public safety
26 communications system shall be expended upon approval of an expenditure plan by the state
27 budget director.

28 (2) The department shall assess all subscribers of the Michigan public safety
29 communications system reasonable access and maintenance fees and shall deposit the fees in
30 the Michigan public safety communications systems fees fund.

31 (3) All money received by the department under this section shall be expended for the
32 support and maintenance of the Michigan public safety communications system.

1 (4) Any deposits made under this section and unencumbered funds are restricted
2 revenues and shall be carried forward into succeeding fiscal years.

3 Sec. 18-833. (1) The state budget director, upon notification to the senate and house
4 of representatives standing committees on appropriations, may adjust spending authorization
5 and user fees in the department in order to ensure that the appropriations for information
6 technology in the department budget equal the appropriations for information technology in
7 the budgets for all executive branch agencies.

8 (2) If during the course of the fiscal year a transfer or supplemental to or from the
9 information technology line item within an agency budget is made under section 393 of the
10 management and budget act, 1984 PA 431, MCL 18.1393, there is appropriated an equal amount
11 of user fees in the department to accommodate an increase or decrease in spending
12 authorization.

13 Sec. 18-834. (1) Revenue collected from licenses issued under the antenna site
14 management project shall be deposited into the antenna site management revolving fund
15 created for this purpose in the department. The department may receive and expend money
16 from the fund for costs associated with the antenna site management project, including the
17 cost of a third-party site manager. Any excess revenue remaining in the fund at the close
18 of the fiscal year shall be proportionately transferred to the appropriate state restricted
19 funds as designated in statute or by constitution.

20 (2) An antenna shall not be placed on any site pursuant to this section without
21 complying with the respective local zoning codes and local unit of government processes.

22 Sec. 18-835. In addition to the funds appropriated in part 1, the funds collected by
23 the department for supplying census-related information and technical services,
24 publications, statistical studies, population projections and estimates, and other
25 demographic products are appropriated for all expenses necessary to provide the required
26 services. These funds are available for expenditure when they are received and may be
27 carried forward into the next succeeding fiscal year.

28 Sec. 18-836. From the funds appropriated in part 1 for cyber security staffing,
29 hardware and support costs, the department shall identify specific outcomes and performance
30 measures including, but not limited to, the following:

31 (a) Reduce the number of cyber threats based on the daily attacks to prevent data
32 breaches during the fiscal year ending September 30, 2018.

1 (b) Reduce the risk of cyber vulnerabilities for application, data and network during
2 the fiscal year ending September 30, 2018.

3 (c) Increase awareness of cyber threats and the preventative steps for citizens,
4 businesses and employees during the fiscal year ending September 30, 2018.

5 Sec. 18-837. From the funds appropriated in part 1 for citizen centric government,
6 the department shall identify specific outcomes and performance measures including, but not
7 limited to, the following:

8 (a) Begin integration of MiLogin with at least 10 high value systems to provide
9 seamless access to those systems with one set of credentials during the fiscal year ending
10 September 30, 2018.

11 (b) Increase the number of high value systems citizens and businesses can log into
12 with one login during the fiscal year ending September 30, 2018.

13 (c) Make existing online services mobile friendly and integrate them with MiPage
14 during the fiscal year ending September 30, 2018.

15 Sec. 18-838. From the funds appropriated in part 1 for MiPage mobile center of
16 excellence, the department shall identify specific outcomes and performance measures
17 including, but not limited to, the following:

18 (a) Implementation of MiPage application enhancements such as integration of local
19 government services into MiPage, implementation of location based recommendations and
20 notifications and ensuring that ongoing operating system remains secure and operable during
21 the fiscal year ending September 30, 2018.

22 (b) Production of digital guidelines to reduce development cost and effort for mobile
23 services while improving ADA compliance and providing continuity across the digital
24 environment during the fiscal year ending September 30, 2018.

25 (c) Create an active developer community within state government to increase mobility
26 efforts that enable fully personalized citizen engagement during the fiscal year ending
27 September 30, 2018.

28

29 **STATE BUILDING AUTHORITY RENT**

30 Sec. 18-842. (1) The state building authority rent appropriations in part 1 may also
31 be expended for the payment of required premiums for insurance on facilities owned by the
32 state building authority or payment of costs that may be incurred as the result of any

1 deductible provisions in such insurance policies.

2 (2) If the amount appropriated in part 1 for state building authority rent is not
3 sufficient to pay the rent obligations and insurance premiums and deductibles identified in
4 subsection (1) for state building authority projects, there is appropriated from the
5 general fund of the state the amount necessary to pay such obligations.

6

7 **CIVIL SERVICE COMMISSION**

8 Sec. 18-850. (1) In accordance with section 5 of article XI of the state constitution
9 of 1963, all restricted funds shall be assessed a sum not less than 1% of the total
10 aggregate payroll paid from those funds for financing the civil service commission on the
11 basis of actual 1% restricted sources total aggregate payroll of the classified service for
12 the preceding fiscal year. This includes, but is not limited to, restricted funds
13 appropriated in part 1 of any appropriations act. Unexpended 1% appropriated funds shall be
14 returned to each 1% fund source at the end of the fiscal year.

15 (2) The appropriations in part 1 are estimates of actual charges based on payroll
16 appropriations. With the approval of the state budget director, the commission is
17 authorized to adjust financing sources for civil service charges based on actual payroll
18 expenditures, provided that such adjustments do not increase the total appropriation for
19 the civil service commission.

20 (3) The financing from restricted sources shall be credited to the civil service
21 commission by the end of the second fiscal quarter.

22 Sec. 18-851. Except where specifically appropriated for this purpose, financing from
23 restricted sources shall be credited to the civil service commission. For restricted
24 sources of funding within the general fund that have the legislative authority for
25 carryover, if current spending authorization or revenues are insufficient to accept the
26 charge, the shortage shall be taken from carryforward balances of that funding source.
27 Restricted revenue sources that do not have carryforward authority shall be utilized to
28 satisfy commission operating deducts first and civil service obligations second. General
29 fund dollars are appropriated for any shortfall, pursuant to approval by the state budget
30 director.

31 Sec. 18-852. The appropriation in part 1 to the civil service commission, for state-
32 sponsored group insurance, flexible spending accounts, and COBRA, represents amounts, in

1 part, included within the various appropriations throughout state government for the
2 current fiscal year to fund the flexible spending account program included within the civil
3 service commission. Deposits against state-sponsored group insurance, flexible spending
4 accounts, and COBRA for the flexible spending account program shall be made from
5 assessments levied during the current fiscal year in a manner prescribed by the civil
6 service commission. Unspent employee contributions to the flexible spending accounts may be
7 used to offset administrative costs for the flexible spending account program, with any
8 remaining balance of unspent employee contributions to be lapsed to the general fund.

9

10 **CAPITAL OUTLAY**

11 Sec. 18-860. As used in sections 861 through 867:

12 (a) "Board" means the state administrative board.

13 (b) "Community college" means a community college organized under the community
14 college act of 1966, 1966 PA 331, MCL 389.1 to 389.195, or under part 25 of the revised
15 school code, 1976 PA 451, MCL 380.1601 to 380.1607, and does not include a state agency or
16 university.

17 (c) "Department" means the department of technology, management and budget.

18 (d) "Director" means the director of the department of technology, management and
19 budget.

20 (e) "University" means a 4-year university supported by the state. University does
21 not include a community college or a state agency.

22 Sec. 18-861. Each capital outlay project authorized in this part and part 1 or any
23 previous capital outlay act shall comply with the procedures required by the management and
24 budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

25 Sec. 18-864. The appropriations in part 1 for capital outlay shall be carried forward
26 at the end of the fiscal year consistent with the provisions of section 248 of the
27 management and budget act, 1984 PA 431, MCL 18.1248.

28 Sec. 18-865. (1) A site preparation economic development fund is created in the
29 department. As used in this section, "economic development sites" means those state-owned
30 sites declared as surplus property pursuant to section 251 of the management and budget
31 act, 1984 PA 431, MCL 18.1251, that would provide economic benefit to the area or to the
32 state. The Michigan economic development corporation board and the state budget director

1 shall determine whether or not a specific state-owned site qualifies for inclusion in the
2 fund created under this subsection.

3 (2) Proceeds from the sale of any sites designated in subsection (1) shall be
4 deposited into the fund created in subsection (1) and shall be available for site
5 preparation expenditures, unless otherwise provided by law. The economic development sites
6 authorized in subsection (1) are authorized for sale consistent with state law.

7 Expenditures from the fund are authorized for site preparation activities that enhance the
8 marketable sale value of the sites. Site preparation activities include, but are not
9 limited to, demolition, environmental studies and abatement, utility enhancement, and site
10 excavation.

11 (3) A cash advance in an amount of not more than \$25,000,000.00 is authorized from
12 the general fund to the site preparation economic development fund.

13 (4) An annual report shall be transmitted to the senate and house of representatives
14 standing committees on appropriations not later than December 31 of each year. This report
15 shall detail both of the following:

16 (a) The revenue and expenditure activity in the fund for the preceding fiscal year.

17 (b) The sites identified as economic development sites under subsection (1).

18 Sec. 18-867. Proceeds from the sale of the Farnum Building shall be subsequently
19 appropriated to the department in accordance with any legislation enacted that authorizes
20 the sale of that property. If the net proceeds from the sale of the Farnum Building are
21 less than the \$7,000,000.00 authorized for senate relocation costs in section 896 of
22 article VIII of 2014 PA 252, an amount equal to the difference between the net sale
23 proceeds and \$7,000,000.00 shall be appropriated by the legislature to the department.

24 Sec. 18-868. The planning authorization in part 1 for the Caro Center replacement -
25 new state psychiatric hospital project revises the scope initially authorized for planning
26 in 2016 PA 268 from facility modernization to facility replacement and includes the total
27 estimated project cost of \$115,000,000.00. The age and deterioration of facilities at the
28 existing Caro Center requires revision of the project scope beyond modernization to a full
29 replacement of the hospital facilities. Construction of a replacement state psychiatric
30 hospital facility will also allow for the integration of a community-based design model
31 which reflects current best practices for such facilities.

32

1 CAPITAL OUTLAY - UNIVERSITIES AND COMMUNITY COLLEGES

2 Sec. 18-873. (1) This section applies only to projects for community colleges.

3 (2) State support is directed towards the remodeling and additions, special
4 maintenance, or construction of certain community college buildings. The community college
5 shall obtain or provide for site acquisition and initial main utility installation to
6 operate the facility. Funding shall be composed of local and state shares and not more than
7 50% of a capital outlay project, not including a lump-sum special maintenance project or
8 remodeling and addition project, for a community college shall be appropriated from state
9 and federal funds, unless otherwise appropriated by the legislature.

10 (3) An expenditure under this part and part 1 is authorized when the release of the
11 appropriation is approved by the board upon the recommendation of the director. The
12 director may recommend to the board the release of any appropriation in part 1 only after
13 the director is assured that the legal entity operating the community college to which the
14 appropriation is made has complied with this part and part 1 and has matched the amounts
15 appropriated as required by this part and part 1. A release of funds in part 1 shall not
16 exceed 50% of the total cost of planning and construction of any project, not including
17 lump-sum remodeling and additions and special maintenance, unless otherwise appropriated by
18 the legislature. Further planning and construction of a project authorized by this part and
19 part 1 or applicable sections of the management and budget act, 1984 PA 431, MCL 18.1101 to
20 18.1594, shall be in accordance with the purpose and scope as defined and delineated in the
21 approved program statements and planning documents. This part and part 1 are applicable to
22 all projects for which planning appropriations were made in previous acts.

23 (4) The community college shall take the steps necessary to secure available federal
24 construction and equipment money for projects funded for construction in this part and part
25 1 if an application was not previously made. If there is a reasonable expectation that a
26 prior year unfunded application may receive federal money in a subsequent year, the college
27 shall take whatever action necessary to keep the application active.

28 Sec. 18-874. If university and community college matching revenues are received in an
29 amount less than the appropriations for capital projects contained in this part and part 1,
30 the state funds shall be reduced in proportion to the amount of matching revenue received.

31 Sec. 18-875. (1) The director may require that community colleges and universities
32 that have an authorized project listed in part 1 submit documentation regarding the project

1 match and governing board approval of the authorized project not more than 60 days after
2 the beginning of the fiscal year.

3 (2) If the documentation required by the director under subsection (1) is not
4 submitted, or does not adequately authenticate the availability of the project match or
5 board approval of the authorized project, the authorization may terminate. The
6 authorization terminates 30 days after the director notifies the JCOS of the intent to
7 terminate the project unless the JCOS convenes to extend the authorization.

8

9 **ONE-TIME APPROPRIATIONS**

10 Sec. 18-900. (1) The drinking water declaration of emergency reserve fund is created
11 within the state treasury.

12 (2) From the funds appropriated in part 1 for the drinking water declaration of
13 emergency reserve fund, \$25,000,000.00 shall be deposited into the drinking water
14 declaration of emergency reserve fund.

15 (3) Funds may only be spent from the drinking water declaration of emergency reserve
16 fund upon appropriation, or legislative transfer pursuant to section 393 of the management
17 and budget act, 1984 PA 431, MCL 18.1393.

18 (4) Interest and earnings from the investment of funds deposited in the drinking
19 water declaration of emergency reserve fund shall be deposited in the general fund.

20 (5) Funds in the drinking water declaration of emergency reserve fund at the close of
21 a fiscal year shall remain in the drinking water declaration of emergency reserve fund and
22 shall not lapse to the general fund.

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Article 19

DEPARTMENT OF TRANSPORTATION

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 19-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of transportation are appropriated for the fiscal year ending September 30, 2018, and are anticipated to be appropriated for the fiscal year ending September 30, 2019, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	DEPARTMENT OF TRANSPORTATION	
2	APPROPRIATION SUMMARY	
3	Full-time equated unclassified positions.....	6.0 6.0
4	Full-time equated classified positions.....	2,912.3 2,912.3
5	GROSS APPROPRIATION	\$ 4,347,443,000 \$ 4,528,262,500
6	Total interdepartmental grants and interdepartmental	
7	transfers.....	4,039,300 4,039,300
8	ADJUSTED GROSS APPROPRIATION	\$ 4,343,403,700 \$ 4,524,223,200
9	Total federal revenues	1,340,301,200 1,340,301,200
10	Total local revenues	50,532,000 50,532,000
11	Total private revenues	100,000 100,000
12	Total other state restricted revenues	2,952,470,500 3,133,290,000
13	State general fund/general purpose	\$ 0 \$ 0
14	<i>State general fund/general purpose schedule:</i>	
15	<i>Ongoing state general fund/general purpose</i>	<i>0 0</i>
16	<i>One-time state general fund/general purpose</i>	<i>0 0</i>
17	Sec. 19-102. DEBT SERVICE	
18	Airport safety and protection plan	\$ 4,617,000 \$ 4,617,000
19	Blue Water Bridge fund	7,105,100 7,105,100
20	Comprehensive transportation	18,244,500 18,244,500
21	Economic development	11,548,300 11,548,300
22	Local bridge fund	2,315,400 2,315,400
23	State trunkline	<u>185,109,100</u> <u>185,109,100</u>
24	GROSS APPROPRIATION	\$ 228,939,400 \$ 228,939,400
25	Appropriated from:	
26	Federal revenues:	
27	Other federal revenues	37,783,300 37,783,300
28	Special revenue funds:	
29	Other state restricted revenues	191,156,100 191,156,100
30	State general fund/general purpose	\$ 0 \$ 0
31	Sec. 19-103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY SUPPORT SERVICES	
32	CTF grant to civil service commission	\$ 200,000 \$ 200,000

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 CTF grant to department of attorney general	205,000	205,000
2 CTF grant to department of treasury	12,700	12,700
3 CTF grant to legislative auditor general	39,000	39,000
4 CTF grant to department of technology, management and		
5 budget.....	45,500	45,500
6 MTF grant to department of environmental quality	1,345,900	1,345,900
7 MTF grant to department of treasury	2,701,700	2,701,700
8 MTF grant to legislative auditor general	315,800	315,800
9 MTF grant to department state for collection of		
10 revenue and fees.....	20,000,000	20,000,000
11 SAF grant to civil service commission	150,000	150,000
12 SAF grant to department of attorney general	179,400	179,400
13 SAF grant to department of treasury	73,400	73,400
14 SAF grant to legislative auditor general	30,300	30,300
15 SAF grant to department of technology, management and		
16 budget.....	34,600	34,600
17 STF grant to civil service commission	5,847,000	5,847,000
18 STF grant to department of attorney general	2,447,600	2,447,600
19 STF grant to department of state police	11,697,900	11,697,900
20 STF grant to department of treasury	169,800	169,800
21 STF grant to legislative auditor general	733,500	733,500
22 STF grant to department of technology, management and		
23 budget.....	<u>1,199,300</u>	<u>1,199,300</u>
24 GROSS APPROPRIATION	\$ 47,428,400	\$ 47,428,400
25 Appropriated from:		
26 Special revenue funds:		
27 Other state restricted revenues	47,428,400	47,428,400
28 State general fund/general purpose	\$ 0	\$ 0
29 Sec. 19-104. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
30 Full-time equated unclassified positions.....	6.0	6.0
31 Full-time equated classified positions.....	269.3	269.3
32 Unclassified salaries-6.0 FTE positions	\$ 776,600	\$ 776,600

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019	
1	Asset management council	1,876,400	1,876,400
2	Business support services-44.0 FTE positions	6,805,600	6,805,600
3	Commission audit-29.3 FTE positions	3,367,500	3,367,500
4	Economic development and enhancement programs-10.0 FTE		
5	positions.....	1,643,500	1,643,500
6	Finance, contracts, and support services-186.0 FTE		
7	positions.....	21,993,200	21,993,200
8	Property management	7,103,500	7,103,500
9	Worker's compensation	<u>1,619,000</u>	<u>1,619,000</u>
10	GROSS APPROPRIATION	\$ 45,185,300	\$ 45,185,300
11	Appropriated from:		
12	Interdepartmental grant revenues:		
13	IDG from other restricted funding	4,039,300	4,039,300
14	Special revenue funds:		
15	Other state restricted revenues	41,146,000	41,146,000
16	State general fund/general purpose	\$ 0	\$ 0
17	Sec. 19-105. INFORMATION TECHNOLOGY		
18	Information technology services and projects	<u>\$ 33,465,900</u>	<u>\$ 33,465,900</u>
19	GROSS APPROPRIATION	\$ 33,465,900	\$ 33,465,900
20	Appropriated from:		
21	Federal revenues:		
22	Other federal revenues	520,500	520,500
23	Special revenue funds:		
24	Other state restricted revenues	32,945,400	32,945,400
25	State general fund/general purpose	\$ 0	\$ 0
26	Sec. 19-106. TRANSPORTATION PLANNING		
27	Full-time equated classified positions.....	140.0	140.0
28	Grants to regional planning councils	\$ 488,800	\$ 488,800
29	Transportation planning-140.0 FTE positions	<u>38,560,200</u>	<u>38,560,200</u>
30	GROSS APPROPRIATION	\$ 39,049,000	\$ 39,049,000
31	Appropriated from:		
32	Federal revenues:		

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Other federal revenues	19,250,000	19,250,000
2 Special revenue funds:		
3 Other state restricted revenues	19,799,000	19,799,000
4 State general fund/general purpose	\$ 0	\$ 0
5 Sec. 19-107. DESIGN AND ENGINEERING SERVICES		
6 Full-time equated classified positions.....	1,540.3	1,540.3
7 Program development, delivery, and system operations-		
8 1,540.3 FTE positions.....	\$ <u>167,288,100</u>	\$ <u>167,288,100</u>
9 GROSS APPROPRIATION	\$ 167,288,100	\$ 167,288,100
10 Appropriated from:		
11 Federal revenues:		
12 Other federal revenues	23,529,800	23,529,800
13 Special revenue funds:		
14 Other state restricted revenues	143,758,300	143,758,300
15 State general fund/general purpose	\$ 0	\$ 0
16 Sec. 19-108. HIGHWAY MAINTENANCE		
17 Full-time equated classified positions.....	793.7	793.7
18 State trunkline operations-793.7 FTE positions	\$ <u>317,593,400</u>	\$ <u>317,593,400</u>
19 GROSS APPROPRIATION	\$ 317,593,400	\$ 317,593,400
20 Appropriated from:		
21 Special revenue funds:		
22 Other state restricted revenues	317,593,400	317,593,400
23 State general fund/general purpose	\$ 0	\$ 0
24 Sec. 19-109. ROAD AND BRIDGE PROGRAMS		
25 Cities and villages	\$ 491,162,500	\$ 530,432,000
26 County road commissions	880,938,200	951,371,200
27 Grants to local programs	33,000,000	33,000,000
28 Local bridge program	28,282,900	28,321,100
29 Local federal aid and road and bridge construction ...	278,400,300	278,400,300
30 Local agency wetlands mitigation	2,000,000	2,000,000
31 Movable bridge	5,110,000	5,222,600
32 Rail grade crossing	3,000,000	3,000,000

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Rail grade crossing - surface improvements	3,000,000	3,000,000
2 State trunkline federal aid and road and bridge		
3 construction.....	<u>1,131,621,800</u>	<u>1,202,508,000</u>
4 GROSS APPROPRIATION	\$ 2,856,515,700	\$ 3,037,255,200
5 Appropriated from:		
6 Federal revenues:		
7 Other federal revenues	1,061,767,600	1,061,767,600
8 Special revenue funds:		
9 Local revenues	30,003,500	30,003,500
10 Other state restricted revenues	1,764,744,600	1,945,484,100
11 State general fund/general purpose	\$ 0	\$ 0
12 Sec. 19-110. BLUE WATER BRIDGE		
13 Full-time equated classified positions.....	41.0	41.0
14 Blue Water Bridge operations-41.0 FTE positions	<u>\$ 6,471,400</u>	<u>\$ 6,471,400</u>
15 GROSS APPROPRIATION	\$ 6,471,400	\$ 6,471,400
16 Appropriated from:		
17 Special revenue funds:		
18 Other state restricted revenues	6,471,400	6,471,400
19 State general fund/general purpose	\$ 0	\$ 0
20 Sec. 19-111. TRANSPORTATION ECONOMIC DEVELOPMENT		
21 Forest roads	\$ 5,000,000	\$ 5,000,000
22 Rural county primary	7,779,800	7,799,800
23 Rural county urban system	2,500,000	2,500,000
24 Target industries/economic redevelopment	19,059,500	19,099,500
25 Urban county congestion	<u>7,779,800</u>	<u>7,799,800</u>
26 GROSS APPROPRIATION	\$ 42,119,100	\$ 42,199,100
27 Appropriated from:		
28 Special revenue funds:		
29 Other state restricted revenues	42,119,100	42,199,100
30 State general fund/general purpose	\$ 0	\$ 0
31 Sec. 19-112. AERONAUTICS SERVICES		
32 Full-time equated classified positions.....	53.0	53.0

		For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	Air service program	\$ 250,000	\$ 250,000
2	Aviation services-53.0 FTE positions	<u>7,596,100</u>	<u>7,596,100</u>
3	GROSS APPROPRIATION	\$ 7,846,100	\$ 7,846,100
4	Appropriated from:		
5	Special revenue funds:		
6	Other state restricted revenues	7,846,100	7,846,100
7	State general fund/general purpose	\$ 0	\$ 0
8	Sec. 19-113. PUBLIC TRANSPORTATION SERVICES		
9	Full-time equated classified positions.....	36.0	36.0
10	Passenger transportation services-36.0 FTE positions .	<u>\$ 5,789,100</u>	<u>\$ 5,789,100</u>
11	GROSS APPROPRIATION	\$ 5,789,100	\$ 5,789,100
12	Appropriated from:		
13	Federal revenues:		
14	Other federal revenues	972,100	972,100
15	Special revenue funds:		
16	Other state restricted revenues	4,817,000	4,817,000
17	State general fund/general purpose	\$ 0	\$ 0
18	Sec. 19-114. LOCAL BUS TRANSIT		
19	Local bus operating	\$ 186,250,000	\$ 186,250,000
20	Nonurban operating/capital	<u>28,027,900</u>	<u>28,027,900</u>
21	GROSS APPROPRIATION	\$ 214,277,900	\$ 214,277,900
22	Appropriated from:		
23	Federal revenues:		
24	Other federal revenues	26,027,900	26,027,900
25	Special revenue funds:		
26	Local revenues	2,000,000	2,000,000
27	Other state restricted revenues	186,250,000	186,250,000
28	State general fund/general purpose	\$ 0	\$ 0
29	Sec. 19-115. INTERCITY PASSENGER AND FREIGHT		
30	Full-time equated classified positions.....	39.0	39.0
31	Detroit/Wayne County port authority	\$ 468,200	\$ 468,200
32	Freight property management	1,000,000	1,000,000

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Intercity services	8,060,000	8,060,000
2 Marine passenger service	400,000	400,000
3 Office of rail-39.0 FTE positions	6,483,400	6,483,400
4 Rail operations and infrastructure	<u>126,491,500</u>	<u>126,491,500</u>
5 GROSS APPROPRIATION	\$ 142,903,100	\$ 142,903,100
6 Appropriated from:		
7 Federal revenues:		
8 Other federal revenues	64,600,000	64,600,000
9 Special revenue funds:		
10 Local revenues	260,000	260,000
11 Private revenues	100,000	100,000
12 Other state restricted revenues	77,943,100	77,943,100
13 State general fund/general purpose	\$ 0	\$ 0
14 Sec. 19-116. PUBLIC TRANSPORTATION DEVELOPMENT		
15 Municipal credit program	\$ 2,000,000	\$ 2,000,000
16 Service initiatives	3,389,200	3,389,200
17 Specialized services	17,938,900	17,938,900
18 Transit capital	59,403,500	59,403,500
19 Transportation to work	3,700,000	3,700,000
20 Van pooling	<u>195,000</u>	<u>195,000</u>
21 GROSS APPROPRIATION	\$ 86,626,600	\$ 86,626,600
22 Appropriated from:		
23 Federal revenues:		
24 Other federal revenues	26,850,000	26,850,000
25 Special revenue funds:		
26 Local revenues	5,760,000	5,760,000
27 Other state restricted revenues	54,016,600	54,016,600
28 State general fund/general purpose	\$ 0	\$ 0
29 Sec. 19-117. CAPITAL OUTLAY		
30 (1) BUILDINGS AND FACILITIES		
31 Special maintenance, remodeling and additions	\$ 3,001,500	\$ 3,001,500
32 Salt storage buildings and containment control	<u>2,500,000</u>	<u>2,500,000</u>

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 GROSS APPROPRIATION	\$ 5,501,500	\$ 5,501,500
2 Appropriated from:		
3 Special revenue funds:		
4 Other state restricted revenues	5,501,500	5,501,500
5 State general fund/general purpose	\$ 0	\$ 0
6 (2) AIRPORT IMPROVEMENT PROGRAMS		
7 Airport safety, protection, and improvement program ..	\$ 93,943,000	\$ 93,943,000
8 Detroit Metropolitan Wayne County Airport	<u>6,500,000</u>	<u>6,500,000</u>
9 GROSS APPROPRIATION	\$ 100,443,000	\$ 100,443,000
10 Appropriated from:		
11 Federal revenues:		
12 Other federal revenues	79,000,000	79,000,000
13 Special revenue funds:		
14 Local revenues	12,508,500	12,508,500
15 Other state restricted revenues	8,934,500	8,934,500
16 State general fund/general purpose	\$ 0	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2018

GENERAL SECTIONS

Sec. 19-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for the fiscal year 2018 is \$2,952,470,500.00 and state spending from state resources to be paid to local units of government for fiscal year 2018 is \$1,715,980,300.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF TRANSPORTATION

Rail grade crossing - surface improvements.....	\$ 3,000,000
Urban county congestion.....	7,779,800
Local bridge program.....	28,282,900
Service initiatives.....	1,283,200

1	Transit capital.....	42,853,500
2	Rural county primary.....	7,779,800
3	Cities and villages.....	491,162,500
4	Grants to local programs.....	33,000,000
5	Local bus operating.....	186,250,000
6	Detroit/Wayne County port authority.....	468,200
7	Airport safety, protection, and improvement program.....	2,434,500
8	Forest roads.....	5,000,000
9	Grants to regional planning councils.....	488,800
10	Movable bridge.....	2,555,000
11	Air service program.....	250,000
12	Local agency wetlands mitigation.....	2,000,000
13	Rail grade crossing.....	1,500,000
14	Transportation to work.....	3,700,000
15	Marine passenger service.....	400,000
16	Municipal credit program.....	2,000,000
17	Rural county urban system.....	2,500,000
18	Specialized services.....	3,853,900
19	Detroit Metropolitan Wayne County Airport.....	6,500,000
20	County road commissions.....	<u>880,938,200</u>
21	TOTAL	\$ 1,715,980,300

22 Sec. 19-202. The appropriations authorized under this article are subject to the
23 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

24 Sec. 19-203. As used in this article:

- 25 (a) "CTF" means comprehensive transportation fund.
- 26 (b) "Department" means the department of transportation.
- 27 (c) "Director" means the director of the department.
- 28 (d) "DOT" means the United States Department of Transportation.
- 29 (e) "DOT-FHWA" means DOT, Federal Highway Administration.
- 30 (f) "FTE" means full-time equated.
- 31 (g) "IDG" means interdepartmental grant.
- 32 (h) "MTF" means Michigan transportation fund.

1 (i) "SAF" means state aeronautics fund.

2 (j) "STF" means state trunkline fund.

3 Sec. 19-204. The departments and agencies receiving appropriations in part 1 shall
4 use the Internet to fulfill the reporting requirements of this article. This requirement
5 may include transmission of reports via electronic mail to the recipients identified for
6 each reporting requirement, or it may include placement of reports on an Internet or
7 Intranet site.

8 Sec. 19-205. Funds appropriated in part 1 shall not be used for the purchase of
9 foreign goods or services, or both, if competitively priced and of comparable quality
10 American goods or services, or both, are available. Preference shall be given to goods or
11 services, or both, manufactured or provided by Michigan businesses, if they are
12 competitively priced and of comparable quality. In addition, preference should be given to
13 goods or services, or both, that are manufactured or provided by Michigan businesses owned
14 and operated by veterans, if they are competitively priced and of comparable quality.

15 Sec. 19-206. The director shall take all reasonable steps to ensure businesses in
16 deprived and depressed communities compete for and perform contracts to provide services or
17 supplies, or both. Each director shall strongly encourage firms with which the department
18 contracts to subcontract with certified businesses in depressed and deprived communities
19 for services, supplies, or both.

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

27 (a) The dates of each travel occurrence.

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

32 Sec. 19-208. Funds appropriated in part 1 shall not be used by a principal executive

1 department, state agency, or authority to hire a person to provide legal services that are
2 the responsibility of the attorney general. This prohibition does not apply to legal
3 services for bonding activities and for those outside services that the attorney general
4 authorizes.

5 Sec. 19-209. Not later than November 30, the state budget office shall prepare and
6 transmit a report that provides for estimates of the total general fund/general purpose
7 appropriation lapses at the close of the prior fiscal year. This report shall summarize the
8 projected year-end general fund/general purpose appropriation lapses by major departmental
9 program or program areas. The report shall be transmitted to the chairpersons of the senate
10 and house appropriations committees and the senate and house fiscal agencies.

11 Sec. 19-210. (1) In addition to the funds appropriated in part 1, there is
12 appropriated an amount not to exceed \$200,000,000.00 for federal contingency funds. These
13 funds are not available for expenditure until they have been transferred to another line
14 item in this article under section 393(2) of the management and budget act, 1984 PA 431,
15 MCL 18.1393.

16 (2) In addition to the funds appropriated in part 1, there is appropriated an amount
17 not to exceed \$40,000,000.00 for state restricted contingency funds. These funds are not
18 available for expenditure until they have been transferred to another line item in this
19 article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

28 Sec. 19-211. The department shall cooperate with the department of technology,
29 management and budget to maintain a searchable website accessible by the public at no cost
30 that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

4 (e) Job specifications and wage rates.

5 Sec. 19-212. Within 14 days after the release of the executive budget recommendation,
6 the department shall cooperate with the state budget office to provide the senate and house
7 appropriations chairs, the senate and house appropriations subcommittees chairs, and the
8 senate and house fiscal agencies with an annual report on estimated state restricted fund
9 balances, state restricted fund projected revenues, and state restricted fund expenditures
10 for the fiscal years ending September 30, 2017 and September 30, 2018.

11 Sec. 19-213. The department shall maintain, on a publicly accessible website, a
12 department scorecard that identifies, tracks and regularly updates key metrics that are
13 used to monitor and improve the agency's performance.

14 Sec. 19-214. Total authorized appropriations from all sources under part 1 for legacy
15 costs for the fiscal year ending September 30, 2018 are estimated at \$63,943,300.00. From
16 this amount, total agency appropriations for pension-related legacy costs are estimated at
17 \$32,905,600.00. Total agency appropriations for retiree health care legacy costs are
18 estimated at \$31,037,700.00.

19

20 **DEPARTMENTAL ADMINISTRATION AND SUPPORT**

21 Sec. 19-301. (1) The department may establish a fee schedule and collect fees
22 sufficient to cover the costs to issue the permits that the department is authorized by law
23 to issue upon request, unless otherwise stipulated by law. All permit fees are
24 nonrefundable application fees and shall be credited to the appropriate fund to recover the
25 direct and indirect costs of receiving, reviewing, and processing the requests.

26 (2) A bridge authority shall hold 3 public hearings on an increase in any toll
27 charged by the authority at least 30 days before the toll change will become effective. Two
28 of the hearings shall be held within 5 miles of the bridge over which the bridge authority
29 has jurisdiction. One hearing shall be held in Lansing. Public hearings held under this
30 section shall be conducted in accordance with the open meetings act, 1976 PA 267, MCL
31 15.261 to 15.275, and shall be conducted so as to provide a reasonable opportunity for
32 public comment, including both spoken and written comments.

1 Sec. 19-304. If, as a requirement of bidding on a highway project, the department
2 requires a contractor to submit financial or proprietary documentation as to how the bid
3 was calculated, that bid documentation shall be kept confidential and shall not be
4 disclosed other than to a department representative without the contractor's written
5 consent. The department may disclose the bid documentation if necessary to address or
6 defend a claim by a contractor.

7 Sec. 19-306. (1) The amounts appropriated in part 1 to support tax and fee
8 collection, law enforcement, and other program services provided to the department and to
9 transportation funds by other state departments shall be expended from transportation funds
10 pursuant to annual contracts between the department and those other state departments. The
11 contracts shall be executed prior to the expenditure or obligation of those funds. The
12 contracts shall provide, but are not limited to, the following data applicable to each
13 state department:

14 (a) Estimated costs to be recovered from transportation funds.

15 (b) Description of services provided to the department and/or transportation funds
16 and financed with transportation funds.

17 (c) Detailed cost allocation methods appropriate to the type of services being
18 provided and the activities financed with transportation funds.

19 (2) Not later than 2 months after publication of the state of Michigan comprehensive
20 annual financial report, each state department receiving funding pursuant to an
21 interdepartment contract with the department shall submit a written report to the
22 department, the state budget director, and the house and senate fiscal agencies stating by
23 spending authorization account the amount of estimated funds contracted with the
24 department, the amount of funds expended, the amount of funds returned to the
25 transportation funds, and any unreimbursed transportation-related costs incurred but not
26 billed to transportation funds. A copy of the report shall be submitted to the auditor
27 general, and the report shall be subject to audit.

28 (3) The auditor general shall use a risk-based approach in developing an audit
29 program for the use of transportation funds.

30 Sec. 19-307. Before March 1 of each year, the department will provide to the
31 legislature, the state budget office, and the house and senate fiscal agencies its rolling
32 5-year plan listing by county or by county road commission all highway construction

1 projects for the fiscal year and all expected projects for the ensuing fiscal years.

2 Sec. 19-310. The department shall provide in a timely manner copies of the agenda and
3 approved minutes of monthly transportation commission meetings to the members of the house
4 and senate appropriations subcommittees on transportation, the house and senate fiscal
5 agencies, and the state budget director.

6 Sec. 19-313. (1) From funds appropriated in part 1, the department may increase a
7 state infrastructure bank program and grant or loan funds in accordance with regulations of
8 the state infrastructure bank program of the United States Department of Transportation.
9 The state infrastructure bank is to be administered by the department for the purpose of
10 providing a revolving, self-sustaining resource for financing transportation infrastructure
11 projects.

12 (2) In addition to funds provided in subsection (1), money received by the state as
13 federal grants, repayment of state infrastructure bank loans, or other reimbursement or
14 revenue received by the state as a result of projects funded by the program and interest
15 earned on that money shall be deposited in the revolving state infrastructure bank fund and
16 shall be available for transportation infrastructure projects. At the close of the fiscal
17 year, any unencumbered funds remaining in the state infrastructure bank fund shall remain
18 in the fund and be carried forward into the succeeding fiscal year.

19 Sec. 19-383. (1) The department shall prepare a report on use of department-owned
20 aircraft during the fiscal year ending September 30, 2017. With respect to each department-
21 owned aircraft, the report shall include all of the following:

22 (a) Total hours of usage.

23 (b) Description of specific flights including dates of travel, names of passengers
24 including state agency, university, or local government affiliation, travel origin and
25 destination, and total estimated costs associated with the air travel.

26 (2) The report shall be submitted to the senate and house appropriations
27 subcommittees on transportation and the house and senate fiscal agencies no later than
28 February 1, 2018.

29 (3) The department shall maintain a system for recovering the cost of operating
30 department-owned aircraft through charges to aircraft users.

31 (4) From the funds appropriated in part 1, the department is prohibited from
32 transporting legislators or legislative staff on state-owned aircraft without prior

1 approval from the senate majority leader or the speaker of the house of representatives and
2 only when the aircraft is already scheduled by state agencies on related official state
3 business.

4 Sec. 19-384. (1) Except as otherwise provided in subsection (2), the department shall
5 not obligate the state to expend any state transportation revenue for construction planning
6 or construction of the Detroit River International Crossing or a renamed successor. In
7 addition, except as provided in subsection (2), the department shall not commit the state
8 to any new contract related to the construction planning or construction of the Detroit
9 River International Crossing or a renamed successor that would obligate the state to expend
10 any state transportation revenue. An expenditure for staff resources used in connection
11 with project activities, which expenditure is subject to full and prompt reimbursement from
12 Canada, shall not be considered an expenditure of state transportation revenue.

13 (2) If the legislature enacts specific enabling legislation for the construction of
14 the Detroit River International Crossing or a renamed successor, subsection (1) does not
15 apply once the enabling legislation goes into effect.

16 Sec. 19-385. (1) The department shall submit reports to the state budget director,
17 the speaker of the house, the house minority leader, the senate majority leader, the senate
18 minority leader, the house and senate appropriations subcommittees on transportation, and
19 the house and senate fiscal agencies on department activities related to all
20 nonconstruction or construction planning activities related to the Detroit River
21 International Crossing or a renamed successor. The initial report shall be submitted on or
22 before December 1, 2017 and shall cover the fiscal year ending September 30, 2017.

23 (2) The initial report shall include, at a minimum, all of the following:

24 (a) Department costs incurred in the fiscal year ending September 30, 2017, including
25 employee salaries, wages, benefits, travel, and contractual services, and what activities
26 those costs were related to.

27 (b) Costs of other executive branch agencies incurred in the fiscal year ending
28 September 30, 2017, including employee salaries, wages, benefits, travel, and contractual
29 services, and what activities those costs were related to.

30 (c) A breakdown of the source of funds used for the activities described in
31 subdivisions (a) and (b).

32 (d) A breakdown of reimbursements made by Canada under section 384(1) to the state

1 for expenditures for staff resources used in connection with project activities.

2 (e) A narrative description of the status of the Detroit River International Crossing
3 or a renamed successor, including efforts undertaken to implement provisions of the
4 crossing agreement executed June 15, 2012 by representatives of the Canadian government and
5 this state.

6 (3) After submission of the initial report, a subsequent report shall be submitted on
7 March 1, 2018, June 1, 2018, and September 1, 2018 and shall include the same information
8 described in subsection (2) for the applicable previous fiscal quarter.

9 Sec. 19-395. From the funds appropriated in part 1 for state trunkline federal aid
10 road and bridge construction, the department may expend up to \$10,000,000.00 on highway
11 maintenance activities to support safety-related, high-priority, and other deferred routine
12 maintenance needs on Michigan's state trunkline network.

13

14 **FEDERAL**

15 Sec. 19-402. A portion of the federal DOT-FHWA highway research, planning, and
16 construction funds made available to this state shall be allocated to transportation
17 programs administered by local jurisdictions in accordance with section 10o of 1951 PA 51,
18 MCL 247.660o. A local road agency, with respect to a project approved for federal aid
19 funding in a state transportation improvement program, may enter into a voluntary buyout
20 agreement with the department or with another local road agency to exchange the federal aid
21 with state restricted transportation funds as agreed to by the respective parties. The
22 state restricted transportation funds received in exchange for federal aid funds shall be
23 used for the same purpose as the federal aid funds were originally intended.

24

25 **MICHIGAN TRANSPORTATION FUND**

26 Sec. 19-501. The money received under the motor carrier act, 1933 PA 254, MCL 475.1
27 to 479.42, and not appropriated to the department of licensing and regulatory affairs or
28 the department of state police is deposited in the Michigan transportation fund.

29 Sec. 19-503. (1) The funds appropriated in part 1 for the economic development and
30 local bridge programs shall not lapse at the end of the fiscal year but shall carry forward
31 each fiscal year for the purposes for which appropriated in accordance with 1987 PA 231,
32 MCL 247.901 to 247.913, and section 10(5) of 1951 PA 51, MCL 247.660.

1 (2) Interest earned in the department of transportation economic development fund and
2 local bridge fund shall remain in the respective funds and shall be allocated to the
3 respective programs based on actual interest earned at the end of each fiscal year.

4 (3) In addition to the funds appropriated in part 1, the department of transportation
5 economic development fund and local bridge fund may receive federal, local, or private
6 funds or restricted source funds such as interest earnings. These funds are appropriated
7 for projects that are consistent with the purposes of the respective funds.

8 (4) None of the funds statutorily dedicated to the transportation economic
9 development fund and local bridge fund shall be diverted to other projects.

10 Sec. 19-504. Funds from the Michigan transportation fund shall be distributed to the
11 comprehensive transportation fund, the economic development fund, the recreation
12 improvement fund, and the state trunkline fund, in accordance with this part and part 1 and
13 part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL
14 324.71101 to 324.71108, and may only be used as specified in this part and part 1, 1951 PA
15 51, MCL 247.651 to 247.675, and part 711 of the natural resources and environmental
16 protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

17
18 **STATE TRUNKLINE FUND**

19 Sec. 19-604. At the close of the fiscal year, any unencumbered and unexpended balance
20 in the state trunkline fund shall remain in the state trunkline fund and shall carry
21 forward and is appropriated for federal aid road and bridge programs for projects contained
22 in the annual state transportation program.

23 Sec. 19-605. (1) From the increased funds appropriated in part 1 for highway
24 maintenance, the department shall expand highway maintenance activities in the current
25 fiscal year to support flooding mitigation-related activities on limited access state
26 trunklines in Wayne, Oakland and Macomb counties, as well as other safety-related, high-
27 priority and deferred routine maintenance needs on Michigan's state trunkline network.

28 (2) The department shall identify specific outcomes and performance measures
29 including, but not limited to, the following:

30 (a) Number of drainage catch basins cleaned on limited-access state trunklines in
31 Wayne, Oakland and Macomb counties during the fiscal year ending September 30, 2018.

32 (b) Number of flooding-related closures on limited-access state trunklines in Wayne,

1 Oakland and Macomb counties during the fiscal year ending September 30, 2018.

2

3 **TRANSIT AND RAIL RELATED FUNDS**

4 Sec. 19-701. The department shall establish an intercity bus equipment and facility
5 fund as a subsidiary fund within the comprehensive transportation fund created under
6 section 10b of 1951 PA 51, MCL 247.660b. Proceeds received by this state from the sale of
7 state-owned intercity bus equipment shall be credited to the intercity bus equipment and
8 facility fund for the purchase and repair of intercity bus equipment, as appropriated.
9 Security deposits not returned to a lessee of state-owned intercity bus equipment under
10 terms of the lease agreement shall be credited to the intercity bus equipment and facility
11 fund for the repair of intercity bus equipment, as appropriated. Money received by the
12 department from lease payments for state-owned intercity bus equipment, and facility
13 maintenance charges under terms of leases of state-owned intercity facilities, shall be
14 credited to the intercity bus equipment and facility fund for the purchase and repair of
15 intercity bus equipment or for the maintenance and rehabilitation of state-owned intercity
16 facilities, as appropriated. At the close of the fiscal year, any funds remaining in the
17 intercity bus equipment and facility fund shall remain in the fund and be carried forward
18 into the succeeding fiscal year.

19 Sec. 19-702. Money that is received by this state as repayment for loans made for
20 rail or water freight capital projects, and as a result of the sale of property or
21 equipment used or projected to be used for rail or water freight projects shall be
22 deposited in the rail freight fund created by section 17 of the state transportation
23 preservation act of 1976, 1976 PA 295, MCL 474.67. At the close of the fiscal year, any
24 funds remaining in the rail freight fund shall remain in the fund and be carried forward
25 into the succeeding fiscal year.

26 Sec. 19-704. From the funds appropriated in part 1, the department shall prepare and
27 transmit a report that provides detail regarding the department's obligations for programs
28 funded under the appropriation in part 1 for rail operations and infrastructure. The report
29 shall include a breakdown of the appropriation by program, year-to-date obligations under
30 each program itemized by project, and an estimate of future obligations under each program
31 itemized by project for the remainder of the fiscal year. The initial report shall be
32 submitted to the senate and house appropriations subcommittees on transportation, the state

1 budget director, and the senate and house fiscal agencies, on or before February 1, 2018.
2 The department also shall update and resubmit the final report on or before November 1,
3 2018.

4 Sec. 19-706. The Detroit/Wayne County Port Authority shall issue a complete
5 operations assessment and a financial disclosure statement. The operations assessment shall
6 include operational goals for the next 5 years and recommendations to improve land
7 acquisition and development efficiency. The report shall be completed and submitted to the
8 house of representatives and senate appropriations subcommittees on transportation, the
9 state budget director, and the house and senate fiscal agencies by June 30 of each fiscal
10 year for the prior fiscal year.

11 Sec. 19-711. (1) As prescribed in subsection (2), the department shall submit reports
12 to the state budget director, the house and senate appropriations subcommittees on
13 transportation, and the house and senate fiscal agencies on rail passenger service provided
14 by Amtrak under a contractual agreement with the department. The report shall be submitted
15 on or before May 1 of each year.

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

17 (a) Passenger counts for the preceding fiscal year for each Amtrak service route in
18 Michigan.

19 (b) Revenue and operating expenses by Amtrak route.

20 (c) Total state operating payments to Amtrak in the preceding fiscal year by Amtrak
21 route.

22 (d) A discussion of major factors affecting route costs and revenue and net state
23 costs in the preceding fiscal year, and factors affecting route costs and revenue and net
24 state costs anticipated in the current and future fiscal years.

25 Sec. 19-735. For the fiscal year ending September 30, 2018, the appropriation to a
26 street railway pursuant to section 10e(22) of 1951 PA 51, MCL 247.660e, is \$0.

27

28 **AERONAUTICS FUND**

29 Sec. 19-801. Except as otherwise provided in section 903 for capital outlay, at the
30 close of the fiscal year, any unobligated and unexpended balance in the state aeronautics
31 fund created in the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1 to
32 259.208, shall lapse to the state aeronautics fund and be appropriated by the legislature

1 in the immediately succeeding fiscal year.

2

3 **CAPITAL OUTLAY**

4 Sec. 19-901. (1) From federal-state-local project appropriations contained in part 1
5 for the purpose of assisting political entities and subdivisions of this state in the
6 construction and improvement of publicly used airports and landing fields within this
7 state, the state transportation department may permit the award of contracts on behalf of
8 units of local government for the authorized locations not to exceed the indicated amounts,
9 of which the state allocated portion shall not exceed the amount appropriated in part 1.

10 (2) Political entities and subdivisions shall provide not less than 5% of the cost of
11 any project under this section, unless a total nonfederal share greater than 10% is
12 otherwise specified in federal law. State money shall not be allocated until local money is
13 allocated. State money for any 1 project shall not exceed 1/3 of the total appropriation in
14 part 1 from state funds for airport improvement programs.

15 (3) The Michigan aeronautics commission may take those steps necessary to match
16 federal money available for airport construction and improvement within this state and to
17 meet the matching requirements of the federal government. Whether acting alone or jointly
18 with another political subdivision or public agency or with this state, a political
19 subdivision or public agency of this state shall not submit to any agency of the federal
20 government a project application for airport planning or development unless it is
21 authorized in this part and part 1 and the project application is approved by the governing
22 body of each political subdivision or public agency making the application and by the
23 Michigan aeronautics commission.

24 Sec. 19-903. The appropriations in part 1 for capital outlay shall be carried forward
25 at the end of the fiscal year consistent with the provisions of section 248 of the
26 management and budget act, 1984 PA 431, MCL 18.1248.

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Article 20

DEPARTMENT OF TREASURY

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 20-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of treasury are appropriated for the fiscal year ending September 30, 2018, and are anticipated to be appropriated for the fiscal year ending September 30, 2019, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	DEPARTMENT OF TREASURY	
2	APPROPRIATION SUMMARY	
3	Full-time equated unclassified positions.....	10.0 10.0
4	Full-time equated classified positions.....	1,952.5 1,952.5
5	GROSS APPROPRIATION	\$ 1,865,702,000 \$ 1,883,983,500
6	Total interdepartmental grants and interdepartmental	
7	transfers.....	12,613,700 12,613,700
8	ADJUSTED GROSS APPROPRIATION	\$ 1,853,088,300 \$ 1,871,369,800
9	Total federal revenues	27,022,600 27,022,600
10	Total local revenues	14,516,000 13,016,000
11	Total private revenues	27,500 27,500
12	Total other state restricted revenues	1,605,173,700 1,628,000,200
13	State general fund/general purpose	\$ 206,348,500 \$ 203,303,500
14	<i>State general fund/general purpose schedule:</i>	
15	<i>Ongoing state general fund/general purpose</i>	<i>204,348,500 203,303,500</i>
16	<i>One-time state general fund/general purpose</i>	<i>2,000,000 0</i>
17	Sec. 20-102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
18	Full-time equated unclassified positions.....	10.0 10.0
19	Full-time equated classified positions.....	433.0 433.0
20	Unclassified salaries-10.0 FTE positions	\$ 1,025,300 \$ 1,025,300
21	Department services-88.0 FTE positions	9,251,600 9,251,600
22	Executive direction and operations-46.0 FTE positions	7,867,200 7,867,200
23	Office of accounting services-28.0 FTE positions	2,786,400 2,786,400
24	Office of collections-204.0 FTE positions	27,881,600 27,944,100
25	Office of financial services-38.0 FTE positions	4,513,600 4,513,600
26	Property management	6,253,700 6,253,700
27	Unclaimed property-29.0 FTE positions	4,852,900 4,852,900
28	Worker's compensation	<u>26,500 26,500</u>
29	GROSS APPROPRIATION	\$ 64,458,800 \$ 64,521,300
30	Appropriated from:	
31	Interdepartmental grant revenues:	
32	IDG from department of health and human services	778,500 778,500

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 IDG from other restricted funding	8,850,000	8,850,000
2 Federal revenues:		
3 Other federal revenues	66,900	66,900
4 Special revenue funds:		
5 Local revenues	102,500	102,500
6 Other state restricted revenues	41,802,400	41,864,900
7 State general fund/general purpose	\$ 12,858,500	\$ 12,858,500
8 Sec. 20-103. LOCAL GOVERNMENT PROGRAMS		
9 Full-time equated classified positions.....	111.0	111.0
10 Local finance-21.0 FTE positions	\$ 2,622,800	\$ 2,622,800
11 Property tax assessor training-4.0 FTE positions	1,041,700	1,041,700
12 Supervision of the general property tax law-86.0 FTE		
13 positions.....	<u>14,378,700</u>	<u>14,378,700</u>
14 GROSS APPROPRIATION	\$ 18,043,200	\$ 18,043,200
15 Appropriated from:		
16 Special revenue funds:		
17 Local revenues	2,010,700	2,010,700
18 Other state restricted revenues	4,115,100	4,115,100
19 State general fund/general purpose	\$ 11,917,400	\$ 11,917,400
20 Sec. 20-104. TAX PROGRAMS		
21 Full-time equated classified positions.....	782.0	782.0
22 Bottle act implementation	\$ 250,000	\$ 250,000
23 Health insurance claims fund-15.0 FTE positions	2,080,800	2,080,800
24 Home heating assistance	3,089,300	3,089,300
25 Office of revenue and tax analysis-21.0 FTE positions	3,643,600	3,643,600
26 Tax and economic policy-51.0 FTE positions	8,002,300	8,002,300
27 Tax compliance-340.0 FTE positions	45,680,400	45,780,400
28 Tax processing-342.0 FTE positions	38,826,300	38,888,800
29 Tobacco tax enforcement-13.0 FTE positions	<u>1,518,600</u>	<u>1,518,600</u>
30 GROSS APPROPRIATION	\$ 103,091,300	\$ 103,253,800
31 Appropriated from:		
32 Interdepartmental grant revenues:		

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019	
1	IDG from department of transportation	2,373,900	2,373,900
2	Federal revenues:		
3	Other federal revenues	3,089,300	3,089,300
4	Special revenue funds:		
5	Other state restricted revenues	78,266,600	78,429,100
6	State general fund/general purpose	\$ 19,361,500	\$ 19,361,500
7	Sec. 20-105. FINANCIAL PROGRAMS		
8	Full-time equated classified positions.....	216.5	216.5
9	Common cash and debt management-21.5 FTE positions ...	\$ 1,676,500	\$ 1,676,500
10	Dual enrollment payments	2,007,600	2,007,600
11	Financial independence team-15.0 FTE positions	5,245,800	5,245,800
12	Investments-82.0 FTE positions	20,713,700	20,713,700
13	John R. Justice grant program	288,100	288,100
14	Michigan finance authority - bond finance programs-		
15	72.5 FTE positions.....	25,962,900	25,962,900
16	Student financial assistance programs-25.5 FTE		
17	positions.....	<u>2,704,300</u>	<u>2,704,300</u>
18	GROSS APPROPRIATION	\$ 58,598,900	\$ 58,598,900
19	Appropriated from:		
20	Interdepartmental grant revenues:		
21	IDG from other restricted funding	211,300	211,300
22	Federal revenues:		
23	Other federal revenues	23,238,600	23,238,600
24	Special revenue funds:		
25	Michigan merit award trust fund	1,172,200	1,172,200
26	Other state restricted revenues	24,802,600	24,802,600
27	State general fund/general purpose	\$ 9,174,200	\$ 9,174,200
28	Sec. 20-106. DEBT SERVICE		
29	Clean Michigan initiative	\$ 62,751,000	\$ 59,696,000
30	Great Lakes water quality bond	22,865,000	25,427,000
31	Quality of life bond	<u>21,964,000</u>	<u>21,412,000</u>
32	GROSS APPROPRIATION	\$ 107,580,000	\$ 106,535,000

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1	Appropriated from:	
2	Special revenue funds:	
3	State general fund/general purpose	\$ 107,580,000 \$ 106,535,000
4	Sec. 20-107. GRANTS	
5	Beat the streets	\$ 100,000 \$ 100,000
6	Convention facility development distribution	90,950,000 90,950,000
7	Emergency 911 payments	27,000,000 27,000,000
8	Health and safety fund grants	1,500,000 1,500,000
9	Medical marihuana excise fund grants	3,960,000 10,890,000
10	Senior citizen cooperative housing tax exemption	
11	program.....	<u>10,720,000</u> <u>10,720,000</u>
12	GROSS APPROPRIATION	\$ 134,230,000 \$ 141,160,000
13	Appropriated from:	
14	Special revenue funds:	
15	Other state restricted revenues	123,410,000 130,340,000
16	State general fund/general purpose	\$ 10,820,000 \$ 10,820,000
17	Sec. 20-108. BUREAU OF STATE LOTTERY	
18	Full-time equated classified positions.....	191.0 191.0
19	Lottery information technology services and projects .	\$ 5,254,500 \$ 5,254,500
20	Lottery operations-191.0 FTE positions	<u>25,619,700</u> <u>25,619,700</u>
21	GROSS APPROPRIATION	\$ 30,874,200 \$ 30,874,200
22	Appropriated from:	
23	Special revenue funds:	
24	Other state restricted revenues	30,874,200 30,874,200
25	State general fund/general purpose	\$ 0 \$ 0
26	Sec. 20-109. GAMING CONTROL	
27	Full-time equated classified positions.....	143.0 143.0
28	Gaming control administration-133.0 FTE positions	\$ 26,457,300 \$ 26,457,300
29	Gaming control information technology services and	
30	projects.....	2,526,000 2,526,000
31	Horse racing-10.0 FTE positions	2,021,400 2,021,400
32	Michigan gaming control board	<u>50,000</u> <u>50,000</u>

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019	
1	GROSS APPROPRIATION	\$ 31,054,700	\$ 31,054,700
2	Appropriated from:		
3	Special revenue funds:		
4	Other state restricted revenues	31,054,700	31,054,700
5	State general fund/general purpose	\$ 0	\$ 0
6	Sec. 20-110. PAYMENTS IN LIEU OF TAXES		
7	Commercial forest reserve	\$ 3,368,100	\$ 3,368,100
8	Purchased lands	8,677,900	8,677,900
9	Swamp and tax reverted lands	<u>15,605,600</u>	<u>15,605,600</u>
10	GROSS APPROPRIATION	\$ 27,651,600	\$ 27,651,600
11	Appropriated from:		
12	Special revenue funds:		
13	Private revenues	27,500	27,500
14	Other state restricted revenues	5,332,900	5,332,900
15	State general fund/general purpose	\$ 22,291,200	\$ 22,291,200
16	Sec. 20-111. REVENUE SHARING		
17	City, village, and township revenue sharing	\$ 243,040,000	\$ 243,040,000
18	Constitutional state general revenue sharing grants ..	773,544,100	795,015,600
19	County incentive program	43,160,400	43,160,400
20	County revenue sharing	174,747,700	174,747,700
21	Financially distressed cities, villages, or townships	<u>5,000,000</u>	<u>5,000,000</u>
22	GROSS APPROPRIATION	\$ 1,239,492,200	\$ 1,260,963,700
23	Appropriated from:		
24	Special revenue funds:		
25	Sales tax	1,239,492,200	1,260,963,700
26	State general fund/general purpose	\$ 0	\$ 0
27	Sec. 20-112. STATE BUILDING AUTHORITY		
28	Full-time equated classified positions.....	4.0	4.0
29	State building authority-4.0 FTE positions	<u>\$ 732,000</u>	<u>\$ 732,000</u>
30	GROSS APPROPRIATION	\$ 732,000	\$ 732,000
31	Appropriated from:		
32	Special revenue funds:		

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Other state restricted revenues	732,000	732,000
2 State general fund/general purpose	\$ 0	\$ 0
3 Sec. 20-113. CITY INCOME TAX ADMINISTRATION PROGRAM		
4 Full-time equated classified positions.....	72.0	72.0
5 City income tax administration-72.0 FTE positions	\$ <u>9,685,300</u>	\$ <u>9,685,300</u>
6 GROSS APPROPRIATION	\$ 9,685,300	\$ 9,685,300
7 Appropriated from:		
8 Special revenue funds:		
9 Local revenues	9,685,300	9,685,300
10 State general fund/general purpose	\$ 0	\$ 0
11 Sec. 20-114. INFORMATION TECHNOLOGY		
12 Treasury operations information technology services		
13 and projects.....	\$ <u>30,909,800</u>	\$ <u>30,909,800</u>
14 GROSS APPROPRIATION	\$ 30,909,800	\$ 30,909,800
15 Appropriated from:		
16 Interdepartmental grant revenues:		
17 IDG from department of transportation	400,000	400,000
18 Federal revenues:		
19 Other federal revenues	627,800	627,800
20 Special revenue funds:		
21 Local revenues	1,217,500	1,217,500
22 Other state restricted revenues	18,318,800	18,318,800
23 State general fund/general purpose	\$ 10,345,700	\$ 10,345,700
24 Sec. 20-115. ONE-TIME APPROPRIATIONS		
25 City income tax administration	\$ 1,500,000	\$ 0
26 City, village, and township revenue sharing	5,800,000	0
27 Treasury operations information technology services		
28 and projects.....	<u>2,000,000</u>	<u>0</u>
29 GROSS APPROPRIATION	\$ 9,300,000	\$ 0
30 Appropriated from:		
31 Special revenue funds:		
32 Local revenues	1,500,000	0

	For Fiscal Year Ending Sept. 30, 2018	For Fiscal Year Ending Sept. 30, 2019
1 Sales tax	5,800,000	0
2 State general fund/general purpose	\$ 2,000,000	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2018

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 the fiscal year 2018 is \$1,811,522,200.00 and state spending from state resources to be paid to local units of government for fiscal year 2018 is \$1,404,967,800.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF TREASURY

County incentive program.....	\$	43,160,400
County revenue sharing.....		174,747,700
Swamp and tax reverted lands.....		15,605,600
Medical marihuana excise fund grants.....		3,960,000
Constitutional state general revenue sharing grants.....		773,544,100
Health and safety fund grants.....		1,500,000
Senior citizen cooperative housing tax exemption program.....		10,720,000
Commercial forest reserve.....		3,368,100
Financially distressed cities, villages, or townships.....		5,000,000
Convention facility development distribution.....		90,950,000
Purchased lands.....		8,677,900
City, village, and township revenue sharing.....		248,840,000
Emergency 911 payments.....		<u>24,894,000</u>
TOTAL	\$	1,404,967,800

Sec. 20-202. The appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

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

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

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

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

3 (d) "IDG" means interdepartmental grant.

4 (e) "JCOS" means the joint capital outlay subcommittee.

5 (f) "MEGA" means the Michigan Economic Growth Authority.

6 Sec. 20-204. The departments and agencies receiving appropriations in part 1 shall
7 use the Internet to fulfill the reporting requirements of this article. This requirement
8 may include transmission of reports via electronic mail to the recipients identified for
9 each reporting requirement, or it may include placement of reports on an Internet or
10 Intranet site.

11 Sec. 20-205. Funds appropriated in part 1 shall not be used for the purchase of
12 foreign goods or services, or both, if competitively priced and of comparable quality
13 American goods or services, or both, are available. Preference shall be given to goods or
14 services, or both, manufactured or provided by Michigan businesses, if they are
15 competitively priced and of comparable quality. In addition, preference should be given to
16 goods or services, or both, that are manufactured or provided by Michigan businesses owned
17 and operated by veterans, if they are competitively priced and of comparable quality.

18 Sec. 20-206. The director shall take all reasonable steps to ensure businesses in
19 deprived and depressed communities compete for and perform contracts to provide services or
20 supplies, or both. Each director shall strongly encourage firms with which the department
21 contracts to subcontract with certified businesses in depressed and deprived communities
22 for services, supplies, or both.

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

30 (a) The dates of each travel occurrence.

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

1 with state restricted revenues, the proportion funded with federal revenues, and the
2 proportion funded with other revenues.

3 Sec. 20-208. Funds appropriated in part 1 shall not be used by a principal executive
4 department, state agency, or authority to hire a person to provide legal services that are
5 the responsibility of the attorney general. This prohibition does not apply to legal
6 services for bonding activities and for those outside services that the attorney general
7 authorizes.

8 Sec. 20-209. Not later than November 30, the state budget office shall prepare and
9 transmit a report that provides for estimates of the total general fund/general purpose
10 appropriation lapses at the close of the prior fiscal year. This report shall summarize the
11 projected year-end general fund/general purpose appropriation lapses by major departmental
12 program or program areas. The report shall be transmitted to the chairpersons of the senate
13 and house appropriations committees and the senate and house fiscal agencies.

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

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

23 (3) In addition to the funds appropriated in part 1, there is appropriated an amount
24 not to exceed \$200,000.00 for local contingency funds. These funds are not available for
25 expenditure until they have been transferred to another line item in this article under
26 section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

27 (4) In addition to the funds appropriated in part 1, there is appropriated an amount
28 not to exceed \$40,000.00 for private contingency funds. These funds are not available for
29 expenditure until they have been transferred to another line item in this article under
30 section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

31 Sec. 20-211. The department shall cooperate with the department of technology,
32 management and budget to maintain a searchable website accessible by the public at no cost

1 that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

7 (e) Job specifications and wage rates.

8 Sec. 20-212. Within 14 days after the release of the executive budget recommendation,
9 the department shall cooperate with the state budget office to provide the senate and house
10 appropriations chairs, the senate and house appropriations subcommittees chairs, and the
11 senate and house fiscal agencies with an annual report on estimated state restricted fund
12 balances, state restricted fund projected revenues, and state restricted fund expenditures
13 for the fiscal years ending September 30, 2017 and September 30, 2018.

14 Sec. 20-213. The department shall maintain, on a publicly accessible website, a
15 department scorecard that identifies, tracks and regularly updates key metrics that are
16 used to monitor and improve the agency's performance.

17 Sec. 20-214. Total authorized appropriations from all sources under part 1 for legacy
18 costs for the fiscal year ending September 30, 2018 are estimated at \$43,024,600.00. From
19 this amount, total agency appropriations for pension-related legacy costs are estimated at
20 \$22,140,700.00. Total agency appropriations for retiree health care legacy costs are
21 estimated at \$20,883,900.00.

22 Sec. 20-215. Funds appropriated in part 1 shall not be used by this state, a
23 department, an agency, or an authority of this state to purchase an ownership interest in a
24 casino enterprise or a gambling operation as those terms are defined in the Michigan gaming
25 control and revenue act, 1996 IL 1, MCL 432.201 to 432.226.

26

27 **DEPARTMENT OF TREASURY OPERATIONS**

28 Sec. 20-902. (1) Amounts needed to pay for interest, fees, principal, mandatory and
29 optional redemptions, arbitrage rebates as required by federal law, and costs associated
30 with the payment, registration, trustee services, credit enhancements, and issuing costs in
31 excess of the amount appropriated to the department of treasury in part 1 for debt service
32 on notes and bonds that are issued by the state under sections 14, 15, and 16 of article IX

1 of the state constitution of 1963 as implemented by 1967 PA 266, MCL 17.451 to 17.455, are
2 appropriated.

3 (2) In addition to the amount appropriated to the department of treasury for debt
4 service in part 1, there is appropriated an amount for fiscal year cash-flow borrowing
5 costs to pay for interest on interfund borrowing made under 1967 PA 55, MCL 12.51 to 12.53.

6 (3) In addition to the amount appropriated to the department of treasury for debt
7 service in part 1, there is appropriated all repayments received by the state on loans made
8 from the school bond loan fund not required to be deposited in the school loan revolving
9 fund by or pursuant to section 4 of 1961 PA 112, MCL 388.984, to the extent determined by
10 the state treasurer, for the payment of debt service, including, without limitation,
11 optional and mandatory redemptions, on bonds, notes or commercial paper issued by the state
12 pursuant to 1961 PA 112, MCL 388.981 to 388.985.

13 Sec. 20-903. (1) From the funds appropriated in part 1, the department of treasury
14 may contract with private collection agencies and law firms to collect taxes and other
15 accounts due this state. In addition to the amounts appropriated in part 1 to the
16 department of treasury, there are appropriated amounts necessary to fund collection costs
17 and fees not to exceed 25% of the collections or 2.5% plus operating costs, whichever
18 amount is prescribed by each contract. The appropriation to fund collection costs and fees
19 for the collection of taxes or other accounts due this state are from the fund or account
20 to which the revenues being collected are recorded or dedicated. However, if the taxes
21 collected are constitutionally dedicated for a specific purpose, the appropriation of
22 collection costs and fees are from the general purpose account of the general fund.

23 (2) From the funds appropriated in part 1, the department of treasury may contract
24 with private collections agencies and law firms to collect defaulted student loans and
25 other accounts due the Michigan guaranty agency. In addition to the amounts appropriated in
26 part 1 to the department of treasury, there are appropriated amounts necessary to fund
27 collection costs and fees not to exceed 24.34% of the collection or a lesser amount as
28 prescribed by the contract. The appropriation to fund collection costs and fees for the
29 auditing and collection of defaulted student loans due the Michigan guaranty agency is from
30 the fund or account to which the revenues being collected are recorded or dedicated.

31 (3) The department of treasury shall submit a report for the immediately preceding
32 fiscal year ending September 30 to the state budget director and the senate and house of

1 representatives standing committees on appropriations not later than November 30 stating
2 the agencies or law firms employed, the amount of collections for each, the costs of
3 collection, and other pertinent information relating to determining whether this authority
4 should be continued.

5 Sec. 20-904. (1) The department of treasury, through its bureau of investments, may
6 charge an investment service fee against the applicable retirement funds. The fees may be
7 expended for necessary salaries, wages, contractual services, supplies, materials,
8 equipment, travel, worker's compensation insurance premiums, and grants to the civil
9 service commission and state employees' retirement funds. Service fees shall not exceed the
10 aggregate amount appropriated in part 1. The department of treasury shall maintain
11 accounting records in sufficient detail to enable the retirement funds to be reimbursed
12 periodically for fee revenue that is determined by the department of treasury to be
13 surplus.

14 (2) In addition to the funds appropriated in part 1 from the retirement funds to the
15 department of treasury, there is appropriated from retirement funds an amount sufficient to
16 pay for the services of money managers, investment advisors, investment consultants,
17 custodians, and other outside professionals, the state treasurer considers necessary to
18 prudently manage the retirement funds' investment portfolios. The state treasurer shall
19 report annually to the senate and house of representatives standing committees on
20 appropriations and the state budget office concerning the performance of each portfolio by
21 investment advisor.

22 Sec. 20-904a. (1) There is appropriated an amount sufficient to recognize and pay
23 expenditures for financial services provided by financial institutions as provided under
24 section 1 of 1861 PA 111, MCL 21.181.

25 (2) The appropriations under subsection (1) shall be funded by restricting revenues
26 from common cash interest earnings and investment earnings in an amount sufficient to
27 record these expenditures. If the amounts of common cash interest earnings are insufficient
28 to cover these costs, then miscellaneous revenues shall be used to fund the remaining
29 balance of these expenditures.

30 Sec. 20-905. A revolving fund known as the municipal finance fee fund is created in
31 the department of treasury. Fees are established under the revised municipal finance act,
32 2001 PA 34, MCL 141.2101 to 141.2821, and the fees collected shall be credited to the

1 municipal finance fee fund and may be carried forward for future appropriation.

2 Sec. 20-906. (1) The department of treasury shall charge for audits as permitted by
3 state or federal law or under contractual arrangements with local units of government,
4 other principal executive departments, or state agencies. However, the charge shall not be
5 more than the actual cost for performing the audit. A report detailing audits performed and
6 audit charges for the immediately preceding fiscal year shall be submitted to the state
7 budget director and the senate and house fiscal agencies not later than November 30.

8 (2) A revolving fund known as the audit charges fund is created in the department of
9 treasury. The contractual charges collected shall be credited to the audit charges fund and
10 may be carried forward for future appropriation.

11 Sec. 20-907. A revolving fund known as the assessor certification and training fund
12 is created in the department of treasury. The assessor certification and training fund
13 shall be used to organize and operate a property assessor certification and training
14 program. Each participant certified and trained shall pay to the department of treasury
15 examination fees not to exceed \$50.00 per examination and certification fees not to exceed
16 \$175.00. Training courses shall be offered in assessment administration. Each participant
17 shall pay a fee to cover the expenses incurred in offering the optional programs to
18 certified assessing personnel and other individuals interested in an assessment career
19 opportunity. The fees collected shall be credited to the assessor certification and
20 training fund.

21 Sec. 20-908. The amount appropriated in part 1 to the department of treasury, home
22 heating assistance program, is to cover the costs, including data processing, of
23 administering federal home heating credits to eligible claimants and to administer the
24 supplemental fuel cost payment program for eligible tax credit and welfare recipients.

25 Sec. 20-909. Revenue from the airport parking tax act, 1987 PA 248, MCL 207.371 to
26 207.383, is appropriated and shall be distributed under section 7a of the airport parking
27 tax act, 1987 PA 248, MCL 207.377a.

28 Sec. 20-910. The disbursement by the department of treasury from the bottle deposit
29 fund to dealers as required by section 3c(2) of 1976 IL 1, MCL 445.573c, is appropriated.

30 Sec. 20-911. (1) There is appropriated an amount sufficient to recognize and pay
31 refundable income tax credits as provided by the management and budget act, 1984 PA 431,
32 MCL 18.1101 to 18.1594.

1 (2) The appropriations under subsection (1) shall be funded by restricting income tax
2 revenue in an amount sufficient to record these expenditures.

3 Sec. 20-912. A plaintiff in a garnishment action involving this state shall pay to
4 the state treasurer 1 of the following:

5 (a) A fee of \$6.00 at the time a writ of garnishment of periodic payments is served
6 upon the state treasurer, as provided in section 4012 of the revised judicature act of
7 1961, 1961 PA 236, MCL 600.4012.

8 (b) A fee of \$6.00 at the time any other writ of garnishment is served upon the state
9 treasurer, except that the fee shall be reduced to \$5.00 for each writ of garnishment for
10 individual income tax refunds or credits filed by magnetic media.

11 Sec. 20-913. (1) The department of treasury may contract with private firms to
12 appraise and, if necessary, appeal the assessments of senior citizen cooperative housing
13 units. Payment for this service shall be from savings resulting from the appraisal or
14 appeal process.

15 (2) Of the funds appropriated in part 1 to the department of treasury for the senior
16 citizens' cooperative housing tax exemption program, a portion may be utilized for a
17 program audit of the program. The department of treasury shall forward copies of any audit
18 report completed to the senate and house of representatives standing committees on
19 appropriations subcommittees on general government and to the state budget office. The
20 department of treasury may utilize up to 1% of the funds for program administration and
21 auditing.

22 Sec. 20-914. The department of treasury may provide a \$200.00 annual prize from the
23 Ehlers internship award account in the gifts, bequests, and deposit fund to the runner-up
24 of the Rosenthal prize for interns. The Ehlers internship award account is interest
25 bearing.

26 Sec. 20-915. Pursuant to section 61 of the Michigan campaign finance act, 1976 PA
27 388, MCL 169.261, there is appropriated from the general fund to the state campaign fund an
28 amount equal to the amounts designated for tax year 2016. Except as otherwise provided in
29 this section, the amount appropriated shall not revert to the general fund and shall remain
30 in the state campaign fund. Any amounts remaining in the state campaign fund in excess of
31 \$10,000,000.00 on December 31 shall revert to the general fund.

32 Sec. 20-916. The department of treasury may make available to interested entities

1 otherwise unavailable customized unclaimed property listings of nonconfidential information
2 in its possession. The charge for this information is as follows: 1 to 100,000 records at
3 2.5 cents per record and 100,001 or more records at .5 cents per record. The revenue
4 received from this service shall be deposited to the appropriate revenue account or fund.
5 The department shall submit an annual report on or before June 1 to the state budget
6 director and the senate and house of representatives standing committees on appropriations
7 that states the amount of revenue received from the sale of information.

8 Sec. 20-917. (1) There is appropriated for write-offs and advances an amount equal to
9 total write-offs and advances for departmental programs, but not to exceed current year
10 authorizations that would otherwise lapse to the general fund.

11 (2) The department of treasury shall submit a report for the immediately preceding
12 fiscal year to the state budget director and the senate and house fiscal agencies not later
13 than November 30 stating the amounts appropriated for write-offs and advances under
14 subsection (1).

15 Sec. 20-919. (1) From funds appropriated in part 1, the department of treasury may
16 contract with private auditing firms to audit for and collect unclaimed property due this
17 state in accordance with the uniform unclaimed property act, 1995 PA 29, MCL 567.221 to
18 567.265. In addition to the amounts appropriated in part 1 to the department of treasury,
19 there are appropriated amounts necessary to fund auditing and collection costs and fees not
20 to exceed 12% of the collections, or a lesser amount as prescribed by the contract. The
21 appropriation to fund collection costs and fees for the auditing and collection of
22 unclaimed property due this state is from the fund or account to which the revenues being
23 collected are recorded or dedicated.

24 (2) The department of treasury shall submit a report for the immediately preceding
25 fiscal year ending September 30 to the state budget director and the senate and house of
26 representatives standing committees on appropriations not later than November 30 stating
27 the auditing firms employed, the amount of collections for each, the costs of collection,
28 and other pertinent information relating to determining whether this authority should be
29 continued.

30 Sec. 20-924. (1) In addition to the funds appropriated in part 1, the department of
31 treasury may receive and expend principal residence audit fund revenue for administration
32 of principal residence audits under the general property tax act, 1893 PA 206, MCL 211.1 to

1 211.155.

2 (2) The department of treasury shall submit a report for the immediately preceding
3 fiscal year to the state budget director and the senate and house fiscal agencies not later
4 than December 31 stating the amount of exemptions denied and the revenue received under the
5 program.

6 Sec. 20-926. Unexpended appropriations of the John R. Justice grant program are
7 designated as work project appropriations and shall not lapse at the end of the fiscal year
8 and shall continue to be available for expenditure until the project has been completed.
9 The following is in compliance with section 451a of the management and budget act, 1984 PA
10 431, MCL 18.1451a:

11 (a) The purpose of the project is to provide student loan forgiveness to qualified
12 public defenders and prosecutors.

13 (b) The project will be accomplished by utilizing state employees or contracts with
14 private vendors, or both.

15 (c) The total estimated cost of the project is \$288,100.00.

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

17 Sec. 20-928. The department of treasury may provide receipt, warrant and cash
18 processing, data, collection, investment, fiscal agent, levy and warrant cost assessment,
19 writ of garnishment, and other user services on a contractual basis for other principal
20 executive departments and state agencies. Funds for the services provided are appropriated
21 and shall be expended for salaries and wages, fees, supplies, and equipment necessary to
22 provide the services. Any unobligated balance of the funds received shall revert to the
23 general fund of this state as of September 30.

24 Sec. 20-930. (1) The department of treasury shall provide accounts receivable
25 collections services to other principal executive departments and state agencies under 1927
26 PA 375, MCL 14.131 to 14.134. The department of treasury shall deduct a fee equal to the
27 cost of collections from all receipts except unrestricted general fund collections. Fees
28 shall be credited to a restricted revenue account and appropriated to the department of
29 treasury to pay for the cost of collections. The department of treasury shall maintain
30 accounting records in sufficient detail to enable the respective accounts to be reimbursed
31 periodically for fees deducted that are determined by the department of treasury to be
32 surplus to the actual cost of collections.

1 (2) The department of treasury shall submit a report for the immediately preceding
2 fiscal year to the state budget director and the senate and house fiscal agencies not later
3 than November 30 stating the principal executive departments and state agencies served,
4 funds collected, and costs of collection under subsection (1).

5 Sec. 20-931. The appropriation in part 1 to the department of treasury for treasury
6 fees shall be assessed against all restricted funds that receive common cash earnings or
7 other investment income. Treasury fees include all costs, including administrative
8 overhead, relating to the investment of each restricted fund. The fee assessed against each
9 restricted fund will be based on the size of the restricted fund (the absolute value of the
10 average daily cash balance plus the market value of investments in the prior fiscal year)
11 and the level of effort necessary to maintain the restricted fund as required by each
12 department. The department of treasury shall provide a report to the state budget director,
13 the senate and house of representatives standing committees on appropriations subcommittees
14 on general government, and the senate and house fiscal agencies by November 30 of each year
15 identifying the fees assessed against each restricted fund and the methodology used for
16 assessment.

17 (2) In addition to the funds appropriated in part 1, the department of treasury may
18 receive and expend investment fees relating to new restricted funding sources that
19 participate in common cash earnings or other investment income during the current fiscal
20 year. When a new restricted fund is created starting on or after October 1, that restricted
21 fund shall be assessed a fee using the same criteria identified in subsection (1).

22 Sec. 20-932. Revenue received under the Michigan education trust act, 1986 PA 316,
23 MCL 390.1421 to 390.1442, may be expended by the board of directors of the Michigan
24 education trust for necessary salaries, wages, supplies, contractual services, equipment,
25 worker's compensation insurance premiums, and grants to the civil service commission and
26 state employees' retirement fund.

27 Sec. 20-934. The department of treasury may expend revenues received under the
28 hospital finance authority act, 1969 PA 38, MCL 331.31 to 331.84, the shared credit rating
29 act, 1985 PA 227, MCL 141.1051 to 141.1076, the higher education facilities authority act,
30 1969 PA 295, MCL 390.921 to 390.934, the Michigan public educational facilities authority,
31 Executive Reorganization Order No. 2002-3, MCL 12.192, the Michigan tobacco settlement
32 finance authority act, 2005 PA 226, MCL 129.261 to 129.279, the land bank fast track act,

1 2003 PA 258, MCL 124.751 to 124.774, part 505 of the natural resources and environmental
2 protection act, 1994 PA 451, MCL 324.50501 to 324.50522, the state housing development
3 authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c, and the Michigan finance
4 authority, Executive Reorganization Order No. 2010-2, MCL 12.194, for necessary salaries,
5 wages, supplies, contractual services, equipment, worker's compensation insurance premiums,
6 grants to the civil service commission and state employees' retirement fund, and other
7 expenses as allowed under those acts.

8 Sec. 20-935. The funds appropriated in part 1 for dual enrollment payments for an
9 eligible student enrolled in a state-approved nonpublic school shall be distributed as
10 provided under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to
11 388.524, and the career and technical preparation act, 2000 PA 258, MCL 388.1901 to
12 388.1913, in a form and manner as determined by the department of treasury.

13 Sec. 20-937. From the funds appropriated in part 1, the department of treasury shall
14 submit a report to the state budget director and the senate and house standing committees
15 on appropriations not later than March 31 regarding the performance of the Michigan
16 accounts receivable collections system. The report shall include, but is not limited to:

17 (a) Information regarding the effectiveness of the department's current collection
18 strategies, including use of vendors or contractors.

19 (b) The amount of delinquent accounts and collection referrals to vendors and
20 contractors.

21 (c) The liquidation rates for declining delinquent accounts.

22 (d) The profile of uncollected delinquent accounts, including specific uncollected
23 amounts by category.

24 (e) The department's strategy to manage delinquent accounts once those accounts
25 exceed the vendor's or contractor's contracted collectible period.

26 (f) A summary of the strategies used in other states, including, but not limited to,
27 secondary placement services, and assessing the benefits of those strategies.

28 Sec. 20-941. (1) The department of treasury, in conjunction with the Michigan
29 strategic fund, shall report to the senate and house of representatives appropriations
30 subcommittees on general government, the senate and house fiscal agencies, and the state
31 budget office by November 1 on the annual cost of the Michigan economic growth authority
32 tax credits. The report shall include for each year the board-approved credit amount,

1 adjusted for credit amendments where applicable, and the actual and projected value of tax
2 credits for each year from 1995 to the expiration of the credit program. For years for
3 which credit claims are complete, the report shall include the total of actual certificated
4 credit amounts. For years for which claims are still pending or not yet submitted, the
5 report shall include a combination of actual credits where available and projected credits.
6 Credit projections shall be based on updated estimates of employees, wages, and benefits
7 for eligible companies.

8 (2) In addition to the report under subsection (1), the department of treasury, in
9 conjunction with the Michigan strategic fund, shall report to the senate and house of
10 representatives appropriations subcommittees on general government, the senate and house
11 fiscal agencies, and the state budget office by November 1 on the annual cost of all other
12 certificated credits by program, for each year until the credits expire or can no longer be
13 collected. The report shall include estimates on the brownfield redevelopment credit, film
14 credits, MEGA photovoltaic technology credit, MEGA polycrystalline silicon manufacturing
15 credit, MEGA vehicle battery credit, and other certificated credits.

16 Sec. 20-945. Reviews of local unit assessment administration practices, procedures,
17 and records, also known as the audit of minimal assessing requirements, shall be conducted
18 in each assessment jurisdiction a minimum of once every five years.

19 Sec. 20-946. Revenue collected in the convention facility development fund is
20 appropriated and shall be distributed under sections 8 and 9 of the state convention
21 facility development act, 1985 PA 106, MCL 207.628 and 207.629.

22 Sec. 20-947. Financial independence teams shall cooperate with the financial
23 responsibility section to coordinate and streamline efforts in identifying and addressing
24 fiscal emergencies in school districts and intermediate school districts.

25 Sec. 20-949. (1) From the funds appropriated in part 1, the department of treasury
26 may contract with private agencies to prevent the disbursement of fraudulent tax refunds.
27 In addition to the amounts appropriated in part 1 to the department of treasury, there are
28 appropriated amounts necessary to pay contract costs or fund operations designed to reduce
29 fraudulent income tax refund payments not to exceed \$1,600,000.00 of the refunds identified
30 as potentially fraudulent and for which payment of the refund is denied. The appropriation
31 to fund fraud prevention efforts is from the fund or account to which the revenues being
32 collected are recorded or dedicated.

1 (2) The department of treasury shall submit a report for the immediately preceding
2 fiscal year ending September 30 to the state budget director and the senate and house of
3 representatives standing committees on appropriations not later than November 30 stating
4 the number of refund claims denied due to the fraud prevention operations, the amount of
5 refunds denied, the costs of the fraud prevention operations, and other pertinent
6 information relating to the determining whether this authority should be continued.

7 Sec. 20-949d. (1) From the funds appropriated in part 1 for financial review
8 commission, the department shall continue financial review commission efforts in the
9 current fiscal year. The purpose of the funding is to provide ongoing costs associated with
10 the operation of the commission.

11 (2) The department shall identify specific outcomes and performance measures for this
12 initiative, including, but not limited to, the department's ability to perform a critical
13 fiscal review to ensure the city of Detroit does not reenter distress following its exit
14 from bankruptcy and to ensure that the community district does not enter distress and
15 maintains a balanced budget.

16 Sec. 20-949e. From the funds appropriated in part 1 for the state essential services
17 assessment program, the department of treasury shall administer the state essential
18 services assessment program. The program will provide the department the ability to collect
19 the state essential services assessment which is a phased-in replacement of locally
20 collected personal property taxes on eligible manufacturing personal property.

21 Sec. 20-949f. Revenue from the tobacco products tax act, 1993 PA 327, MCL 205.421 to
22 205.436, related to counties with a 2000 population of more than 2,000,000 is appropriated
23 and shall be distributed under section 12(4)(d) of the tobacco products tax act, 1993 PA
24 327, MCL 205.432.

25 Sec. 20-949h. Revenue from medical marihuana facilities licensing act, 2016 PA 281, is
26 appropriated and shall be distributed in accordance with the provision in MCL 333.27601 to
27 333.27605.

28 Sec. 20-949i. From the funds appropriated in part 1 for additional staff in city
29 income tax administration, the department shall expand individual income tax returns to one
30 additional city to leveraging capabilities to assist cities with their taxation efforts.

31 Sec. 20-949j. All funds in the Wrongful imprisonment compensation fund created in
32 2016 PA 343, are appropriated and available for expenditure. Expenditures are limited to

1 support wrongful imprisonment compensation payments pursuant to the provisions of section 6
2 of 2016 PA 343.

3

4 **REVENUE SHARING**

5 Sec. 20-950. The funds appropriated in part 1 for constitutional revenue sharing
6 shall be distributed by the department of treasury to cities, villages, and townships, as
7 required under section 10 of article IX of the state constitution of 1963. Revenue
8 collected in accordance with section 10 of article IX of the state constitution of 1963 in
9 excess of the amount appropriated in part 1 for constitutional revenue sharing is
10 appropriated for distribution to cities, villages, and townships, on a population basis as
11 required under section 10 of article IX of the state constitution of 1963.

12 Sec. 20-952. (1) The funds appropriated in part 1 for city, village, and township
13 revenue sharing are for grants to cities, villages, and townships such that, subject to
14 fulfilling the requirements under subsection (3), each city, village, or township is
15 eligible to receive 100% of its eligible payment under section 952 of article VIII of 2015
16 PA 84. For purposes of this subsection, any city, village, or township that completely
17 merges with another city, village, or township will be treated as a single entity, such
18 that when determining the eligible payment under section 952 of article VIII of 2015 PA 84
19 for the combined single entity, the amount each of the merging local units was eligible to
20 receive under section 952 of article VIII of 2015 PA 84 is summed. For purposes of this
21 subsection, population is determined in the same manner as under section 3 of the Glenn
22 Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.903. In addition, any city or
23 village that according to the 2010 federal decennial census is determined to have
24 population in more than 1 county shall be treated as a single entity when determining the
25 eligible payment under section 952 of article VIII of 2015 PA 84.

26 (2) The funds appropriated in part 1 for the county incentive program are to be used
27 for grants to counties such that each county is eligible to receive an amount equal to 20%
28 of the amount by which the balance in its revenue sharing reserve fund under section 44a of
29 the general property tax act, 1893 PA 206, MCL 211.44a, for the county's most recent fiscal
30 year that ends prior to the January 1 of the state's fiscal year is less than the amount
31 calculated under section 44a(14) of the general property tax act, 1893 PA 206, MCL 211.44a,
32 for the county fiscal year that begins in the state's fiscal year. The amount calculated

1 under this subsection shall be adjusted as necessary to reflect partial county fiscal years
2 and prorated based on the total amount appropriated for distribution to all eligible
3 counties. Except as otherwise provided under this subsection, payments under this
4 subsection will be distributed to an eligible county subject to the county's fulfilling the
5 requirements under subsection (3).

6 (3) For purposes of accountability and transparency, each eligible city, village,
7 township, or county shall certify by December 1, or the first day of a payment month, that
8 it has produced a citizen's guide of its most recent local finances, including a
9 recognition of its unfunded liabilities; a performance dashboard; a debt service report
10 containing a detailed listing of its debt service requirements, including, at a minimum,
11 the issuance date, issuance amount, type of debt instrument, a listing of all revenues
12 pledged to finance debt service by debt instrument, and a listing of the annual payment
13 amounts until maturity; and a projected budget report, including, at a minimum, the current
14 fiscal year and a projection for the immediately following fiscal year. The projected
15 budget report shall include revenues and expenditures and an explanation of the assumptions
16 used for the projections. Each eligible city, village, township, or county shall include in
17 any mailing of general information to its citizens the Internet website address location
18 for its citizen's guide, performance dashboard, debt service report, and projected budget
19 report or the physical location where these documents are available for public viewing in
20 the city, village, township, or county clerk's office. Each city, village, township, and
21 county applying for a payment under this subsection shall submit a copy of the performance
22 dashboard, a copy of the debt service report, and a copy of the projected budget report to
23 the department of treasury. In addition, each eligible city, village, township, or county
24 applying for a payment under this subsection shall either submit a copy of the citizen's
25 guide or certify that the city, village, township, or county will be utilizing Treasury's
26 online citizen's guide. The department of treasury shall develop detailed guidance for a
27 city, village, township, or county to follow to meet the requirements of this subsection.
28 The detailed guidance shall be posted on the department of treasury website and distributed
29 to cities, villages, townships, and counties by October 1.

30 (4) City, village, and township revenue sharing payments and county incentive program
31 payments are subject to the following conditions:

32 (a) The city, village, township, or county shall certify to the department that it

1 has met the required criteria for subsection (3) and submitted the required citizen's
2 guide, performance dashboard, debt service report, and projected budget report as required
3 by subsection (3). A department of treasury review of the citizen's guide, dashboard, or
4 reports is not required in order for a city, village, township, or county to receive a
5 payment under subsection (1) or (2). The department shall develop a certification process
6 and method for cities, villages, townships, and counties to follow.

7 (b) Subject to subdivisions (c), (d), and (e), if a city, village, township, or
8 county meets the requirements of subsection (3), the city, village, township, or county
9 shall receive its full potential payment under this section.

10 (c) Cities, villages, and townships eligible to receive a payment under subsection
11 (1) shall receive 1/6 of their eligible payment on the last business day of October,
12 December, February, April, June, and August. Payments under subsection (1) shall be issued
13 to cities, villages, and townships until the specified due date for subsection (3). After
14 the specified due date for subsection (3), payments shall be made to a city, village, or
15 township only if that city, village, or township has complied with subdivision (a).

16 (d) Payments under subsection (2) shall be issued to counties until the specified due
17 date for subsection (3). After the specified due date for subsection (3), payments shall be
18 made to a county only if that county has complied with subdivision (a).

19 (e) If a city, village, township, or county does not submit the required
20 certification, citizen's guide, performance dashboard, debt service report, and projected
21 budget report by December 1, or the first day of a payment month, the city, village,
22 township, or county shall either defer or forfeit the payment in that payment month. In
23 order to qualify for a deferred payment of any previously forfeited amounts, a city,
24 village, township, or county shall submit the required certification, citizen's guide,
25 performance dashboard, debt service report, and projected budget report by April 1. The
26 deferred payments shall be paid on the last business day of August.

27 (f) Any city, village, township, or county that falsifies certification documents
28 shall forfeit any future city, village, and township revenue sharing payments or county
29 incentive program payments and shall repay to this state all payments it has received under
30 this section.

31 (g) City, village, and township revenue sharing payments and county incentive program
32 payments under this section shall be distributed on the last business day of October,

1 December, February, April, June, and August.

2 (h) Payments distributed under this section may be withheld pursuant to sections 17a
3 and 21 of the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.917a and
4 141.921.

5 (5) The unexpended funds appropriated in part 1 for city, village, and township
6 revenue sharing and the county incentive program shall be available for expenditure under
7 the program for financially distressed cities, villages, and townships after the approval
8 of transfers by the legislature pursuant to section 393(2) of the management and budget
9 act, 1984 PA 431, MCL 18.1393.

10 Sec. 20-955. (1) The funds appropriated in part 1 for county revenue sharing shall be
11 distributed by the department of treasury so that each eligible county receives a payment
12 equal to 100.976% of the amount determined pursuant to the Glenn Steil state revenue
13 sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921, less the amount for which the
14 county is eligible under section 952(2). The amount calculated under this subsection shall
15 be adjusted as necessary to reflect partial county fiscal years and prorated based on the
16 total amount appropriated for distribution to all eligible counties.

17 (2) The department of treasury shall annually certify to the state budget director
18 the amount each county is authorized to expend from its revenue sharing reserve fund.

19 Sec. 20-956. (1) The funds appropriated in part 1 for financially distressed cities,
20 villages, and townships shall be granted by the department of treasury to cities, villages,
21 and townships that have 1 or more conditions that indicate probable financial distress, as
22 determined by the department of treasury. A city, village, or township with 1 or more
23 conditions that indicate probable financial distress may apply in a manner determined by
24 the department of treasury for a grant to pay for specific projects or services that move
25 the city, village, or township toward financial stability. Grants are to be used for
26 specific projects or services that move the city, village, or township toward financial
27 stability. The city, village, or township may use, but is not limited to using, the grants
28 under this section to make payments to reduce unfunded accrued liability; to repair or
29 replace critical infrastructure and equipment owned or maintained by the city, village, or
30 township; to reduce debt obligations; or for costs associated with a transition to shared
31 services with another jurisdiction. The department of treasury shall award no more than
32 \$2,000,000.00 to any city, village, or township under this section.

1 (2) The department of treasury shall provide a report to the senate and house of
2 representatives appropriations subcommittees on general government, the senate and house
3 fiscal agencies, and the state budget office by March 31. The report shall include a list
4 by grant recipient of the date each grant was approved, the amount of the grant, and a
5 description of the project or projects that will be paid by the grant.

6 (3) The unexpended funds appropriated in part 1 for financially distressed cities,
7 villages, and townships are designated as a work project appropriation, and any
8 unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be
9 available for expenditure for projects under this section until the projects have been
10 completed. The following is in compliance with section 451a of the management and budget
11 act, 1984 PA 431, MCL 18.1451a:

12 (a) The purpose of the project is to provide assistance to financially distressed
13 cities, villages, and townships under this section.

14 (b) The projects will be accomplished by grants to cities, villages, and townships
15 approved by the department of treasury.

16 (c) The total estimated cost of all projects is \$5,000,000.00.

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

18

19 **BUREAU OF STATE LOTTERY**

20 Sec. 20-960. In addition to the funds appropriated in part 1 to the bureau of state
21 lottery, there is appropriated from state lottery fund revenues the amount necessary for,
22 and directly related to, implementing and operating lottery games under the McCauley-
23 Traxler-Law-Bowman-McNeely lottery act, 1972 PA 239, MCL 432.1 to 432.47, and activities
24 under the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.120,
25 including expenditures for contractually mandated payments for vendor commissions,
26 contractually mandated payments for instant tickets intended for resale, the contractual
27 costs of providing and maintaining the online system communications network, and incentive
28 and bonus payments to lottery retailers.

29 Sec. 20-964. For the bureau of state lottery, there is appropriated 1% of the
30 lottery's prior fiscal year's gross sales or \$25,000,000.00, whichever is less, for
31 promotion and advertising.

32

1 **GAMING CONTROL**

2 Sec. 20-971. From the revenue collected by the Michigan gaming control board
3 regarding the total annual assessment of each casino licensee, \$2,000,000.00 is
4 appropriated and shall be deposited in the compulsive gaming prevention fund as described
5 in section 12a(5) of the Michigan gaming control and revenue act, 1996 IL 1, MCL 432.212a.

6 Sec. 20-973. (1) Funds appropriated in part 1 for local government programs may be
7 used to provide assistance to a local revenue sharing board referenced in an agreement
8 authorized by the Indian gaming regulatory act, Public Law 100-497.

9 (2) A local revenue sharing board described in subsection (1) shall comply with the
10 open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and the freedom of information act,
11 1976 PA 442, MCL 15.231 to 15.246.

12 (3) A county treasurer is authorized to receive and administer funds received for and
13 on behalf of a local revenue sharing board. Funds appropriated in part 1 for local
14 government programs may be used to audit local revenue sharing board funds held by a county
15 treasurer. This section does not limit the ability of local units of government to enter
16 into agreements with federally recognized Indian tribes to provide financial assistance to
17 local units of government or to jointly provide public services.

18 (4) A local revenue sharing board described in subsection (1) shall comply with all
19 applicable provisions of any agreement authorized by the Indian gaming regulatory act,
20 Public Law 100-497, in which the local revenue sharing board is referenced, including, but
21 not limited to, the disbursement of tribal casino payments received under applicable
22 provisions of the tribal-state class III gaming compact in which those funds are received.

23 (5) The director of the department of state police and the executive director of the
24 Michigan gaming control board are authorized to assist the local revenue sharing boards in
25 determining allocations to be made to local public safety organizations.

26 (6) The Michigan gaming control board shall submit a report by September 30 to the
27 senate and house of representatives standing committees on appropriations and the state
28 budget director on the receipts and distribution of revenues by local revenue sharing
29 boards.

30 Sec. 20-974. If revenues collected in the state services fee fund are less than the
31 amounts appropriated from the fund, available revenues shall be used to fully fund the
32 appropriation in part 1 for casino gaming regulation activities before distributions are

1 made to other state departments and agencies. If the remaining revenue in the fund is
2 insufficient to fully fund appropriations to other state departments or agencies, the
3 shortfall shall be distributed proportionally among those departments and agencies.

4 Sec. 20-976. The executive director of the Michigan gaming control board may pay
5 rewards of not more than \$5,000.00 to a person who provides information that results in the
6 arrest and conviction on a felony or misdemeanor charge for a crime that involves the horse
7 racing industry. A reward paid pursuant to this section shall be paid out of the
8 appropriation in part 1 for the racing commission.

9 Sec. 20-977. All appropriations from the Michigan agriculture equine industry
10 development fund, except for the racing commission appropriations, shall be reduced
11 proportionately if revenues to the Michigan agriculture equine industry development fund
12 decline during the fiscal year ending September 30, 2018 to a level lower than the amount
13 appropriated in part 1.

14 Sec. 20-978. The Michigan gaming control board shall use actual expenditure data in
15 determining the actual regulatory costs of conducting racing dates and shall provide that
16 data to the senate and house appropriations subcommittees on agriculture and general
17 government, the state budget office, and the senate and house fiscal agencies. The Michigan
18 gaming control board shall not be reimbursed for more than the actual regulatory cost of
19 conducting race dates. Prior to the reduction in the number of authorized race dates due to
20 budget deficits, the executive director of the Michigan gaming control board shall provide
21 notice to the certified horsemen's organizations with an opportunity to respond with
22 alternatives. In determining actual costs, the Michigan gaming control board shall take
23 into account that each specific breed may require different regulatory mechanisms.

24 Sec. 20-979. In addition to the funds appropriated in part 1, the Michigan gaming
25 control board may receive and expend state lottery fund revenue in an amount not to exceed
26 \$4,000,000.00 for necessary expenses incurred in the licensing and regulation of
27 millionaire parties pursuant to Executive Order No. 2012-4. In accordance with section 8 of
28 the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.108, the amount of
29 necessary expenses shall not exceed the amount of revenue received under that act. The
30 Michigan gaming control board shall provide a report to the senate and house of
31 representatives appropriations subcommittees on general government, the senate and house
32 fiscal agencies, and the state budget office by April 15. The report shall include, but not

1 be limited to, total expenditures related to the licensing and regulating of millionaire
2 parties, steps taken to ensure charities are receiving revenue due to them, progress on
3 promulgating rules to ensure compliance with the Traxler-McCauley-Law-Bowman bingo act,
4 1972 PA 382, MCL 432.101 to 432.120, and any enforcement actions taken.

5

6 **STATE BUILDING AUTHORITY**

7 Sec. 20-1100. (1) Subject to section 242 of the management and budget act, 1984 PA
8 431, MCL 18.1242, and upon the approval of the state building authority, the department of
9 treasury may expend from the general fund of the state during the fiscal year an amount to
10 meet the cash flow requirements of those state building authority projects solely for lease
11 to a state agency identified in both part 1 and this section, and for which state building
12 authority bonds or notes have not been issued, and for the sole acquisition by the state
13 building authority of equipment and furnishings for lease to a state agency as permitted by
14 1964 PA 183, MCL 830.411 to 830.425, for which the issuance of bonds or notes is authorized
15 by a legislative appropriation act that is effective for the immediately preceding fiscal
16 year. Any general fund advances for which state building authority bonds have not been
17 issued shall bear an interest cost to the state building authority at a rate not to exceed
18 that earned by the state treasurer's common cash fund during the period in which the
19 advances are outstanding and are repaid to the general fund of the state.

20 (2) Upon sale of bonds or notes for the projects identified in part 1 or for
21 equipment as authorized by a legislative appropriation act and in this section, the state
22 building authority shall credit the general fund of the state an amount equal to that
23 expended from the general fund plus interest, if any, as defined in this section.

24 (3) For state building authority projects for which bonds or notes have been issued
25 and upon the request of the state building authority, the state treasurer shall make
26 advances without interest from the general fund as necessary to meet cash flow requirements
27 for the projects, which advances shall be reimbursed by the state building authority when
28 the investments earmarked for the financing of the projects mature.

29 (4) In the event that a project identified in part 1 is terminated after final design
30 is complete, advances made on behalf of the state building authority for the costs of final
31 design shall be repaid to the general fund in a manner recommended by the director.

32 Sec. 20-1102. (1) State building authority funding to finance construction or

1 renovation of a facility that collects revenue in excess of money required for the
2 operation of that facility shall not be released to a university or community college
3 unless the institution agrees to reimburse that excess revenue to the state building
4 authority. The excess revenue shall be credited to the general fund to offset rent
5 obligations associated with the retirement of bonds issued for that facility. The auditor
6 general shall annually identify and present an audit of those facilities that are subject
7 to this section. Costs associated with the administration of the audit shall be charged
8 against money recovered pursuant to this section.

9 (2) As used in this section, "revenue" includes state appropriations, facility
10 opening money, other state aid, indirect cost reimbursement, and other revenue generated by
11 the activities of the facility.

12 Sec. 20-1103. The state building authority shall provide to the JCOS and senate and
13 house fiscal agencies a report relative to the status of construction projects associated
14 with state building authority bonds as of September 30 of each year, on or before October
15 15, or not more than 30 days after a refinancing or restructuring bond issue is sold. The
16 report shall include, but is not limited to, the following:

17 (a) A list of all completed construction projects for which state building authority
18 bonds have been sold, and which bonds are currently active.

19 (b) A list of all projects under construction for which sale of state building
20 authority bonds is pending.

21 (c) A list of all projects authorized for construction or identified in an
22 appropriations act for which approval of schematic/preliminary plans or total authorized
23 cost is pending that have state building authority bonds identified as a source of
24 financing.

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Article 21

MISCELLANEOUS

PART 1

PROVISIONS CONCERNING APPROPRIATIONS

Sec. 21-101. The appropriations in this article are subject to the following provisions concerning appropriations for the fiscal year ending September 30, 2018:

1 **GENERAL SECTIONS**

2 Sec. 21-201. (1) Pursuant to section 30 of article IX of the state constitution of
 3 1963, total state spending from state sources for fiscal year 2018 is estimated at
 4 \$31,907,902,400.00 in the 2018 appropriations acts and total state spending from state
 5 sources paid to local units of government for fiscal year 2018 is estimated at
 6 \$17,680,019,300.00. The state-local proportion is estimated at 55.4% of total state spending
 7 from state resources.

8 (2) If payments to local units of government and state spending from state sources for
 9 fiscal year 2018 are different than the amounts estimated in subsection (1), the state budget
 10 director shall report the payments to local units of government and state spending from state
 11 sources that were made for fiscal year 2018 to the senate and house of representatives
 12 standing committees on appropriations within 30 days after the final book-closing for fiscal
 13 year 2018.

14 Sec. 21-202. The appropriations authorized under this bill are subject to the
 15 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

16 Sec. 21-211. (1) Pursuant to section 352 of the management and budget act, 1984 PA
 17 431, MCL 18.1352, which provides for a transfer of state general fund revenue into or out of
 18 the countercyclical budget and economic stabilization fund, the calculations required by
 19 section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, are determined as
 20 follows:

	2016	2017	2018
Michigan personal income (millions)	\$440,101	\$457,265	\$474,183
less: transfer payments	94,290	98,721	103,657
Subtotal	\$345,811	\$358,544	\$370,526
Divided by: Detroit Consumer Price			
Index for 12 months ending June 30	2.202	2.250	2.293
Equals: real adjusted Michigan			
personal income	\$157,044	\$159,321	\$161,576
Percentage change	N/A	1.4%	1.4%
Growth rate in excess of 2%?	N/A	NO	NO
Equals: countercyclical budget and			
economic stabilization fund pay-in			

1	calculation for the fiscal year ending			
2	September 30, 2018 (millions)	N/A	\$0.0	N/A
3	Growth rate less than 0%?	N/A	NO	NO

4 Equals: countercyclical budget and
5 economic stabilization fund pay-out
6 calculation for the fiscal year ending

7	September 30, 2018 (millions)	N/A	N/A	\$0.0
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8 (2) Notwithstanding subsection (1), there is appropriated for the fiscal year ending
9 September 30, 2018, from general fund/general purpose revenue for deposit into the
10 countercyclical budget and economic stabilization fund the sum of \$175,000.000.00.

11 (3) In addition to the appropriation to the countercyclical budget and economic
12 stabilization fund in subsection (2), there is appropriated to the countercyclical budget and
13 economic stabilization fund for the fiscal year ending September 30, 2018, 25 percent of the
14 fiscal year 2017 general fund/general purpose unassigned fund balance recorded as part of the
15 state book closing process for the 2017 fiscal year.

16 Sec. 21-240. (1) Concurrently with the submission of the fiscal year 2019 executive
17 budget recommendations, the state budget office shall provide the senate and house
18 appropriations committees, the senate and house fiscal agencies, and the policy offices, a
19 report that lists each new program or program enhancement for which funds in excess of
20 \$500,000.00 are appropriated in part 1 of each departmental appropriation act.

21 (2) By July 1, 2018, the state budget director and the chairs of the senate and house
22 appropriations committees shall identify new programs or program enhancements identified
23 under subsection (1) for measurement using program-specific metrics, in addition to the
24 metrics required under section 447 of the management and budget act, 1984 PA 431, MCL
25 18.1447.

26 (3) By September 30, 2019, the state budget office shall provide a report on the
27 specific metrics and the progress in meeting the estimated performance for each program
28 identified under subsection (2) to the senate and house appropriations committees, the senate
29 and house appropriations subcommittees on each state department, and the senate and house
30 fiscal agencies and policy offices. It is the intent of the legislature that the governor
31 consider the estimated performance of the new program or program enhancement as the basis for
32 any increase in funds appropriated from the prior year.

1 REVENUE STATEMENT

2 Sec. 21-301. Pursuant to section 18 of article V of the state constitution of 1963,
3 fund balances and estimates are presented in the following statement:

4 BUDGET RECOMMENDATIONS BY OPERATING FUNDS

5 (Amounts in millions)

6 Fiscal Year 2018

7

8			Estimated	
9	Beginning	Estimated	Ending	
10	Balance	Revenue	Balance	
11	OPERATING FUNDS			
12	General fund/general purpose	366.0	10,057.5	7.6
13	School aid fund	143.4	14,797.0	7.6
14	Federal aid	0.0	20,128.1	0.0
15	Transportation funds	0.0	5,604.6	0.0
16	Special revenue funds	0.0	6,906.9	0.0
17	Other funds	709.1	28.4	1,004.0
18	TOTALS	\$1,218.5	\$57,522.5	\$1,019.2