SUBSTITUTE FOR

HOUSE BILL NO. 4323

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

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

ARTICLE I

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of agriculture and rural development for the fiscal year ending September 30, 2018, from the following funds:

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	491.5	
GROSS APPROPRIATION		$ 104,528,800
Interdepartmental grant revenues:		
IDG from LARA (LCC), liquor quality testing fees		221,800
IDG from MDEQ, biosolids		88,500
Total interdepartmental grants and intradepartmental transfers		310,300
ADJUSTED GROSS APPROPRIATION		$ 104,218,500
Federal revenues:		
Department of Interior		238,800
EPA, multiple grants		1,268,100
HHS, multiple grants		3,633,900
USDA, multiple grants		6,133,100
Total federal revenues		11,273,900
Special revenue funds:		
Private - commodity group revenue		80,500
Private – Slow the Spread Foundation		21,100
Total private revenues		101,600
Agricultural preservation fund		1,427,800
Agriculture equine industry development fund		3,667,200
Agriculture licensing and inspection fees		4,065,800
Animal welfare fund		193,300
Commodity inspection fees		710,700
Consumer and industry food safety education fund		355,800

Dairy and food safety fund			5,925,300
Drinking water declaration of emergency reserve fund			100
Feed control fund			1,243,200
Fertilizer control fund			849,900
Freshwater protection fund			7,914,500
Gasoline inspection and testing fund			1,504,700
Grain dealers fee fund			580,000
Horticulture fund			38,800
Industry support funds			444,900
Migratory labor housing fund			167,800
Nonretail liquor fees			908,900
Private forestland enhancement fund			480,200
Refined petroleum fund			3,197,100
Rural development fund			2,000,000
Testing fees			265,000
Weights and measures regulation fees			720,000
Total other state restricted revenues			36,661,000
State general fund/general purpose		$	56,182,000

Sec. 102. DEPARTMENTWIDE

Full-time equated unclassified positions	6.0		
Full-time equated classified positions	24.0		
Unclassified positions--6.0 FTE positions		$	562,300
Accounting service center			1,150,400
Commissions and boards			23,800
Emergency management--4.0 FTE positions			979,600
Executive direction--20.0 FTE positions			2,216,900
Property management			709,000

GROSS APPROPRIATION		$	5,642,000
Appropriated from:			
Federal revenues:			
HHS, multiple grants			334,400
Special revenue funds:			
Agricultural preservation fund			17,000
Agriculture licensing and inspection fees			127,700
Freshwater protection fund			25,300
Industry support funds			54,300
Nonretail liquor fees			30,500
State general fund/general purpose		$	5,052,800

Sec. 103. INFORMATION AND TECHNOLOGY

Information technology services and projects		$	1,778,500
GROSS APPROPRIATION		$	1,778,500
Appropriated from:			
Interdepartmental grant revenues:			
IDG from LARA (LCC), liquor quality testing fees			3,200
Special revenue funds:			
Agricultural preservation fund			200
Agriculture licensing and inspection fees			93,800
Dairy and food safety fund			61,200
Freshwater protection fund			100
Gasoline inspection and testing fund			31,800
Nonretail liquor fees			500
State general fund/general purpose		$	1,587,700

Sec. 104. FOOD AND DAIRY

Full-time equated classified positions 125.0

Food safety and quality assurance--94.0 FTE positions	$	16,648,400
Milk safety and quality assurance--31.0 FTE positions		4,510,300
GROSS APPROPRIATION	$	21,158,700
Appropriated from:		
Federal revenues:		
HHS, multiple grants		2,301,500
USDA, multiple grants		136,300
Special revenue funds:		
Consumer and industry food safety education fund		355,800
Dairy and food safety fund		5,373,900
State general fund/general purpose	$	12,991,200

Sec. 105. ANIMAL INDUSTRY

Full-time equated classified positions 61.0		
Animal agriculture initiative	$	399,000
Animal disease prevention and response--61.0 FTE positions		9,267,300
Indemnification - livestock depredation		50,000
GROSS APPROPRIATION	$	9,716,300
Appropriated from:		
Federal revenues:		
Department of Interior		40,800
HHS, multiple grants		46,600
USDA, multiple grants		528,600
Special revenue funds:		
Private - commodity group revenue		30,500
Agriculture licensing and inspection fees		69,700
Animal welfare fund		193,300

State general fund/general purpose		$	8,806,800
Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT			
Full-time equated classified positions	94.0		
Pesticide and plant pest management--88.0 FTE positions		$	14,073,800
Producer security/grain dealers--6.0 FTE positions			618,500
GROSS APPROPRIATION		$	14,692,300
Appropriated from:			
Federal revenues:			
Department of Interior			101,700
EPA, multiple grants			536,700
HHS, multiple grants			325,100
USDA, multiple grants			715,000
Special revenue funds:			
Private – Slow the Spread Foundation			21,100
Agriculture licensing and inspection fees			3,543,200
Commodity inspection fees			709,600
Feed control fund			1,056,600
Fertilizer control fund			825,900
Freshwater protection fund			154,600
Grain dealers fee fund			572,100
Horticulture fund			38,800
Industry support funds			248,000
State general fund/general purpose		$	5,843,900
Sec. 107. ENVIRONMENTAL STEWARDSHIP			
Full-time equated classified positions	63.5		
Environmental stewardship - MAEAP--25.0 FTE positions		$	10,236,600

Farmland and open space preservation--10.0 FTE positions			1,623,100
Intercounty drain--5.0 FTE positions			672,900
Migrant labor housing--9.0 FTE positions			1,206,800
Qualified forest program--9.0 FTE positions			2,351,200
Right-to-farm--5.5 FTE positions			820,800
GROSS APPROPRIATION		$	16,911,400
Appropriated from:			
Interdepartmental grant revenues:			
IDG from MDEQ, biosolids			88,500
Federal revenues:			
Department of Interior			96,300
EPA, multiple grants			558,700
USDA, multiple grants			822,300
Special revenue funds:			
Agricultural preservation fund			1,410,600
Freshwater protection fund			7,689,500
Migratory labor housing fund			139,200
Private forestland enhancement fund			480,200
State general fund/general purpose		$	5,626,100
Sec. 108. LABORATORY PROGRAM			
Full-time equated classified positions	107.0		
Central licensing and customer call center--11.0 FTE positions		$	1,218,000
Consumer protection program--41.0 FTE positions			6,711,200
Laboratory services--42.0 FTE positions			6,829,000
USDA monitoring--13.0 FTE positions			1,622,100

GROSS APPROPRIATION		$	16,380,300
Appropriated from:			
Interdepartmental grant revenues:			
IDG from LARA (LCC), liquor quality testing fees			218,600
Federal revenues:			
EPA, multiple grants			172,700
HHS, multiple grants			626,300
USDA, multiple grants			1,623,200
Special revenue funds:			
Agriculture licensing and inspection fees			231,400
Commodity inspection fees			1,100
Dairy and food safety fund			490,200
Feed control fund			186,600
Fertilizer control fund			24,000
Freshwater protection fund			45,000
Gasoline inspection and testing fund			1,472,900
Grain dealers fee fund			7,900
Migratory housing fund			28,600
Refined petroleum fund			3,197,100
Testing fees			265,000
Weights and measures regulation fees			720,000
State general fund/general purpose		$	7,069,700

Sec. 109. AGRICULTURE DEVELOPMENT

Full-time equated classified positions	17.0		
Agriculture development--12.0 FTE positions		$	4,019,800
Food and agriculture investment program			2,500,000
Grape and wine program--3.0 FTE positions			927,000

Rural development fund grant program--1.0 FTE position			2,000,000
Statistical reporting service--1.0 FTE position			204,700
GROSS APPROPRIATION		$	9,651,500
Appropriated from:			
Federal revenues:			
USDA, multiple grants			2,307,700
Special revenue funds:			
Industry support funds			142,600
Nonretail liquor fees			877,900
Private - commodity group revenue			50,000
Rural development fund			2,000,000
State general fund/general purpose		$	4,273,300
Sec. 110. FAIRS AND EXPOSITIONS			
County fairs, shows, and expositions		$	300,400
Festivals and events			100
Fairs and racing			256,600
Licensed tracks - light horse racing			40,300
Light horse racing - breeders' awards			20,000
Purses and supplements - fairs/licensed tracks			708,300
Standardbred breeders' awards			345,900
Standardbred purses and supplements - licensed tracks			671,800
Standardbred sire stakes			275,000
Thoroughbred breeders' awards			368,600
Thoroughbred sire stakes			378,800
Thoroughbred supplements - licensed tracks			601,900
GROSS APPROPRIATION		$	3,967,700

Appropriated from:		
Special revenue funds:		
Agriculture equine industry development fund		3,667,200
State general fund/general purpose	$	300,500
Sec. 111. ONE-TIME BASIS ONLY		
Double-up food bucks (statewide)	$	750,000
Drinking water declaration of emergency		680,100
Enhanced wildlife risk management project		500,000
Intercounty drain		250,000
Tree fruit commission		1,250,000
Michigan State University state-of-the-art fruit and vegetable processing mobile stand-alone units ...		1,200,000
GROSS APPROPRIATION	$	4,630,100
Appropriated from:		
Drinking water declaration of emergency reserve fund .		100
State general fund/general purpose	$	4,630,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2017-2018 is $92,843,000.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 is $6,850,000.00. The itemized

statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

Environmental stewardship/MAEAP	$	4,250,000
Enhanced wildlife risk management project		500,000
Qualified forest program		1,500,000
Rural development fund grant program		600,000
TOTAL	$	6,850,000

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

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

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

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

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

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

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

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

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

(h) "IDG" means interdepartmental grant.

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

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

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

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

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

(n) "MOU" means memorandum of understanding.

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

(p) "TB" means tuberculosis.

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

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

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

competitively priced and of comparable quality.

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

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

(a) The dates of each travel occurrence.

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

Sec. 208. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of

the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

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

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

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

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $100,000.00 for local contingency funds. These funds are not available for expenditure

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

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

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

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the subcommittees, respectively, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state

restricted fund expenditures for the fiscal years ending September 30, 2017 and September 30, 2018.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2018 is $12,400,000.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $6,381,100.00. Total agency appropriations for retiree health care legacy costs are estimated at $6,018,900.00.

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

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

DEPARTMENTAL ADMINISTRATION AND SUPPORT

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

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

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

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

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

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

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

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

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

(4) On or before February 1 of each year, the department shall provide a report to the subcommittees, the fiscal agencies, and the

state budget office detailing all the fees charged by the department under the authorization provided in this section, including, but not limited to, rates, number of individuals paying each fee, and the revenue generated by each fee in the previous fiscal year.

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

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

FOOD AND DAIRY

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

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

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

Sec. 403. It is the intent of the legislature that the department work with the FDA and representatives of agriculture producers to develop on-farm food safety education and training programs to assist producers in implementing the food safety modernization act, Public Law 111-353, requirements. The department may receive and expend federal revenues in excess of the federal revenue appropriated in part 1, section 104, for food safety modernization act, Public Law 111-353, education and training program activities. The department shall notify the subcommittees and the fiscal agencies prior to expending federal revenues authorized under this section.

ANIMAL INDUSTRY

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

Sec. 452. The department shall report on the previous calendar

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

Sec. 453. (1) From the funds appropriated in part 1 for animal disease prevention and response, the department may provide for indemnity pursuant to the animal industry act, 1988 PA 466, MCL 287.701 to 287.746, not to exceed $100,000.00 per order. Any indemnification agreement between the department and an owner of livestock that exceeds $100,000.00 shall be subject to specific appropriation by the legislature.

(2) The department shall not make an indemnification payment under the animal industry act, 1988 PA 466, MCL 287.701 to 287.746, until the department provides all of the following information to the subcommittees, the fiscal agencies, and the state budget office:

(a) The reason for the indemnification.

(b) The amount of the indemnification.

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

(4) The department shall include in the annual report required under section 452 all indemnification payments for livestock depredation made in the 15-month period ending December 31, 2017. The report shall include all of the following information:

(a) The reason for the indemnification.

(b) The amount of the indemnification.

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

Sec. 454. The department shall use its resources to collaborate with the USDA to monitor bovine TB, consistent with the May 2014 memorandum of understanding between the department and the USDA.

Sec. 457. (1) On or before October 15, 2017, the department shall provide to the subcommittees, the fiscal agencies, and the state budget office a report on bovine TB status and department activities.

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

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

Sec. 459. It is the intent of the legislature that the department shall not conduct whole herd bovine TB testing on any 1 herd in a TB-free zone more often than every 4 years or re-test until all other herds in their county have been tested, unless involved in an epidemiological investigation, there is an outbreak within a 10-radius-mile area, or is not on a verified wildlife risk mitigated premises. If there is an outbreak within a 10-radius-mile area, protocols outlined by the current memorandum of understanding with the USDA shall be used.

Sec. 461. (1) From the funds appropriated in part 1 for bovine TB risk mitigation, the department shall establish a program to identify and mitigate risks related to the transmission of bovine TB from the wildlife to cattle. Risk mitigation activities shall include matching grants to livestock producers to implement risk mitigation projects. Risk mitigation matching grants made under this section may provide no more than 50% of the cost of risk mitigation projects. Grants under this section may be made only for risk mitigation projects identified and approved by the department prior to the start of project activity. The department may work with local conservation districts in implementing the bovine TB risk mitigation program.

(2) From the funds appropriated in part 1 for bovine TB risk

mitigation, not to exceed $20,000.00, the department shall establish a matching grant program to assist in the construction of protective systems for apiaries. The department may make grants under this program to reimburse apiary owners for costs of projects designed to protect apiaries from damage by wildlife, subject to all of the following:

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

(b) Grants may not exceed 50% of project cost.

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

PESTICIDE AND PLANT PEST MANAGEMENT

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

ENVIRONMENTAL STEWARDSHIP

Sec. 601. The funds appropriated in part 1 for environmental stewardship/MAEAP shall be used to support department agriculture pollution prevention programs, including groundwater and freshwater protection programs under part 87 of the Michigan natural resources and environmental protection act, 1994 PA 451, MCL 324.8701 to 324.8717, and technical assistance in implementing conservation grants available under the federal farm bill of 2014.

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

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

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

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

LABORATORY PROGRAM

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

AGRICULTURE DEVELOPMENT

Sec. 702. The department shall work with the rural development fund board to establish a process and criteria for funding projects as well as establishing metrics and measurable outcomes for the program. Funds appropriated from the rural development fund shall be used in accordance with the provisions of the rural development fund act, 2012 PA 411, MCL 286.941 to 286.947.

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

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

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

(a) The name of the grantee.

(b) The amount of the grant.

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

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

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

Sec. 709. (1) Not later than April 1 of the current fiscal

year, the department shall provide a report to the subcommittees, fiscal agencies, and the state budget office describing the activities of the grape and wine industry council established under section 303 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1303.

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

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

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

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

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

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

(3) In addition to the funds appropriated in part 1, the department may receive and expend funds received from outside

sources for the food and agriculture investment program.

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

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

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

(7) The unexpended portion of the food and agriculture investment program is a work project appropriation in accordance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a. All of the following apply to the project:

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

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

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

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

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

(a) Grants.

(b) Loans or loan guarantees.

(c) Infrastructure development.

(d) Other economic assistance.

(e) Program administration.

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

FAIRS AND EXPOSITIONS

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

Sec. 802. All appropriations from the agriculture equine

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

Sec. 804. It is the intent of the legislature that the Michigan gaming control board shall use actual expenditure data in determining the actual regulatory costs of conducting racing dates and shall provide that data to the senate and house of representatives appropriations subcommittees on agriculture and rural development and general government and the fiscal agencies by November 1 of the current fiscal year. The Michigan gaming control board shall not be reimbursed for more than the actual regulatory cost of conducting race dates. If a certified horsemen's organization funds more than the actual regulatory cost, the balance shall remain in the agriculture equine industry development fund to be used to fund subsequent race dates conducted by race meeting licensees with which the certified horsemen's organization has contracts. If a certified horsemen's organization funds less than the actual regulatory costs of the additional horse racing dates, the Michigan gaming control board shall reduce the number of future race dates conducted by race meeting licensees with which the certified horsemen's organization has contracts. Prior to the reduction in the number of authorized race dates due to budget deficits, the executive director of the Michigan gaming control board shall provide notice to the certified horsemen's

organizations with an opportunity to respond with alternatives. In determining actual costs, the Michigan gaming control board shall take into account that each specific breed may require different regulatory mechanisms.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(8) The department shall provide a year-end report on the county fairs, shows, and expositions grants no later than December 1, 2018 to the subcommittees, the fiscal agencies, and the state budget director that includes a listing of the grantees, award

amounts, match funding, and project outcomes.

ONE-TIME APPROPRIATIONS

Sec. 901. (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) Genesee County food inspectors to perform water testing at local food service establishments.

(b) Nutritional incentives provided to local residents through the double up food bucks expansion program.

(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.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2019 for the line items listed in part 1. The fiscal year 2018-2019 appropriations are anticipated to be the same as those for fiscal year 2017-2018, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2018 consensus revenue estimating conference.

ARTICLE V

DEPARTMENT OF CORRECTIONS

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of corrections for the fiscal year ending September 30, 2018, from the following funds:

DEPARTMENT OF CORRECTIONS

APPROPRIATION SUMMARY

Average population 41,000			
Full-time equated unclassified positions 16.0			
Full-time equated classified positions 13,803.9			
GROSS APPROPRIATION	$	2,007,919,200
Interdepartmental grant revenues:			
Total interdepartmental grants and intradepartmental transfers			0
ADJUSTED GROSS APPROPRIATION	$	2,007,919,200
Federal revenues:			
Total federal revenues			5,293,800
Special revenue funds:			
Total local revenues			8,842,400
Total private revenues			0
Total other state restricted revenues			39,649,400
State general fund/general purpose	$	1,954,133,600

Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated unclassified positions 16.0		
Full-time equated classified positions 270.0		
Unclassified salaries--16.0 FTE positions	$	1,847,600
Administrative hearings officers		3,231,400
Budget and operations administration--188.0 FTE positions		25,322,500
Compensatory buyout and union leave bank		100
County jail reimbursement program		15,064,600
Equipment and special maintenance		1,559,700
Executive direction--20.0 FTE positions		4,238,300
Judicial data warehouse user fees		50,600

New custody staff training			9,411,200
Prison industries operations--62.0 FTE positions			9,893,600
Property management			2,413,100
Prosecutorial and detainer expenses			5,001,000
Sheriffs' coordinating and training office			100,000
Worker's compensation			10,482,200
GROSS APPROPRIATION		$	88,615,900
Appropriated from:			
Federal revenues:			
DOJ, prison rape elimination act grant			674,700
Special revenue funds:			
Correctional industries revolving fund			9,893,600
Correctional industries revolving fund 110			614,900
Jail reimbursement program fund			5,900,000
Local corrections officer training fund			100,000
Program and special equipment fund			100
State general fund/general purpose		$	71,432,600

Sec. 103. PRISONER REENTRY AND COMMUNITY SUPPORT

Full-time equated classified positions	338.4		
Community corrections comprehensive plans and services		$	12,158,000
Education program--266.4 FTE positions			37,739,100
Felony drunk driver jail reduction and community treatment program			1,440,100
Goodwill Flip the Script			1,500,000
Prisoner reentry federal grants			751,000
Prisoner reentry local service providers			13,208,600
Prisoner reentry MDOC programs			10,124,100

Public safety initiative			1,000,000
Reentry services--72.0 FTE positions			15,264,300
Residential services			15,475,500
GROSS APPROPRIATION		$	108,660,700
Appropriated from:			
Federal revenues:			
DOJ, prisoner reintegration			751,000
Federal education funding			1,523,600
Special revenue funds:			
Program and special equipment fund			8,713,200
State general fund/general purpose		$	97,672,900

Sec. 104. FIELD OPERATIONS ADMINISTRATION

Full-time equated classified positions	2,192.6		
Criminal justice reinvestment		$	4,573,300
Detroit Detention Center--63.1 FTE positions			8,567,400
Detroit Reentry Center--223.0 FTE positions			28,129,400
Field operations--1,873.5 FTE positions			214,438,600
Parole board operations--33.0 FTE positions			3,850,100
Parole/probation services			940,000
Parole sanction certainty program			1,440,000
Residential alternative to prison program			1,500,000
GROSS APPROPRIATION		$	263,438,800
Appropriated from:			
Special revenue funds:			
Local - community tether program reimbursement			275,000
Local revenues			8,567,400
Parole and probation oversight fees			4,428,000

Parole and probation oversight fees set-aside			940,000
Reentry center offender reimbursements			10,000
Tether program participant contributions			2,480,500
State general fund/general purpose		$	246,737,900
Sec. 105. CORRECTIONAL FACILITIES ADMINISTRATION			
Full-time equated classified positions 311.0			
Central records--44.0 FTE positions		$	5,178,100
Correctional facilities administration--21.0 FTE positions.....			5,084,000
Housing inmates in federal institutions			611,000
Inmate housing fund			100
Inmate legal services			590,900
Leased beds and alternatives to leased beds			100
Prison food service			58,491,900
Prison store operations--34.0 FTE positions			3,323,600
Public works programs			1,000,000
Transportation--212.0 FTE positions			25,570,300
GROSS APPROPRIATION		$	99,850,000
Appropriated from:			
Federal revenues:			
DOJ-BOP, federal prisoner reimbursement			411,000
SSA-SSI, incentive payment			272,000
Special revenue funds:			
Correctional industries revolving fund 110			570,900
Public works user fees			1,000,000
Resident stores			3,323,600
State general fund/general purpose		$	94,272,500

Sec. 106. HEALTH CARE		
Full-time equated classified positions 1,466.1		
Clinical complexes--1,052.1 FTE positions	$	145,809,400
Health care administration--22.0 FTE positions		3,818,700
Healthy Michigan plan administration--12.0 FTE positions		1,107,300
Hepatitis C treatment		6,735,500
Interdepartmental grant to health and human services, eligibility specialists		116,000
Mental health services and support--372.0 FTE positions		61,244,200
Prisoner health care services		73,942,800
Substance abuse testing and treatment services--8.0 FTE positions		21,596,300
Vaccination program		691,200
GROSS APPROPRIATION	$	315,061,400
Appropriated from:		
Federal revenues:		
DOJ, Office of Justice Programs, RSAT		250,200
Federal revenues and reimbursements		376,500
Special revenue funds:		
Prisoner health care copayments		257,200
State general fund/general purpose	$	314,177,500
Sec. 107. CORRECTIONAL FACILITIES		
Average population 41,000		
Full-time equated classified positions 9,225.8		
Alger Correctional Facility - Munising--260.0 FTE		

positions	$	30,945,800
Baraga Correctional Facility - Baraga--294.8 FTE positions		35,688,200
Bellamy Creek Correctional Facility - Ionia--390.2 FTE positions		44,219,200
Carson City Correctional Facility - Carson City--425.4 FTE positions		48,952,600
Central Michigan Correctional Facility - St. Louis--388.6 FTE positions		46,460,300
Charles E. Egeler Correctional Facility - Jackson--382.6 FTE positions		45,690,000
Chippewa Correctional Facility - Kincheloe--445.6 FTE positions		51,628,100
Cooper Street Correctional Facility - Jackson--263.1 FTE positions		29,999,800
Earnest C. Brooks Correctional Facility - Muskegon--440.9 FTE positions		51,192,500
G. Robert Cotton Correctional Facility - Jackson--394.0 FTE positions		45,054,700
Gus Harrison Correctional Facility - Adrian--442.6 FTE positions		49,856,800
Ionia Correctional Facility - Ionia--286.3 FTE positions		34,259,900
Kinross Correctional Facility - Kincheloe--257.6 FTE positions		32,747,300
Lakeland Correctional Facility - Coldwater--278.4 FTE positions		33,505,000

Macomb Correctional Facility - New Haven--294.8 FTE positions.....	35,016,900
Marquette Branch Prison - Marquette--321.7 FTE positions.....	39,625,000
Michigan Reformatory - Ionia--310.7 FTE positions	35,645,200
Muskegon Correctional Facility - Muskegon--205.0 FTE positions.....	25,637,900
Newberry Correctional Facility - Newberry--200.1 FTE positions.....	24,618,700
Oaks Correctional Facility - Eastlake--290.4 FTE positions.....	34,425,900
Ojibway Correctional Facility - Marenisco--203.1 FTE positions.....	23,689,900
Parnall Correctional Facility - Jackson--262.1 FTE positions.....	28,947,300
Richard A. Handlon Correctional Facility - Ionia--252.7 FTE positions.....	30,442,600
Saginaw Correctional Facility - Freeland--274.9 FTE positions.....	33,291,500
Special Alternative Incarceration Program - Cassidy Lake--119.0 FTE positions.....	13,869,400
St. Louis Correctional Facility - St. Louis--303.6 FTE positions.....	37,497,500
Thumb Correctional Facility - Lapeer--283.6 FTE positions.....	33,353,100
Women's Huron Valley Correctional Complex - Ypsilanti--506.1 FTE positions.....	60,163,400

Woodland Correctional Facility - Whitmore Lake--278.9 FTE positions		32,824,200
Northern region administration and support--48.0 FTE positions		4,789,600
Southern region administration and support--121.0 FTE positions		23,503,100
GROSS APPROPRIATION	$	1,097,541,400
Appropriated from:		
Federal revenues:		
DOJ, state criminal assistance program		1,034,800
Special revenue funds:		
State restricted fees, revenues, and reimbursements		102,100
State general fund/general purpose	$	1,096,404,500

Sec. 108. INFORMATION TECHNOLOGY

Information technology services and projects	$	30,392,000
GROSS APPROPRIATION	$	30,392,000
Appropriated from:		
Special revenue funds:		
Correctional industries revolving fund 110		177,500
Parole and probation oversight fees set-aside		696,600
Program and special equipment fund		441,200
State general fund/general purpose	$	29,076,700

Sec. 109. ONE-TIME APPROPRIATIONS

New custody staff training	$	4,359,000
GROSS APPROPRIATION	$	4,359,000
Appropriated from:		
State general fund/general purpose	$	4,359,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2017-2018 is $1,993,783,000.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 is $110,888,800.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF CORRECTIONS

Field operations	$ 62,750,500
Community corrections comprehensive plans and services	12,158,000
Reentry services	1,500,000
Residential services	15,475,500
County jail reimbursement program	15,064,600
Felony drunk driver jail reduction and community treatment program	1,440,100
Leased beds and alternatives to leased beds	100
Residential alternative to prison program	1,500,000
Public safety initiative	1,000,000
TOTAL	$ 110,888,800

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

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

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

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

(*i*) Correctional facilities.

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

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

(*iv*) Prisoner health care services.

(*v*) Vaccination program.

(*vi*) Prison food service.

(*vii*) Transportation.

(*viii*) Inmate legal services.

(*ix*) Correctional facilities administration.

(*x*) Central records.

(*xi*) Worker's compensation.

(*xii*) New custody staff training.

(*xiii*) Prison store operations.

(*xiv*) Education program.

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

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

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

(f) "EPIC program" means the department's effective process

improvement and communications program.

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

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

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

(j) "IDG" means interdepartmental grant.

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

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

(m) "MDSP" means the Michigan department of state police.

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

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

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

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

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

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

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

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

(*ii*) A currently incarcerated felon or misdemeanant who is granted early release from incarceration to a community corrections program or who is granted early release from incarceration as a

result of a community corrections program.

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

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

(*ii*) Obtained housing.

(*iii*) Obtained a state identification card.

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

(w) "RSAT" means residential substance abuse treatment.

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

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

(z) "SSA" means the United States Social Security Administration.

(aa) "SSA-SSI" means SSA supplemental security income.

Sec. 204. The department shall use the internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

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

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

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

(a) The dates of each travel occurrence.

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

and the proportion funded with other revenues.

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

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

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

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

(3) In addition to the funds appropriated in part 1, there is

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

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

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

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the chairpersons of the senate and house appropriations committees, the chairpersons of the senate and

house appropriations subcommittees on corrections, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2017 and September 30, 2018.

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

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

Sec. 215. It is the intent of the legislature that the department establish and maintain a management-to-staff ratio of not more than 1 supervisor for each 8 employees at the department's central office in Lansing and at both the northern and southern region administration offices.

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

(2) Revenues appropriated and collected for program and

special equipment funds shall be considered state restricted revenue. Funding shall be used for prisoner programming, special equipment, and security projects. Unexpended funds remaining at the close of the fiscal year shall not lapse to the general fund but shall be carried forward and be available for appropriation in subsequent fiscal years.

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

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

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

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

Sec. 220. The department may charge fees and collect revenues in excess of appropriations in part 1 not to exceed the cost of offender services and programming, employee meals, parolee loans,

academic/vocational services, custody escorts, compassionate visits, union steward activities, and public works programs and services provided to local units of government or private nonprofit organizations. The revenues and fees collected are appropriated for all expenses associated with these services and activities.

Sec. 221. In cooperation with the state court administrative office, the department shall assist with the data compilation for the swift and sure sanctions program.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

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

Sec. 304. The department shall maintain a staff savings initiative program in conjunction with the EPIC program for employees to submit suggestions for efficiencies for the department. The department shall consider each suggestion in a timely manner. By March 1, the department shall report to the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director on process improvements

that were implemented based on suggestions that were recommended for implementation from the staff savings initiative and EPIC programs.

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

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

Sec. 307. The department shall issue an annual report for all vendor contracts to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget director. The report shall cover service contracts with a value of $5,000,000.00 or more and include all of the following:

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

(b) The number, if any, of contract compliance monitoring site

visits completed by the department for each vendor.

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

Sec. 308. The department shall provide for the training of all custody staff in effective and safe ways of handling prisoners with mental illness and referring prisoners to mental health treatment programs. Mental health awareness training shall be incorporated into the training of new custody staff.

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

Sec. 310. (1) By February 1, the department shall provide a report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget director which details the strategic plan of the department. The report shall contain strategies to decrease the overall recidivism rate, measurable plans to increase the rehabilitative function of correctional facilities, metrics to track and ensure prisoner readiness to

reenter society, and constructive actions for providing prisoners with life skills development.

(2) The intent of this report is to express that the mission of the department is to provide an action plan before reentry to society that ensures prisoners' readiness for meeting parole requirements and ensures a reduction in the total number of released inmates who reenter the criminal justice system.

PRISONER REENTRY AND COMMUNITY SUPPORT

Sec. 401. The department shall submit 3-year and 5-year prison population projection updates concurrent with submission of the executive budget recommendation to the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director. The report shall include explanations of the methodology and assumptions used in developing the projection updates.

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

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

(b) Allocations and planned expenditures for each project

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

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

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

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

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

(3) By March 1, the department shall provide a report to the

senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, and the senate and house fiscal agencies detailing the results of the workforce development program.

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

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

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

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

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

(e) Reduce the admission or readmission to prison of

offenders, including probation violators and parole violators, for substance abuse violations.

(f) Contribute to offender success.

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

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

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

shall also include, where appropriate, provisions that detail how the local communities plan to respond to sentencing guidelines found in chapter XVII of the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69, and use the county jail reimbursement program under section 414. The state community corrections board shall encourage local community corrections advisory boards to include in their comprehensive corrections plans strategies to collaborate with local alcohol and drug treatment agencies of the MDHHS for the provision of alcohol and drug screening, assessment, case management planning, and delivery of treatment to alcohol- and drug-involved offenders.

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

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

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

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

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

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

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

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

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

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

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

Sec. 414. (1) The department shall administer a county jail reimbursement program from the funds appropriated in part 1 for the purpose of reimbursing counties for housing in jails certain felons

who otherwise would have been sentenced to prison.

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

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

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

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

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

(4) As used in this subsection:

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

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

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

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

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

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

Sec. 417. (1) By March 1, the department shall report to the members of the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director on each of the following programs from the previous fiscal year:

(a) The county jail reimbursement program.

(b) The felony drunk driver jail reduction and community treatment program.

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

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

(a) Program objectives and outcome measures, including, but not limited to, the number of offenders who successfully completed

the program, and the number of offenders who successfully remained in the community during the 3 years following termination from the program.

(b) Expenditures by location.

(c) The impact on jail utilization.

(d) The impact on prison admissions.

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

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

(2) The department shall cooperate with MDHHS to create and maintain a process by which prisoners can obtain their Michigan birth certificates if necessary. The department shall describe a process for obtaining birth certificates from other states, and in situations where the prisoner's effort fails, the department shall assist in obtaining the birth certificate.

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

Sec. 419. (1) The department shall provide weekly electronic mail reports to the senate and house appropriations subcommittees

on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director on prisoner populations by security levels by facility, prison facility capacities, and parolee and probationer populations.

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

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

(b) Parole populations.

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

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

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

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

(g) Prisoner exits, identifying transfers to community placement, paroles from prisons and camps, paroles from community placement, total movements to parole, prison intake, prisoner

deaths, prisoners discharging on the maximum sentence, and other prisoner exits.

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

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

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

Sec. 422. On a quarterly basis, the department shall issue a report to the senate and house appropriations subcommittees on

corrections, the senate and house fiscal agencies, and the legislative corrections ombudsman, for the previous 4 quarters detailing the outcomes of prisoners who have been reviewed for parole. The report shall include all of the following:

(a) How many prisoners in each quarter were reviewed.

(b) How many prisoners were granted parole.

(c) How many prisoners were denied parole.

(d) How many parole decisions were deferred.

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

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

(g) The reason for denying or deferring parole.

Sec. 425. (1) From the funds appropriated in part 1, the department shall establish medication-assisted treatment reentry pilot programs to provide prerelease treatment and postrelease referral for opioid-addicted and alcohol-addicted offenders who voluntarily participate in the medication-assisted treatment reentry pilot programs. The department shall collaborate with residential and nonresidential substance abuse treatment providers and with community-based clinics to provide postrelease treatment. The programs shall employ a multifaceted approach to treatment, including a long-acting nonaddictive medication approved by the Food and Drug Administration for the treatment of opioid and alcohol dependence, counseling, and postrelease referral to

community-based providers.

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

(3) Participants of the programs shall be required to attend substance abuse treatment programming as directed by their agent, including coordination of both direct or indirect services through federally qualified health centers in Wayne, Washtenaw, Genesee, Berrien, Van Buren, and Allegan Counties, but not limited to only those counties, shall be subject to routine drug and alcohol testing, shall not be allowed to consume drugs or alcohol, and shall possess a strong will to overcome addiction.

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

Sec. 437. (1) Funds appropriated in part 1 for Goodwill Flip

the Script shall be distributed to a Michigan-chartered 501(c)(3) nonprofit corporation operating in a county with greater than 1,500,000 people for administration and expansion of a program which serves a population of persons aged 16 to 39. The program shall target those who are entering the criminal justice system for the first or second time and shall assist those individuals through the following program types:

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

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

(c) Career development and continuing education for women.

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

FIELD OPERATIONS ADMINISTRATION

Sec. 601. (1) From the funds appropriated in part 1, the department shall conduct a statewide caseload audit of field agents. The audit shall address public protection issues and assess the ability of the field agents to complete their professional duties. The complete audit shall be submitted to the senate and house appropriations subcommittees on corrections, the legislative

corrections ombudsman, the senate and house fiscal agencies, and the state budget office by March 1.

(2) It is the intent of the legislature that the department maintain a number of field agents sufficient to meet supervision and workload standards.

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

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

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

(4) For a fee determined by the department, the department

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

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

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

Sec. 611. The department shall prepare by March 1 individual reports for the community reentry program, the electronic monitoring program, and the special alternative to incarceration program. The reports shall be submitted to the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director. Each program's report shall include information on all of the following:

(a) Monthly new participants by type of offender. Community reentry program participants shall be categorized by reason for placement. For technical rule violators, the report shall sort

offenders by length of time since release from prison, by the most recent violation, and by the number of violations occurring since release from prison.

(b) Monthly participant unsuccessful terminations, including cause.

(c) Number of successful terminations.

(d) End month population by facility/program.

(e) Average length of placement.

(f) Return to prison statistics.

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

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

(i) Comparison with prior year statistics.

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

Sec. 612. (1) The department shall review and revise as necessary policy proposals that provide alternatives to prison for offenders being sentenced to prison as a result of technical probation violations and technical parole violations. To the extent the department has insufficient policies or resources to affect the continued increase in prison commitments among these offender populations, the department shall explore other policy options to allow for program alternatives, including department or OCC-funded programs, local level programs, and programs available through private agencies that may be used as prison alternatives for these offenders.

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

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

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

(c) The educational history of those offenders, including how many had a high school equivalency or high school diploma prior to incarceration in prison, how many received a high school equivalency while in prison, and how many received a vocational certificate while in prison.

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

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

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

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

Sec. 617. From the funds appropriated in part 1 for the residential alternative to prison program, the department shall provide vocational, educational, and cognitive programming in a secure environment to enhance existing alternative sentencing options, increase employment readiness and successful placement rates, and reduce new criminal behavior for the west Michigan probation violator population. The department shall measure and set the following metric goals:

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

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

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

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

HEALTH CARE

Sec. 802. As a condition of expenditure of the funds appropriated in part 1, the department shall provide the senate and house of representatives appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director with a report by January 1 for the prior fiscal year on physical and mental health care detailing expenditures itemized by vendor, allocations, status of payments from contractors to vendors, and expenditures from accounts for prisoner health care, mental health care, pharmaceutical services, and durable medical equipment.

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

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

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

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

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

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

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

Sec. 816. By April 1, the department shall provide the members of the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the state budget director, and the legislative corrections ombudsman with a report on pharmaceutical expenditures and prescribing practices. In particular, the report shall provide the following information:

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

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

CORRECTIONAL FACILITIES ADMINISTRATION

Sec. 901. The department, working with the department of technology, management, and budget, shall determine the costs of entering into an agreement to lease or purchase a private correctional facility to be operated by the department, as well as the costs of reopening a closed correctional facility already owned by the department to determine if it would be in the best interest of the citizens of this state to house prisoners in a private correctional facility leased or purchased and operated by the department, or a closed correctional facility owned by the department that the department reopens, rather than in a correctional facility currently operated by the department. By October 15, the department shall issue a report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, and the state budget director that documents the acquisition, lease, reopening, and modernization costs, and taxes, utilities, expected future capital repair, and upgrades of the correctional facilities described in this section.

Sec. 904. The department shall calculate the per prisoner/per day cost for each prisoner security custody level. This calculation shall include all actual direct and indirect costs for the previous fiscal year, including, but not limited to, the value of services provided to the department by other state agencies and the allocation of statewide legacy costs. To calculate the per prisoner/per day costs, the department shall divide these direct and indirect costs by the average daily population for each custody level. For multilevel facilities, the indirect costs that cannot be

accurately allocated to each custody level can be included in the calculation on a per-prisoner basis for each facility. A report summarizing these calculations and the direct and indirect costs included in them shall be submitted to the senate and house appropriations subcommittees on corrections, the legislative corrections ombudsman, the senate and house fiscal agencies, and the state budget director not later than December 15.

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

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

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

(b) The number of prisoners enrolled in each program, the number of prisoners completing each program, the number of prisoners who do not complete each program and are not subsequently reenrolled, and the reason for not completing the program, the number of prisoners transferred to another facility while enrolled in a program and the reason for transfer, the number of prisoners enrolled who are repeating the program, and the number of prisoners

on waiting lists for each program, all itemized by facility.

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

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

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

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

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

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

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

of assaults, escape attempts, suicides, and attempted suicides occurring each month at each facility during the immediately preceding calendar year.

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

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

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

following:

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

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

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

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

Sec. 925. By March 1, the department shall report to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections

ombudsman, and the state budget director on the annual number of prisoners in administrative segregation between October 1, 2016 and September 30, 2017, and the annual number of prisoners in administrative segregation between October 1, 2016 and September 30, 2017 who at any time during the current or prior prison term were diagnosed with serious mental illness or have a developmental disorder and the number of days each of the prisoners with serious mental illness or a developmental disorder have been confined to administrative segregation.

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 945. The department shall provide notice to the legislature and the senate and house fiscal agencies, by July 1, of its intent to renew or rebid the prisoner food service contract.

MISCELLANEOUS

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

ONE-TIME APPROPRIATIONS

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

ARTICLE VI

DEPARTMENT OF EDUCATION

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of education for the fiscal year ending September 30, 2018, from the following funds:

DEPARTMENT OF EDUCATION

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	599.5	
GROSS APPROPRIATION		$ 347,392,700
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION		$ 347,392,700
Federal revenues:		
Total federal revenues		251,854,700
Special revenue funds:		
Total local revenues		5,817,200
Total private revenues		2,034,300
Total other state restricted revenues		8,567,600
State general fund/general purpose		$ 79,118,900

Sec. 102. STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	11.0	
Unclassified positions--6.0 FTE positions		$ 851,900
Education Commission of the States		120,800

State board of education, per diem payments			24,400
State board/superintendent operations--11.0 FTE positions.....			2,104,200
GROSS APPROPRIATION	$		3,101,300
Appropriated from:			
Federal revenues:			
Federal revenues			234,800
Special revenue funds:			
Private foundations			28,100
Certification fees			773,300
State general fund/general purpose	$		2,065,100
Sec. 103. DEPARTMENTAL ADMINISTRATION AND SUPPORT			
Full-time equated classified positions 23.6			
Central support operations--23.6 FTE positions	$		3,712,000
Federal and private grants			3,000,000
Property management			3,181,700
Terminal leave payments			353,300
Training and orientation workshops			150,000
Worker's compensation			25,100
GROSS APPROPRIATION	$		10,422,100
Appropriated from:			
Federal revenues:			
Federal revenues			3,628,500
Federal indirect funds			2,445,800
Special revenue funds:			
Certification fees			400,000
Teacher testing fees			4,000

Training and orientation workshop fees			150,000
Private foundations			1,000,000
State general fund/general purpose		$	2,793,800
Sec. 104. INFORMATION TECHNOLOGY			
Information technology services and projects		$	4,225,200
GROSS APPROPRIATION		$	4,225,200
Appropriated from:			
Federal revenues:			
Federal revenues			621,700
Federal indirect funds			1,838,500
Special revenue funds:			
Certification fees			400,600
State general fund/general purpose		$	1,364,400
Sec. 105. SPECIAL EDUCATION SERVICES			
Full-time equated classified positions	47.0		
Special education operations--47.0 FTE positions		$	9,164,800
GROSS APPROPRIATION		$	9,164,800
Appropriated from:			
Federal revenues:			
Federal revenues			8,584,200
Special revenue funds:			
Private foundations			110,100
Certification fees			44,700
State general fund/general purpose		$	425,800
Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND			
Full-time equated classified positions	82.0		
Camp Tuhsmeheta--1.0 FTE position		$	296,100

Low incidence outreach program			450,000
Michigan Schools for the Deaf and Blind operations--			
81.0 FTE positions			13,456,000
Private gifts - blind			200,000
Private gifts - deaf			150,000
GROSS APPROPRIATION		$	14,552,100
Appropriated from:			
Federal revenues:			
Federal revenues			7,431,900
Special revenue funds:			
Local cost sharing (schools for deaf/blind)			5,805,500
Gifts, bequests, and donations			646,100
Low incidence outreach fund			450,000
Student insurance revenue			218,600
State general fund/general purpose		$	0
Sec. 107. PROFESSIONAL PREPARATION SERVICES			
Full-time equated classified positions	33.0		
Professional preparation operations--33.0 FTE			
positions		$	5,679,600
GROSS APPROPRIATION		$	5,679,600
Appropriated from:			
Federal revenues:			
Federal revenues			1,465,900
Special revenue funds:			
Certification fees			3,623,900
Teacher testing fees			364,900
State general fund/general purpose		$	224,900

Sec. 108. MICHIGAN OFFICE OF GREAT START

Full-time equated classified positions 66.0

Child development and care external support	$	28,368,900
Child development and care public assistance		161,166,100
Head start collaboration office--1.0 FTE position		310,600
Office of great start operations--65.0 FTE positions .		24,598,400
GROSS APPROPRIATION	$	214,444,000
Appropriated from:		
Federal revenues:		
Federal revenues		172,826,100
Special revenue funds:		
Private foundations		250,000
Certification fees		64,600
State general fund/general purpose	$	41,303,300

Sec. 109. STATE AID AND SCHOOL FINANCE SERVICES

Full-time equated classified positions 11.5

State aid and school finance operations--11.5 FTE positions.....	$	1,648,600
GROSS APPROPRIATION	$	1,648,600
Appropriated from:		
State general fund/general purpose	$	1,648,600

Sec. 110. AUDIT SERVICES

Full-time equated classified positions 4.5

Audit operations--4.5 FTE positions	$	615,300
GROSS APPROPRIATION	$	615,300
Appropriated from:		
Federal revenues:		

Federal indirect funds			488,800
Special revenue funds:			
Certification fees			62,500
State general fund/general purpose		$	64,000
Sec. 111. ADMINISTRATIVE LAW SERVICES			
Full-time equated classified positions 2.0			
Administrative law operations--2.0 FTE positions		$	1,375,400
GROSS APPROPRIATION		$	1,375,400
Appropriated from:			
Federal revenues:			
Federal revenues			568,000
Special revenue funds:			
Certification fees			707,700
State general fund/general purpose		$	99,700
Sec. 112. ACCOUNTABILITY SERVICES			
Full-time equated classified positions 64.6			
Accountability services operations--64.6 FTE positions		$	14,941,300
GROSS APPROPRIATION		$	14,941,300
Appropriated from:			
Federal revenues:			
Federal revenues			12,517,200
State general fund/general purpose		$	2,424,100
Sec. 113. SCHOOL SUPPORT SERVICES			
Full-time equated classified positions 83.6			
School support services operations--83.6 FTE positions		$	15,571,200
GROSS APPROPRIATION		$	15,571,200
Appropriated from:			

	Federal revenues:		
	Federal revenues		14,522,300
	Special revenue funds:		
	Local school district service fees		11,700
	Certification fees		87,600
	Commodity distribution fees		71,700
	State general fund/general purpose	$	877,900
	Sec. 114. FIELD SERVICES		
	Full-time equated classified positions 47.0		
	Field services operations--47.0 FTE positions	$	9,400,800
	GROSS APPROPRIATION	$	9,400,800
	Appropriated from:		
	Federal revenues:		
	Federal revenues		8,636,300
	Special revenue funds:		
	Certification fees		37,300
	State general fund/general purpose	$	727,200
	Sec. 115. EDUCATIONAL IMPROVEMENT AND INNOVATION SERVICES		
	Full-time equated classified positions 44.7		
	Educational improvement and innovation operations--		
	44.7 FTE positions	$	9,010,100
	GROSS APPROPRIATION	$	9,010,100
	Appropriated from:		
	Federal revenues:		
	Federal revenues		5,898,200
	Special revenue funds:		

Certification fees			565,100
State general fund/general purpose		$	2,546,800
Sec. 116. CAREER AND TECHNICAL EDUCATION			
Full-time equated classified positions 29.0			
Career and technical education operations--29.0 FTE positions		$	5,252,700
GROSS APPROPRIATION		$	5,252,700
Appropriated from:			
Federal revenues:			
Federal revenues			3,904,900
State general fund/general purpose		$	1,347,800
Sec. 117. LIBRARY OF MICHIGAN			
Full-time equated classified positions 33.0			
Library of Michigan operations--31.0 FTE positions		$	4,826,400
Library services and technology program--1.0 FTE position			5,611,400
Michigan eLibrary--1.0 FTE position			1,753,100
Renaissance zone reimbursements			3,300,000
State aid to libraries			9,876,000
GROSS APPROPRIATION		$	25,366,900
Appropriated from:			
Federal revenues:			
Federal revenues			5,611,400
Special revenue funds:			
Library fees			300,000
State general fund/general purpose		$	19,455,500
Sec. 118. EDUCATOR TALENT AND POLICY COORDINATION			

Full-time equated classified positions	17.0	
Educator talent and policy coordination operations--		
17.0 FTE positions		$ 2,621,200
GROSS APPROPRIATION		$ 2,621,200
Appropriated from:		
Federal revenues:		
Federal revenues		630,200
Special revenue funds:		
Certification fees		241,000
State general fund/general purpose		$ 1,750,000

Sec. 119. ONE-TIME APPROPRIATIONS

Drinking water declaration of emergency		$ 100
GROSS APPROPRIATION		$ 100
Appropriated from:		
Special revenue funds:		
Drinking water emergency reserve fund		100
State general fund/general purpose		$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2017-2018 is $87,686,500.00 and state spending from state resources to be paid to local units of

government for fiscal year 2017-2018 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..	3,300,000
Total department of education	$ 13,176,000

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

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

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

Sec. 205. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or

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

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

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

(a) The dates of each travel occurrence.

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

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

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

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

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

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $700,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item

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

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

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

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

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive

budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairpersons, the chairpersons of the senate and house appropriations subcommittees responsible for the department budget, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2017 and September 30, 2018.

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

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

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

Sec. 217. The department may assist the department of health and human services, other departments, and local school districts to secure reimbursement for eligible services provided in Michigan

schools from the federal Medicaid program. The department may submit reports of direct expenses related to this effort to the department of health and human services for reimbursement.

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

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

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

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

Sec. 223. The department and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed.

The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 226. From the funds appropriated in part 1, the department shall coordinate with the other departments to streamline state services and resources, reduce duplication, and increase efficiency. This includes, but is not limited to, working with the department of technology, management, and budget to coordinate with the school reform office, working with the department of treasury to coordinate with the financial independence team and overseeing deficit districts, and working with the department of health and human services and department of licensing and regulatory affairs to coordinate with early childhood programs and overseeing child care providers.

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

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

Sec. 228. A state department or agency that receives an appropriation in part 1 shall not issue a request for proposal for a contract in excess of $1,000,000.00, unless the department or

agency has first considered issuing a request for information or a request for qualification relative to that contract to better enable the department or agency to learn more about the market for the products or services that are the subject of the future request for proposal. The department or agency shall notify the department of technology, management, and budget of the evaluation process used to determine if a request for information or request for qualification was not necessary before issuing the request for proposal.

Sec. 229. The department shall not enter into a contract funded under part 1 that exceeds $1,000,000.00 or seek a federal waiver or an amendment to the federal waiver, until after notification of the content to both the house and senate appropriations committees and the state budget director.

Sec. 230. From the funds appropriated in part 1, the department shall compile a report that identifies any new, or lack thereof, mandates required of nonpublic schools. In compiling the report, the department may consult with relevant statewide education associations in Michigan. The report compiled by the department shall indicate the type of mandate, including, but not limited to, student health, student or building safety, accountability, and educational requirements, and shall indicate whether a school has to report on the specified mandates. The report required under this section shall be completed by April 1, 2018 and transmitted to the state budget director, the house and senate appropriations subcommittees responsible for the department of education, and the senate and house fiscal agencies not later

than April 15, 2018.

STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT

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

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

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

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

Sec. 302. From the amount appropriated in part 1 to the state board of education, not more than $35,000.00 for the fiscal year ending September 30, 2018 shall be expended for in-state travel and out-of-state travel directly related to the duties of the state board of education.

CENTRAL SUPPORT

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

SPECIAL EDUCATION SERVICES

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

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

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

MICHIGAN SCHOOLS FOR THE DEAF AND BLIND

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

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

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

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

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

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

Sec. 408. (1) The funds appropriated in part 1 for the low incidence outreach fund are appropriated from money collected by

the Michigan Schools for the Deaf and Blind and the low incidence outreach program for providing qualified services and may be used for any expenses necessary to provide the qualified services. Any money that is unexpended at the end of the state fiscal year may be carried forward into the succeeding fiscal year.

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

PROFESSIONAL PREPARATION SERVICES

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

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

Sec. 503. From the funds appropriated in part 1, the department shall cooperate with the Michigan Virtual Research Institute and external stakeholders in connection with the department's implementation and administration of professional

development training described in section 35a of the state school aid act of 1979, 1979 PA 94, MCL 388.1635a, including, but not limited to, the online training of educators of pupils in grades K to 3 described in that section.

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

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

FIELD SERVICES

Sec. 701. (1) From the funds appropriated in part 1 for field services operations, the department shall produce a report detailing the progress made by each district or public school academy that operates grades K to 8, or if the district or public school academy does not operate all of grades K to 8, for all of the grades it operates, that receives at-risk funding under section 31a of the state school aid act of 1979, 1979 PA 94, MCL 388.1631a, in implementing multitiered systems of supports in the prior school fiscal year.

(2) The report described in subsection (1) shall include, at a

minimum:

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

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

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

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

(3) The report described in subsection (1) shall be provided to the state budget director, the house and senate subcommittees that oversee the department of education and school aid budgets, and the house and senate fiscal agencies by September 30, 2018.

LIBRARY OF MICHIGAN

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

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

equipment, facilities, and software.

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

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

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

MICHIGAN OFFICE OF GREAT START

Sec. 1001. By November 1, 2017, the department shall submit a report to the house and senate appropriations subcommittees on the department of education budget and the house and senate fiscal agencies on the average number of eligible child care providers by type receiving payment for child care services from the department for the fiscal year ending September 30, 2017.

Sec. 1003. (1) The department shall provide the house and senate appropriations subcommittees on the department budget with

an annual report on all funding appropriated to each person awarded a contract by the state to provide early childhood comprehensive systems planning during the previous fiscal year. The report is due by February 15 and must contain at least the following information:

(a) Total funding appropriated for contracts by the state to provide early childhood comprehensive systems planning during the previous fiscal year.

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

(c) The grant recipients.

(d) The activities funded by each grant.

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

(2) All department contracts for early childhood comprehensive systems planning must be bid out annually through a statewide request-for-proposal process that includes a minimum of 3 bids. If there are not 3 bids submitted in the statewide request-for-proposal process, then the process must start over until there are a minimum of 3 bids submitted.

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

Sec. 1005. From the additional funds appropriated in part 1 for the 2017-2018 fiscal year for child development and care external support, the department shall work with the department of licensing and regulatory affairs to provide fingerprinting services and background checks of employees of child care providers as required under the terms of the federal child care and development block grant.

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

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

(b) The total number of on-site visits conducted since the start of the 2017-2018 fiscal year. This number must include the required visits and follow-up visits for initial licensure, annual monitoring inspections, complaint investigations, and any other necessary on-site visits.

(c) The average number of on-site visits per consultant made since the start of the 2017-2018 fiscal year categorized by licensing type. This number must be calculated using the number of visits and follow-up visits for the required initial licensure, annual monitoring inspections, complaint investigations, and any other necessary on-site visits.

(d) The number of providers that have improved their quality rating since the start of fiscal year 2017-2018 compared to the

same time period in fiscal year 2016-2017.

(e) A list of training and other structured activities offered by the department or the department of licensing and regulatory affairs to licensing consultants and managers to improve performance and to child care providers to improve quality.

(2) The department shall deliver the report described in subsection (1) to the state budget director, the house and senate subcommittees that oversee the department of education, and the house and senate fiscal agencies by November 30, 2018.

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

Sec. 1009. From the funds appropriated in part 1 for child development and care - child development and care public assistance, the maximum entrance threshold for the child development and care program is set at 125% of the federal poverty guidelines.

ACCOUNTABILITY SERVICES

Sec. 1021. Using the funds appropriated in part 1, the department shall work in collaboration with the department of technology, management, and budget to renegotiate the contract with the ACT to ensure that it registers, issues, and ships to schools a

printed national career readiness certificate (NCRC) to each Michigan student who takes the ACT WorkKeys test, successfully completes the exam, qualifies for the certificate, and ensures that the renegotiated contract results in minimal or no additional costs to the state. If a renegotiation cannot be completed that results in minimal or no additional costs to the state, the department shall rebid the contract for the workskills portion of the Michigan merit exam (MME).

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

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

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

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

(3) The department shall create a report that includes, but is not limited to, all of the following:

(a) The number of children ages 0 to 3 in a city where there

is a drinking water declaration of emergency.

(b) The number of children ages 0 to 3 in a city where there is a drinking water declaration of emergency served by the child development and care program before the implementation of the increase to the entrance threshold to 300% of the federal poverty guidelines.

(c) The number of children ages 0 to 3 in a city where there is a drinking water declaration of emergency served by the child development and care program after the implementation of the increase to the entrance threshold to 300% of the federal poverty guidelines.

(d) The number of cases including a child aged 0 to 3 in a city where there is a drinking water declaration of emergency and being served by the child development and care program.

(e) The number of children receiving referrals for additional screenings, assessments, or services that are ages 0 to 3 in a city where there is a drinking water declaration of emergency and served by the child development and care program.

(f) The number of children ages 0 to 3 identified with developmental delays in a city where there is a drinking water declaration of emergency and served by the child development and care program.

(g) The number of children ages 0 to 3 who are in 1-parent households in a city where there is a drinking water declaration of emergency and served by the child development and care program.

(h) The number of children ages 0 to 3 who are in 2-parent households in a city where there is a drinking water declaration of

emergency and served by the child development and care program.

(i) The number of child care providers that were provided training on identifying the impacts of lead exposure, as well as related developmental delays that are serving children ages 0 to 3 in a city where there is a drinking water declaration of emergency and participating in the child development and care program.

(j) The types and number of communications with parents or caretakers on the impact of developmental delays and available services for children ages 0 to 3 in a city where there is a drinking water declaration of emergency and are being served by the child development and care program. The department shall create a list of communication types that includes, but is not limited to, all of the following: in person, telephone, letter, and electronic mail.

(4) The report created under subsection (3) shall be sent to the state budget director, the house and senate subcommittees that oversee the department, and the house and senate fiscal agencies by the first of every month until the drinking water declaration of emergency has been lifted.

ARTICLE VII

DEPARTMENT OF ENVIRONMENTAL QUALITY

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of environmental quality for the fiscal year ending September 30,

2018, from the following funds:

DEPARTMENT OF ENVIRONMENTAL QUALITY

APPROPRIATION SUMMARY		
Full-time equated unclassified positions 6.0		
Full-time equated classified positions 1,227.0		
GROSS APPROPRIATION	$	503,500,300
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		3,100,500
ADJUSTED GROSS APPROPRIATION	$	500,399,800
Federal revenues:		
Total federal revenues		170,042,600
Special revenue funds:		
Total local revenues		0
Total private revenues		555,300
Total other state restricted revenues		285,825,300
State general fund/general purpose	$	43,976,600
FUND SOURCE SUMMARY		
Full-time equated unclassified positions 6.0		
Full-time equated classified positions 1,227.0		
GROSS APPROPRIATION	$	503,500,300
Interdepartmental grant revenues:		
IDG from department of state police		1,754,600
IDG from state transportation department		1,345,900
Total interdepartmental grants and intradepartmental transfers		3,100,500
ADJUSTED GROSS APPROPRIATION	$	500,399,800

1	Federal revenues:	
2	Federal funds	170,042,600
3	Total federal revenues	170,042,600
4	Special revenue funds:	
5	Private funds	555,300
6	Total private revenues	555,300
7	Air emissions fees	12,224,200
8	Aquatic nuisance control fund	918,800
9	Campground fund	319,300
10	Clean Michigan initiative - clean water fund	3,417,100
11	Clean Michigan initiative - contaminated sediment	1,565,000
12	Clean Michigan initiative - nonpoint source	2,000,000
13	Cleanup and redevelopment fund	19,583,600
14	Community pollution prevention fund	250,000
15	Drinking water declaration of emergency reserve fund	100
16	Electronic waste recycling fund	329,200
17	Environmental education fund	168,500
18	Environmental pollution prevention fund	6,676,100
19	Environmental protection fund	2,447,600
20	Environmental response fund	3,776,600
21	Fees and collections	391,900
22	Financial instruments	9,455,900
23	Great Lakes protection fund	392,800
24	Groundwater discharge permit fees	1,762,000
25	Infrastructure construction fund	50,900
26	Laboratory services fees	4,237,900
27	Land and water permit fees	3,247,600

Landfill maintenance trust fund	.....	31,000
Medical waste emergency response fund	.....	332,600
Metallic mining surveillance fee revenue	.....	100,600
Mineral well regulatory fee revenue	.....	220,400
Nonferrous metallic mineral surveillance	.....	358,900
NPDES fees	.....	4,567,100
Oil and gas regulatory fund	.....	5,164,500
Orphan well fund	.....	2,415,200
Public swimming pool fund	.....	655,000
Public utility assessments	.....	413,500
Public water supply fees	.....	4,938,700
Refined petroleum fund	.....	57,612,900
Revitalization revolving loan fund	.....	103,100
Revolving loan revenue bonds	.....	15,000,000
Sand extraction fee revenue	.....	92,600
Scrap tire regulatory fund	.....	5,095,100
Septage waste contingency fund	.....	3,400
Septage waste program fund	.....	525,900
Settlement funds	.....	426,100
Sewage sludge land application fee	.....	994,500
Small business pollution prevention revolving loan fund	.....	165,700
Soil erosion and sedimentation control training fund	.	169,900
Solid waste management fund - staff account	.....	5,114,600
Stormwater permit fees	.....	3,024,800
Strategic water quality initiatives fund	.....	81,196,000
Underground storage tank cleanup fund	.....	20,016,800

Wastewater operator training fees			588,600
Water analysis fees			2,249,300
Water pollution control revolving fund			647,300
Water quality protection fund			100,000
Water use reporting fees			286,100
Total other state restricted revenues			285,825,300
State general fund/general purpose		$	43,976,600
Sec. 102. EXECUTIVE OPERATIONS			
Full-time equated unclassified positions	6.0		
Full-time equated classified positions	13.0		
Unclassified salaries--6.0 FTE positions		$	776,600
Executive direction--13.0 FTE positions			2,117,800
GROSS APPROPRIATION		$	2,894,400
Appropriated from:			
Federal revenues:			
Federal funds			27,600
Special revenue funds:			
Environmental protection fund			309,400
Environmental response fund			173,800
Oil and gas regulatory fund			230,900
Refined petroleum fund			613,400
Settlement funds			11,500
State general fund/general purpose		$	1,527,800
Sec. 103. OFFICE OF THE GREAT LAKES			
Full-time equated classified positions	11.0		
Coastal management grants		$	1,250,000
Office of the Great Lakes--11.0 FTE positions			2,033,700

GROSS APPROPRIATION		$	3,283,700
Appropriated from:			
Federal revenues:			
Federal funds			2,043,600
Special revenue funds:			
Great Lakes protection fund			371,100
Settlement funds			113,700
State general fund/general purpose		$	755,300
Sec. 104. GREAT LAKES RESTORATION INITIATIVE			
Full-time equated classified positions	6.0		
Great Lakes restoration initiative--6.0 FTE positions		$	15,095,600
GROSS APPROPRIATION		$	15,095,600
Appropriated from:			
Federal revenues:			
Federal funds			15,095,600
Special revenue funds:			
State general fund/general purpose		$	0
Sec. 105. DEPARTMENT SUPPORT SERVICES			
Full-time equated classified positions	34.0		
Accounting service center		$	1,401,300
Administrative hearings			383,900
Building occupancy charges			4,746,600
Central support services--34.0 FTE positions			4,184,100
Environmental support projects			5,000,000
Facilities management			1,000,000
Rent - privately owned property			2,323,900
GROSS APPROPRIATION		$	19,039,800

	Appropriated from:	
	Interdepartmental grant revenues:	
	IDG from department of state police	61,000
	Special revenue funds:	
	Air emissions fees	1,309,700
	Campground fund	14,700
	Cleanup and redevelopment fund	1,516,900
	Electronic waste recycling fund	15,300
	Environmental pollution prevention fund	802,700
	Environmental protection fund	10,400
	Environmental response fund	351,700
	Fees and collections	27,900
	Financial instruments	7,298,800
	Great Lakes protection fund	14,100
	Groundwater discharge permit fees	209,200
	Laboratory services fees	155,300
	Land and water permit fees	590,400
	Medical waste emergency response fund	16,700
	Metallic mining surveillance fee revenue	4,700
	Mineral well regulatory fee revenue	8,400
	Nonferrous metallic mineral surveillance	800
	NPDES fees	260,700
	Oil and gas regulatory fund	773,900
	Orphan well fund	49,100
	Public swimming pool fund	25,500
	Public utility assessments	20,200
	Public water supply fees	274,800

Refined petroleum fund			1,884,100
Sand extraction fee revenue			3,900
Scrap tire regulatory fund			157,700
Septage waste program fund			18,700
Settlement funds			38,000
Sewage sludge land application fee			120,700
Small business pollution prevention revolving loan fund			18,000
Soil erosion and sedimentation control training fund			17,600
Solid waste management fund - staff account			314,800
Stormwater permit fees			255,400
Wastewater operator training fees			32,100
Water analysis fees			141,300
Water use reporting fees			23,000
State general fund/general purpose		$	2,201,600
Sec. 106. OFFICE OF ENVIRONMENTAL ASSISTANCE			
Full-time equated classified positions	37.0		
Office of environmental assistance--37.0 FTE positions		$	6,140,700
Pollution prevention local grants			250,000
GROSS APPROPRIATION		$	6,390,700
Appropriated from:			
Federal revenues:			
Federal funds			704,700
Special revenue funds:			
Private funds			364,200
Air emissions fees			138,500
Community pollution prevention fund			250,000

Environmental education fund			168,500
Environmental pollution prevention fund			1,507,300
Fees and collections			120,100
Settlement funds			262,900
Small business pollution prevention revolving loan fund.....			134,400
State general fund/general purpose		$	2,740,100

Sec. 107. WATER RESOURCES DIVISION

Full-time equated classified positions 316.0

Aquatic nuisance control program--6.0 FTE positions ..	$	918,800
Contaminated lake and river sediment cleanup program .		1,565,000
Expedited water/wastewater permits--1.0 FTE position .		50,900
Federal - Great Lakes remedial action plan grants		583,800
Federal - nonpoint source water pollution grants		4,083,300
Fish contaminant monitoring		316,100
Groundwater discharge permit program--22.0 FTE positions.....		3,214,800
Land and water interface permit programs--82.0 FTE positions.....		11,671,500
Nonpoint source pollution prevention and control project program.....		2,000,000
NPDES nonstormwater program--83.0 FTE positions		13,060,600
Program direction and project assistance--27.0 FTE positions.....		3,055,100
Real-time beach monitoring program		500,000
Surface water--86.0 FTE positions		15,557,000
Water quality and use initiative/general--5.0 FTE		

positions			1,645,700
Water quality protection grants			100,000
Water withdrawal assessment program--4.0 FTE positions			1,428,600
Wetland mitigation banking grants and loans			3,000,000
Wetlands program			1,000,000
GROSS APPROPRIATION		$	63,751,200
Appropriated from:			
Interdepartmental grant revenues:			
IDG from state transportation department - Michigan transportation fund			1,259,800
Federal revenues:			
Federal funds			20,268,800
Special revenue funds:			
Aquatic nuisance control fund			918,800
Clean Michigan initiative fund - clean water fund			3,417,100
Clean Michigan initiative fund - contaminated sediment			1,565,000
Clean Michigan initiative fund - nonpoint source			2,000,000
Environmental response fund			204,800
Groundwater discharge permit fees			1,457,300
Infrastructure construction fund			50,900
Land and water permit fees			2,313,200
NPDES fees			4,133,100
Refined petroleum fund			442,000
Sewage sludge land application fee			838,700
Soil erosion and sedimentation control training fund			139,300
Stormwater permit fees			2,681,000
Strategic water quality initiatives fund			3,000,000

Wastewater operator training fees			283,700
Water pollution control revolving fund			140,100
Water quality protection fund			100,000
Water use reporting fees			246,700
State general fund/general purpose		$	18,290,900
Sec. 108. LAW ENFORCEMENT DIVISION			
Full-time equated classified positions 14.0			
Environmental investigations--14.0 FTE positions		$	2,830,100
GROSS APPROPRIATION		$	2,830,100
Appropriated from:			
Federal revenues:			
Federal funds			575,600
Special revenue funds:			
Air emissions fees			57,200
Campground fund			2,100
Cleanup and redevelopment fund			188,200
Electronic waste recycling fund			1,600
Environmental pollution prevention fund			108,000
Environmental response fund			41,200
Fees and collections			4,100
Financial instruments			521,600
Great Lakes protection fund			1,500
Groundwater discharge permit fees			18,800
Laboratory services fees			15,800
Land and water permit fees			78,300
Medical waste emergency response fund			2,400
Metallic mining surveillance fee revenue			700

Mineral well regulatory fee revenue			1,200
NPDES fees			32,300
Oil and gas regulatory fund			87,300
Orphan well fund			7,100
Public swimming pool fund			3,700
Public utility assessments			2,000
Public water supply fees			26,500
Refined petroleum fund			364,700
Sand extraction fee revenue			600
Scrap tire regulatory fund			29,400
Septage waste program fund			2,700
Sewage sludge land application fee			12,200
Small business pollution prevention revolving loan fund.....			2,600
Soil erosion and sedimentation control training fund .			2,600
Solid waste management fund - staff account			41,700
Stormwater permit fees			17,500
Wastewater operator training fees			4,600
Water analysis fees			18,200
Water use reporting fees			3,100
State general fund/general purpose		$	553,000

Sec. 109. AIR QUALITY DIVISION

Full-time equated classified positions 189.0

Air quality programs--189.0 FTE positions	$	25,770,400
GROSS APPROPRIATION	$	25,770,400

Appropriated from:

Federal revenues:

Federal funds			7,196,800
Special revenue funds:			
Air emissions fees			10,052,400
Fees and collections			205,300
Oil and gas regulatory fund			136,400
Public utility assessments			150,000
Refined petroleum fund			3,577,500
State general fund/general purpose		$	4,452,000

Sec. 110. RESOURCE MANAGEMENT DIVISION

Full-time equated classified positions	307.0		
Drinking water and environmental health--109.0 FTE positions		$	15,482,500
Drinking water program grants			830,000
Hazardous waste management program--45.0 FTE positions			6,506,900
Low-level radioactive waste authority--2.0 FTE positions			233,400
Medical waste program--2.0 FTE positions			303,500
Municipal assistance--29.0 FTE positions			4,818,800
Noncommunity water grants			1,905,700
Oil, gas, and mineral services--59.0 FTE positions			6,680,900
Radiological protection program--12.0 FTE positions			1,977,200
Recycling initiative--2.0 FTE positions			861,800
Scrap tire grants			3,500,000
Scrap tire regulatory program--10.0 FTE positions			1,343,700
Septage waste compliance grants			275,000
Solid waste management program--37.0 FTE positions			5,077,800
Strategic water quality initiative grants and loans			62,000,000

Water state revolving funds			120,000,000
GROSS APPROPRIATION		$	231,797,200
Appropriated from:			
Interdepartmental grant revenues:			
IDG from department of state police			1,667,800
Federal revenues:			
Federal funds			116,450,300
Special revenue funds:			
Campground fund			294,100
Electronic waste recycling fund			305,800
Environmental pollution prevention fund			3,798,700
Fees and collections			34,500
Medical waste emergency response fund			303,500
Metallic mining surveillance fee revenue			92,500
Mineral well regulatory fee revenue			205,900
Nonferrous metallic mineral surveillance			357,800
Oil and gas regulatory fund			3,609,400
Orphan well fund			2,329,500
Public swimming pool fund			610,700
Public utility assessments			233,400
Public water supply fees			4,178,900
Refined petroleum fund			688,700
Revolving loan revenue bonds			15,000,000
Sand extraction fee revenue			85,800
Scrap tire regulatory fund			4,843,700
Septage waste contingency fund			3,400
Septage waste program fund			493,200

Solid waste management fund - staff account		4,586,900
Strategic water quality initiatives fund		63,196,000
Wastewater operator training fees		249,000
Water pollution control revolving fund		499,800
State general fund/general purpose	$	7,677,900

Sec. 111. REMEDIATION AND REDEVELOPMENT DIVISION

Full-time equated classified positions 295.0

Contaminated site investigations, cleanup and revitalization--131.0 FTE positions	$	15,097,800
Emergency cleanup actions		4,000,000
Environmental cleanup and redevelopment program		15,000,000
Environmental cleanup support		1,840,000
Federal cleanup project management--40.0 FTE positions		6,986,500
Laboratory services--39.0 FTE positions		6,328,000
Refined petroleum product cleanup program--85.0 FTE positions.....		34,491,100
Superfund cleanup		1,000,000
GROSS APPROPRIATION	$	84,743,400

Appropriated from:

Federal revenues:

Federal funds		6,354,900

Special revenue funds:

Private funds		191,100
Cleanup and redevelopment fund		17,086,300
Environmental protection fund		2,040,400
Environmental response fund		2,839,500
Laboratory services fees		4,002,000

Landfill maintenance trust fund			31,000
Public water supply fees			310,500
Refined petroleum fund			33,457,100
Revitalization revolving loan fund			103,100
Strategic water quality initiatives fund			15,000,000
Water analysis fees			2,015,500
State general fund/general purpose		$	1,312,000
Sec. 112. UNDERGROUND STORAGE TANK AUTHORITY			
Full-time equated classified positions 5.0			
Underground storage tank cleanup program--5.0 FTE positions		$	20,016,800
GROSS APPROPRIATION		$	20,016,800
Appropriated from:			
Special revenue funds:			
Underground storage tank cleanup fund			20,016,800
State general fund/general purpose		$	0
Sec. 113. INFORMATION TECHNOLOGY			
Information technology services and projects		$	8,986,900
GROSS APPROPRIATION		$	8,986,900
Appropriated from:			
Interdepartmental grant revenues:			
IDG from department of state police			25,800
IDG from state transportation department			86,100
Federal revenues:			
Federal funds			1,324,700
Special revenue funds:			
Air emission fees			666,400

Campground fund	8,400
Cleanup and redevelopment fund	792,200
Electronic waste recycling fund	6,500
Environmental pollution prevention fund	459,400
Environmental protection fund	87,400
Environmental response fund	165,600
Financial instruments	1,635,500
Great Lakes protection fund	6,100
Groundwater discharge permit fees	76,700
Laboratory services fees	64,800
Land and water permit fees	265,700
Medical waste emergency response fund	10,000
Metallic mining surveillance fee revenue	2,700
Mineral well regulatory fee revenue	4,900
Nonferrous metallic mineral surveillance	300
NPDES fees	141,000
Oil and gas regulatory fund	326,600
Orphan well fund	29,500
Public swimming pool fund	15,100
Public utility assessments	7,900
Public water supply fees	148,000
Refined petroleum fund	1,685,400
Sand extraction fee revenue	2,300
Scrap tire regulatory fund	64,300
Septage waste program fund	11,300
Sewage sludge land application fee	22,900
Small business pollution prevention revolving loan	

fund		10,700
Soil erosion and sedimentation control training fund		10,400
Solid waste management fund - staff account		171,200
Stormwater permit fees		70,900
Wastewater operator training fees		19,200
Water analysis fees		74,300
Water pollution control revolving fund		7,400
Water use reporting fees		13,300
State general fund/general purpose	$	466,000

Sec. 114. ONE-TIME BASIS APPROPRIATIONS

Drinking water declaration of emergency	$	1,000,100
Oil, gas, and mineral services (one-time)		3,000,000
Refined petroleum product cleanup program		14,900,000
GROSS APPROPRIATION	$	18,900,100
Appropriated from:		
Special revenue funds:		
Drinking water declaration of emergency reserve fund		100
Refined petroleum fund		14,900,000
State general fund/general purpose	$	4,000,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 201. In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending

from state resources under part 1 for the fiscal year ending September 30, 2018 is $329,801,900.00 and state appropriations paid to local units of government are $4,531,000.00. The following itemized list identifies appropriations from which appropriations to local units of government will occur:

DEPARTMENT OF ENVIRONMENTAL QUALITY

Drinking water program grants	$	600,000
Emergency cleanup actions		106,000
Noncommunity water grants		1,800,000
Scrap tire grants		500,000
Pollution prevention local grants		250,000
Real-time beach monitoring program		500,000
Septage waste compliance grants		100,000
Recycling initiative		450,000
Medical waste program		65,000
Surface water		160,000
TOTAL	$	4,531,000

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

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

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

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

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

(d) "IDG" means interdepartmental grant.

(e) "NPDES" means national pollution discharge elimination

system.

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

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

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

Sec. 207. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and

unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the house and senate appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

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

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

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

Sec. 210. (1) In addition to the funds appropriated in part 1,

there is appropriated an amount not to exceed $30,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

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

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

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

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

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

(e) Job specifications and wage rates.

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

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

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

Sec. 216. (1) The department shall report all of the following

information relative to allocations made from appropriations for the environmental cleanup and redevelopment program, state cleanup, emergency actions, superfund cleanup, the revitalization revolving loan program, the brownfield grants and loans program, the leaking underground storage tank cleanup program, the contaminated lake and river sediments cleanup program, the refined petroleum product cleanup program, and the environmental protection bond projects under section 19508(7) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19508, to the state budget director, the senate and house appropriations subcommittees on environmental quality, and the senate and house fiscal agencies:

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

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

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

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

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

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

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

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

(a) The status of all state-owned facilities that are on the

list compiled under part 201 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101 to 324.20142.

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

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

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

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

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

(3) Unexpended and unencumbered amounts remaining from appropriations from the clean Michigan initiative fund - response

activities contained in 2000 PA 52, 2004 PA 309, 2005 PA 11, 2006 PA 343, 2007 PA 121, 2011 PA 63, 2013 PA 59, 2014 PA 252, 2015 PA 84, and 2016 PA 268 are appropriated for expenditure for any site listed in this part and part 1 and any site listed in the public acts referenced in this section.

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

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

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

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

Sec. 221. (1) Funds appropriated in part 1 shall not be used by the department to promulgate a rule that will apply to a small

business and that will have a disproportionate economic impact on small businesses because of the size of those businesses if the department fails to reduce the disproportionate economic impact of the rule on small businesses as provided under section 40 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

(2) As used in this section:

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

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

Sec. 235. The department shall prepare an annual report to the legislature by January 1, 2018 that details all of the following for each of the allocations from the clean Michigan initiative bond fund as described in section 19607(1)(a) to (i) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19607:

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

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

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

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

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

REMEDIATION DIVISION

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

Sec. 302. The unexpended funds appropriated in part 1 for emergency cleanup actions, the environmental cleanup and redevelopment program, and the refined petroleum product 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 identified in each line-item appropriation.

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

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

Sec. 304. Effective October 1, 2017, surplus funds not to exceed $1,000,000.00 in the community pollution prevention fund created in section 3f of 1976 IL 1, MCL 445.573f, are appropriated to the environmental protection fund created in section 503a of the

natural resources and environmental protection act, 1994 PA 451, MCL 324.503a.

Sec. 305. It is the intent of the legislature to repay the refined petroleum fund for the $70,000,000.00 that was transferred to the environmental protection fund created in section 503a of the natural resources and environmental protection act, 1994 PA 451, MCL 324.503a, as part of the resolution for the fiscal year 2006-2007 budget.

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

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

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

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

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

Sec. 314. (1) From the funds appropriated in part 1 from the refined petroleum fund for the refined petroleum product cleanup program, the department shall expend an amount not to exceed $36,000,000.00 for reimbursements to owners and operators of underground storage tank systems that have performed corrective

actions but do not qualify for reimbursement under section 21510 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.21510, due to the date the release was discovered and reported.

(2) As used in this section:

(a) "Corrective action" means that term as defined in section 21302 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.21302.

(b) "Operator", "owner", and "underground storage tank system" mean those terms as defined in section 21303 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.21303.

WATER RESOURCES DIVISION

Sec. 402. From the funds appropriated in part 1 for the water quality and use initiative/general line item, the department shall update a report detailing a comprehensive plan for the use of the water quality and use initiative funding appropriated in part 1 and identifying the amount of expenditures for specific programs made from the water quality and use initiative/general line item, the real-time beach monitoring program line item, and the wetlands program line item. The report shall be submitted to the chairpersons of the senate and house of representatives appropriations subcommittees on environmental quality and the senate and house fiscal agencies by September 30, 2018.

Sec. 405. If a certified health department does not exist in a city, county, or district or does not fulfill its responsibilities

under part 117 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11701 to 324.11720, then the department may spend funds appropriated in part 1 under the septage waste compliance program in accordance with section 11716 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11716.

Sec. 407. The unexpended funds appropriated in part 1 for the contaminated lake and river sediment 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 sediment cleanup.

(b) The projects will be accomplished by contract.

(c) The total estimated cost of all projects is $1,565,000.00.

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

Sec. 411. For the state fiscal year ending September 30, 2018, there is appropriated from the clean Michigan initiative bond fund $150,000.00 of revenues allocated for remediation of contaminated lake and river sediments under sections 19607 and 19608 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19607 and 324.19608, for an engineering study pertaining to the Allied Paper, Inc./Portage Creek/Kalamazoo River Superfund site. This study may be conducted under contract by a private engineering firm.

RESOURCE MANAGEMENT DIVISION

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

Sec. 606. The department shall complete a report of expenditures by the stormwater, asset management, and wastewater program related to grants awarded for the planning, design, and construction of sewage collection and treatment systems for projects that address a substantial public health risk from treatment system failure.

UNDERGROUND STORAGE TANK AUTHORITY

Sec. 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. 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.

Sec. 803. The department shall provide a report detailing the expenditure of departmental funds appropriated in 2015 PA 143, 2016 PA 3, and 2016 PA 268 for the drinking water declaration of emergency, as well as departmental funding included in House Bill No. 4329 if enacted during the 2017-2018 legislative session. The report shall include the following:

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

(b) The purpose for each expenditure.

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

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

(e) Amended project plan.

(f) Alternative analysis.

(g) Public participation events.

(h) Drinking water revolving fund set-aside.

ARTICLE VIII

GENERAL GOVERNMENT

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the legislature, the executive, the department of attorney general, the department of state, the department of treasury, the department of technology, management, and budget, the department of civil rights, the department of talent and economic development, and certain state purposes related thereto for the fiscal year ending September 30, 2018, from the following funds:

TOTAL GENERAL GOVERNMENT

APPROPRIATION SUMMARY

Full-time equated unclassified positions	50.0
Full-time equated classified positions	8,848.7
GROSS APPROPRIATION	$ 4,896,181,200
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	782,493,800
ADJUSTED GROSS APPROPRIATION	$ 4,113,687,400
Federal revenues:	
Total federal revenues	807,906,500
Special revenue funds:	
Total local revenues	17,332,700
Total private revenues	6,244,900
Total other state restricted revenues	2,156,587,300
State general fund/general purpose	$ 1,125,616,000

Sec. 102. DEPARTMENT OF ATTORNEY GENERAL

	(1) APPROPRIATION SUMMARY		
	Full-time equated unclassified positions 6.0		
	Full-time equated classified positions 536.0		
	GROSS APPROPRIATION	$	101,068,800
	Interdepartmental grant revenues:		
	Total interdepartmental grants and intradepartmental transfers		29,915,300
	ADJUSTED GROSS APPROPRIATION	$	71,153,500
	Federal revenues:		
	Total federal revenues		9,518,000
	Special revenue funds:		
	Total local revenues		0
	Total private revenues		0
	Total other state restricted revenues		21,336,900
	State general fund/general purpose	$	40,298,600
	(2) ATTORNEY GENERAL OPERATIONS		
	Full-time equated unclassified positions 6.0		
	Full-time equated classified positions 536.0		
	Attorney general	$	112,500
	Unclassified positions--5.0 FTE positions		776,600
	Attorney general operations--490.0 FTE positions		89,115,900
	Child support enforcement--25.0 FTE positions		3,525,000
	Prosecuting attorneys coordinating council--12.0 FTE positions		2,155,500
	Public safety initiative--1.0 FTE position		906,200
	Sexual assault law enforcement--5.0 FTE positions		1,716,400
	Wrongful convictions administration--3.0 FTE positions		450,000

GROSS APPROPRIATION	$	98,758,100
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDOC		664,500
IDG from MDE		599,200
IDG from MDEQ		2,020,000
IDG from MDHHS, health policy		208,400
IDG from MDHHS, human services		5,975,300
IDG from MDHHS, medical services administration		694,200
IDG from MDHHS, WIC		154,500
IDG from MDIFS, financial and insurance services		1,218,700
IDG from MDLARA, fireworks safety fund		83,600
IDG from MDLARA, health professions		3,055,400
IDG from MDLARA, licensing and regulation fees		337,300
IDG from MDLARA, Michigan occupational safety and health administration		107,700
IDG from MDLARA, remonumentation fees		106,700
IDG from MDLARA, securities fees		189,600
IDG from MDLARA, unlicensed builders		1,071,500
IDG from MDMVA		166,100
IDG from MDOS, children's protection registry		45,000
IDG from MDOT, comprehensive transportation fund		205,000
IDG from MDOT, state aeronautics fund		179,400
IDG from MDOT, state trunkline fund		2,447,600
IDG from MDSP		260,100
IDG from MDTED, workforce development agency		89,800
IDG from MDTMB		466,500

IDG from MDTMB, civil service commission	307,400
IDG from MDTMB, risk management revolving fund	1,478,100
IDG from Michigan state housing development authority	682,100
IDG from treasury	6,920,600
IDG from TED, Michigan strategic fund	181,000
Federal revenues:	
DAG, state administrative match grant/food stamps	137,000
Federal funds	3,163,600
HHS, medical assistance, medigrant	386,500
HHS-OS, state Medicaid fraud control units	5,709,700
National criminal history improvement program	121,200
Special revenue funds:	
Antitrust enforcement collections	766,100
Attorney general's operations fund	767,000
Auto repair facilities fees	328,900
Franchise fees	384,900
Game and fish protection fund	756,300
Human trafficking commission fund	390,000
Lawsuit settlement proceeds fund	2,600,000
Liquor purchase revolving fund	1,470,500
Marihuana regulatory fund	375,000
Merit award trust fund	499,500
Michigan employment security act - administrative fund	2,255,100
Michigan state waterways fund	141,000
Mobile home code fund	251,300
Prisoner reimbursement	627,400
Prosecuting attorneys training fees	411,900

Public utility assessments			2,090,100
Real estate enforcement fund			100,700
Reinstatement fees			259,700
Retirement funds			1,051,200
Second injury fund			824,400
Self-insurers security fund			572,900
Silicosis and dust disease fund			226,100
State building authority revenue			121,600
State casino gaming fund			1,875,300
State lottery fund			348,700
Student safety fund			470,000
Utility consumers fund			1,000,000
Worker's compensation administrative revolving fund			371,300
State general fund/general purpose		$	37,987,900
(3) INFORMATION TECHNOLOGY			
Information technology services and projects		$	1,560,700
GROSS APPROPRIATION		$	1,560,700
Appropriated from:			
State general fund/general purpose		$	1,560,700
(4) ONE-TIME BASIS ONLY APPROPRIATIONS			
Prosecuting attorneys coordinating council juvenile life without parole cases		$	750,000
GROSS APPROPRIATION		$	750,000
Appropriated from:			
State general fund/general purpose		$	750,000

Sec. 103. DEPARTMENT OF CIVIL RIGHTS

(1) APPROPRIATION SUMMARY		
Full-time equated unclassified positions 6.0		
Full-time equated classified positions 127.0		
GROSS APPROPRIATION	$	16,099,600
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		296,600
ADJUSTED GROSS APPROPRIATION	$	15,803,000
Federal revenues:		
Total federal revenues		2,775,800
Special revenue funds:		
Total local revenues		0
Total private revenues		18,700
Total other state restricted revenues		151,900
State general fund/general purpose	$	12,856,600
(2) CIVIL RIGHTS OPERATIONS		
Full-time equated unclassified positions 6.0		
Full-time equated classified positions 127.0		
Unclassified positions--6.0 FTE positions	$	680,100
Civil rights operations--121.0 FTE positions		13,906,500
Division on deaf and hard of hearing--6.0 FTE positions		800,400
GROSS APPROPRIATION	$	15,387,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG from DTMB		296,600
Federal revenues:		

EEOC, state and local antidiscrimination agency contracts			1,217,300
HUD, grant			1,543,500
Special revenue funds:			
Private revenues			18,700
Division on deafness fund			93,400
State restricted indirect funds			58,500
State general fund/general purpose		$	12,159,000
(3) INFORMATION TECHNOLOGY			
Information technology services and projects		$	712,600
GROSS APPROPRIATION		$	712,600
Appropriated from:			
Federal revenues:			
EEOC, state and local antidiscrimination agency contracts			15,000
State general fund/general purpose		$	697,600

Sec. 104. EXECUTIVE OFFICE

(1) APPROPRIATION SUMMARY			
Full-time equated unclassified positions	10.0		
Full-time equated classified positions	79.2		
GROSS APPROPRIATION		$	6,848,500
Interdepartmental grant revenues:			
Total interdepartmental grants and intradepartmental transfers			0
ADJUSTED GROSS APPROPRIATION		$	6,848,500
Federal revenues:			

Total federal revenues			0
Special revenue funds:			
Total local revenues			0
Total private revenues			0
Total other state restricted revenues			0
State general fund/general purpose		$	6,848,500
(2) EXECUTIVE OFFICE OPERATIONS			
Full-time equated unclassified positions	10.0		
Full-time equated classified positions	79.2		
Governor		$	159,300
Lieutenant governor			111,600
Unclassified positions--8.0 FTE positions			1,307,300
Executive office--79.2 FTE positions			5,270,300
GROSS APPROPRIATION		$	6,848,500
Appropriated from:			
State general fund/general purpose		$	6,848,500

Sec. 105. LEGISLATURE

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION		$	177,861,000
Interdepartmental grant revenues:			
Total interdepartmental grants and intradepartmental transfers			5,709,200
ADJUSTED GROSS APPROPRIATION		$	172,151,800
Federal revenues:			
Total federal revenues			0
Special revenue funds:			

Total local revenues			0
Total private revenues			400,000
Total other state restricted revenues			6,247,100
State general fund/general purpose		$	165,504,700
(2) LEGISLATURE			
Senate		$	35,835,600
Senate automated data processing			2,600,000
Senate fiscal agency			3,874,100
House of representatives			55,113,500
House automated data processing			2,600,000
House fiscal agency			3,874,100
GROSS APPROPRIATION		$	103,897,300
Appropriated from:			
State general fund/general purpose		$	103,897,300
(3) LEGISLATIVE COUNCIL			
Legislative corrections ombudsman		$	758,400
Legislative council			12,421,300
Legislative service bureau automated data processing			1,690,000
National association dues			454,700
Michigan veterans facility ombudsman			200,000
Worker's compensation			151,400
GROSS APPROPRIATION		$	15,675,800
Appropriated from:			
Special revenue funds:			
Private - gifts and bequests revenues			400,000
State general fund/general purpose		$	15,275,800
(4) LEGISLATIVE RETIREMENT SYSTEM			

General nonretirement expenses		$	5,062,100
GROSS APPROPRIATION		$	5,062,100
Appropriated from:			
Special revenue funds:			
Court fees			1,177,700
State general fund/general purpose		$	3,884,400
(5) PROPERTY MANAGEMENT			
Cora Anderson Building		$	11,769,500
Senate Office Building and other properties			8,030,000
GROSS APPROPRIATION		$	19,799,500
Appropriated from:			
State general fund/general purpose		$	19,799,500
(6) STATE CAPITOL HISTORIC SITE			
Bond/lease obligations		$	100
General operations			4,440,000
Restoration, renewal, and maintenance			3,100,000
GROSS APPROPRIATION		$	7,540,100
Appropriated from:			
Special revenue funds:			
Capitol Historic Site fund			3,100,000
State general fund/general purpose		$	4,440,100
(7) OFFICE OF THE AUDITOR GENERAL			
Unclassified positions		$	339,200
Field operations			23,947,000
GROSS APPROPRIATION		$	24,286,200
Appropriated from:			
Interdepartmental grant revenues:			

1	IDG from MDHHS, human services	30,600
2	IDG from MDLARA, liquor purchase revolving fund	28,700
3	IDG from MDOT, comprehensive transportation fund	39,000
4	IDG from MDOT, Michigan transportation fund	315,800
5	IDG from MDOT, state aeronautics fund	30,300
6	IDG from MDOT, state trunkline fund	733,500
7	IDG, legislative retirement system	29,200
8	IDG, single audit act	2,913,100
9	IDG, commercial mobile radio system emergency	
10	telephone fund.....	36,800
11	IDG, contract audit administration fees	50,000
12	IDG, deferred compensation funds	60,000
13	IDG, Michigan finance authority	330,800
14	IDG, Michigan economic development corporation	96,300
15	IDG, Michigan education trust fund	70,800
16	IDG, Michigan justice training commission fund	40,900
17	IDG, Michigan strategic fund	169,100
18	IDG, office of retirement services	550,000
19	IDG, other restricted funding sources	184,300
20	Special revenue funds:	
21	21st century jobs trust fund	96,300
22	Brownfield development fund	28,100
23	Clean Michigan initiative implementation bond fund ...	54,500
24	Game and fish protection fund	31,300
25	MDTMB, civil service commission	166,200
26	Michigan state housing development authority fees	113,500
27	Michigan veterans' trust fund	35,500

Motor transport revolving fund			7,400
Office services revolving fund			10,000
State disbursement unit, office of child support			57,400
State services fee fund			1,357,900
Waterways fund			11,300
State general fund/general purpose		$	16,607,600
(8) ONE-TIME BASIS ONLY APPROPRIATIONS			
Legislative corrections ombudsman		$	100,000
Legislative information technology systems design project			1,500,000
GROSS APPROPRIATION		$	1,600,000
Appropriated from:			
State general fund/general purpose		$	1,600,000

Sec. 106. DEPARTMENT OF STATE

(1) APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0		
Full-time equated classified positions	1,608.0		
GROSS APPROPRIATION		$	248,654,100
Interdepartmental grant revenues:			
Total interdepartmental grants and intradepartmental transfers			20,000,000
ADJUSTED GROSS APPROPRIATION		$	228,654,100
Federal revenues:			
Total federal revenues			1,460,000
Special revenue funds:			
Total local revenues			0

Total private revenues			50,100
Total other state restricted revenues			205,915,000
State general fund/general purpose		$	21,229,000
(2) EXECUTIVE DIRECTION			
Full-time equated unclassified positions	6.0		
Full-time equated classified positions	30.0		
Secretary of state		$	112,500
Unclassified positions--5.0 FTE positions			647,700
Operations--30.0 FTE positions			4,590,000
GROSS APPROPRIATION		$	5,350,200
Appropriated from:			
Special revenue funds:			
Children's protection registry fund			270,700
Driver fees			494,500
Enhanced driver license and enhanced official state personal identification card fund			217,600
Reinstatement fees - operator licenses			249,900
Transportation administration collection fund			2,515,700
State general fund/general purpose		$	1,601,800
(3) DEPARTMENT SERVICES			
Full-time equated classified positions	116.0		
Operations--116.0 FTE positions		$	25,420,300
Uniform law commission registration fees			5,600
GROSS APPROPRIATION		$	25,425,900
Appropriated from:			
Special revenue funds:			
Abandoned vehicle fees			239,800

Driver fees			1,300,100
Driver improvement course fund			308,200
Enhanced driver license and enhanced official state personal identification card fund			331,200
Personal identification card fees			289,800
Reinstatement fees - operator licenses			541,800
Scrap tire fund			78,600
Transportation administration collection fund			21,742,300
State general fund/general purpose		$	594,100
(4) LEGAL SERVICES			
Full-time equated classified positions 94.0			
Operations--94.0 FTE positions		$	14,230,200
GROSS APPROPRIATION		$	14,230,200
Appropriated from:			
Special revenue funds:			
Auto repair facilities fees			2,941,100
Driver fees			2,145,000
Driver responsibility fees			1,000,000
Enhanced driver license and enhanced official state personal identification card fund			505,600
Reinstatement fees - operator licenses			959,400
Transportation administration collection fund			4,393,800
Vehicle theft prevention fees			1,089,200
State general fund/general purpose		$	1,196,100
(5) CUSTOMER DELIVERY SERVICES			
Full-time equated classified positions 1,323.0			
Branch operations--932.0 FTE positions		$	87,887,700

Central operations--389.0 FTE positions		50,617,300
Motorcycle safety education administration--2.0 FTE positions		337,500
Motorcycle safety education grants		1,800,000
Credit and debit assessment services		8,000,000
Organ donor program		129,100
GROSS APPROPRIATION	$	148,771,600
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDOT, Michigan transportation fund		20,000,000
Federal revenues:		
Federal funds		1,460,000
Special revenue funds:		
Private funds		100
Thomas Daley gift of life fund		50,000
Abandoned vehicle fees		450,900
Auto repair facilities fees		901,900
Child support clearance fees		363,600
Credit and debit assessment service fee revenue		8,000,000
Driver education provider and instructor fund		75,000
Driver fees		21,821,900
Driver improvement course fund		1,227,600
Enhanced driver license and enhanced official state personal identification card fund		9,017,200
Expedient service fees		2,943,500
Marine safety fund		1,540,200
Michigan state police auto theft fund		123,700

Mobile home commission fees			507,500
Motorcycle safety fund			1,837,500
Off-road vehicle title fees			170,700
Parking ticket court fines			1,639,600
Personal identification card fees			2,362,500
Recreation passport fee revenue			1,000,000
Reinstatement fees - operator licenses			2,357,300
Snowmobile registration fee revenue			390,000
State lottery fund			1,015,800
Transportation administration collection fund			61,960,100
Vehicle theft prevention fees			786,000
State general fund/general purpose		$	6,769,000
(6) ELECTION REGULATION			
Full-time equated classified positions	45.0		
Election administration and services--45.0 FTE positions		$	7,209,800
County clerk education and training fund			100,000
Fees to local units			109,800
GROSS APPROPRIATION		$	7,419,600
Appropriated from:			
Special revenue funds:			
Notary education and training fund			100,000
Notary fee fund			343,500
State general fund/general purpose		$	6,976,100
(7) DEPARTMENTWIDE APPROPRIATIONS			
Building occupancy charges/rent		$	9,758,300
Worker's compensation			246,200

GROSS APPROPRIATION		$	10,004,500
Appropriated from:			
Special revenue funds:			
Auto repair facilities fees			133,000
Driver fees			704,600
Enhanced driver license and enhanced official state personal identification card fund			325,800
Parking ticket court fines			440,800
Transportation administration collection fund			5,899,800
State general fund/general purpose		$	2,500,500
(8) INFORMATION TECHNOLOGY			
Information technology services and projects		$	37,452,100
GROSS APPROPRIATION		$	37,452,100
Appropriated from:			
Special revenue funds:			
Administrative order processing fee			11,700
Auto repair facilities fees			129,000
Driver fees			785,700
Enhanced driver license and enhanced official state personal identification card fund			326,800
Expedient service fees			1,082,800
Parking ticket court fines			88,800
Personal identification card fees			172,900
Reinstatement fees - operator licenses			591,000
Transportation administration collection fund			32,491,400
Vehicle theft prevention fees			180,600
State general fund/general purpose		$	1,591,400

Sec. 107. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET

(1) APPROPRIATION SUMMARY

Full-time equated unclassified positions 6.0		
Full-time equated classified positions 2,937.0		
GROSS APPROPRIATION	$	1,369,310,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		713,959,000
ADJUSTED GROSS APPROPRIATION	$	655,351,000
Federal revenues:		
Total federal revenues		4,985,300
Special revenue funds:		
Total local revenues		2,316,700
Total private revenues		127,700
Total other state restricted revenues		111,399,300
State general fund/general purpose	$	536,522,000

(2) EXECUTIVE DIRECTION

Full-time equated unclassified positions 6.0		
Full-time equated classified positions 12.0		
Unclassified positions--6.0 FTE positions	$	1,031,500
Executive operations--12.0 FTE positions		2,387,400
GROSS APPROPRIATION	$	3,418,900
Appropriated from:		
Interdepartmental grant revenues:		
IDG from building occupancy and parking charges		240,200
IDG from technology user fees		2,041,100

	Special revenue funds:		
	Special revenue, internal service, and pension trust funds		280,300
	State general fund/general purpose	$	857,300
	(3) DEPARTMENT SERVICES		
	Full-time equated classified positions 788.5		
	Administrative services--133.5 FTE positions	$	17,551,800
	Budget and financial management--203.0 FTE positions		36,082,200
	Office of the state employer--23.0 FTE positions		3,484,600
	Design and construction services--40.0 FTE positions		6,520,000
	Business support services--98.0 FTE positions		11,679,700
	Building operation services--212.0 FTE positions		92,591,700
	Property management		7,817,400
	Motor vehicle fleet--35.0 FTE positions		74,299,300
	Bureau of labor market information and strategies--44.0 FTE positions		5,772,400
	GROSS APPROPRIATION	$	255,799,100
	Appropriated from:		
	Interdepartmental grant revenues:		
	IDG from accounting service centers user charges		3,920,500
	IDG from building occupancy and parking charges		94,118,300
	IDG from MDHHS, community health		489,700
	IDG from MDHHS, human services		220,600
	IDG from MDLARA		100,000
	IDG from motor transport fund		74,299,300
	IDG from technology user fees		7,575,100
	IDG from user fees		6,584,200

	Federal revenues:		
	Federal funds		4,985,300
	Special revenue funds:		
	Local - MPSCS subscriber and maintenance fees		51,900
	Local revenues		35,000
	Health management funds		2,254,700
	MAIN user charges		2,060,600
	Other agency charges		1,209,300
	Private funds		127,700
	Special revenue, internal service, and pension trust funds		15,042,400
	State restricted indirect funds		2,826,200
	State general fund/general purpose	$	39,898,300
	(4) TECHNOLOGY SERVICES		
	Full-time equated classified positions 1,484.5		
	Education services--29.0 FTE positions	$	4,148,000
	Health and human services--617.5 FTE positions		297,460,500
	Public protection--155.5 FTE positions		57,780,400
	Resources services--146.5 FTE positions		20,716,900
	Transportation services--89.5 FTE positions		32,873,300
	General services--315.5 FTE positions		107,508,000
	Homeland security initiative/cyber security--25.0 FTE positions		16,169,300
	Information technology investment fund		65,000,000
	Michigan public safety communication system--100.0 FTE positions		40,174,500
	Enterprise identity management--6.0 FTE positions		7,748,600

GROSS APPROPRIATION		$	649,579,500
Appropriated from:			
Interdepartmental grant revenues:			
IDG from technology user fees			520,487,100
Special revenue funds:			
Local - MPSCS subscriber and maintenance fees			2,229,800
State general fund/general purpose		$	126,862,600
(5) STATEWIDE APPROPRIATIONS			
Professional development fund - NERE		$	250,000
Professional development fund - UAW			700,000
GROSS APPROPRIATION		$	950,000
Appropriated from:			
Interdepartmental grant revenues:			
IDG from employer contributions			950,000
State general fund/general purpose		$	0
(6) SPECIAL PROGRAMS			
Full-time equated classified positions	192.0		
Building occupancy charges - property management services for executive/legislative building occupancy		$	1,223,400
Retirement services--167.0 FTE positions			29,277,600
Office of children's ombudsman--14.0 FTE positions			1,814,900
School reform office operations--11.0 FTE positions			1,166,600
Public private partnership			1,500,000
Regional prosperity grants			2,500,000
GROSS APPROPRIATION		$	37,482,500
Appropriated from:			

	Special revenue funds:		
	Deferred compensation		2,800,000
	Pension trust funds		21,073,800
	Public private partnership investment fund		1,500,000
	State general fund/general purpose	$	12,108,700
	(7) STATE BUILDING AUTHORITY RENT		
	State building authority rent - state agencies	$	49,665,800
	State building authority rent - department of corrections.....		21,029,900
	State building authority rent - universities		144,995,300
	State building authority rent - community colleges ...		30,879,600
	GROSS APPROPRIATION	$	246,570,600
	Appropriated from:		
	State general fund/general purpose	$	246,570,600
	(8) CIVIL SERVICE COMMISSION		
	Full-time equated classified positions 450.0		
	Agency services--74.0 FTE positions	$	13,186,400
	Executive direction--40.0 FTE positions		9,428,500
	Employee benefits--16.0 FTE positions		5,713,900
	Human resources operations--320.0 FTE positions		38,323,700
	Information technology services and projects		3,381,900
	GROSS APPROPRIATION	$	70,034,400
	Appropriated from:		
	Special revenue funds:		
	State restricted funds 1%		29,129,300
	State restricted indirect funds		8,679,800
	State sponsored group insurance		8,670,800

State general fund/general purpose		$	23,554,500
(9) CAPITAL OUTLAY			
Major special maintenance, remodeling, and addition for state agencies		$	2,000,000
Enterprisewide special maintenance for state facilities			26,000,000
GROSS APPROPRIATION		$	28,000,000
Appropriated from:			
Interdepartmental grant revenues:			
IDG from building occupancy charges			2,000,000
State general fund/general purpose		$	26,000,000
(10) INFORMATION TECHNOLOGY			
Information technology services and projects		$	26,474,200
GROSS APPROPRIATION		$	26,474,200
Appropriated from:			
Interdepartmental grant revenues:			
IDG from building occupancy and parking charges			723,200
IDG from user fees			209,700
Deferred compensation			2,600
Health management funds			45,100
MAIN user charges			2,407,200
Pension trust funds			10,126,800
Special revenue, internal service, and pension trust funds			2,706,500
State restricted indirect funds			583,900
State general fund/general purpose		$	9,669,200
(11) ONE-TIME BASIS ONLY APPROPRIATIONS			

Full-time equated classified positions 10.0		
ITIF one-time augmentation	$	4,500,000
MAIN operations for fiscal year 2017 closeout		2,087,600
Homeland security initiative/cyber security		4,000,000
Drinking water declaration of emergency reserve fund .		25,000,000
Michigan infrastructure fund deposit		5,000,000
Michigan public safety communication system life-cycle replacement.....		4,000,000
Michigan.gov content management system		4,000,000
SIGMA transition support—-10.0 FTE positions		2,413,200
GROSS APPROPRIATION	$	51,000,800
Appropriated from:		
State general fund/general purpose	$	51,000,800

Sec. 108. DEPARTMENT OF TREASURY

(1) APPROPRIATION SUMMARY

Full-time equated unclassified positions 10.0		
Full-time equated classified positions 1,952.5		
GROSS APPROPRIATION	$	1,874,102,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers.....		12,613,700
ADJUSTED GROSS APPROPRIATION	$	1,861,488,300
Federal revenues:		
Total federal revenues		27,022,600
Special revenue funds:		
Total local revenues		14,516,000

1	Total private revenues		27,500
2	Total other state restricted revenues		1,605,173,700
3	State general fund/general purpose	$	214,748,500
4	**(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT**		
5	Full-time equated unclassified positions 10.0		
6	Full-time equated classified positions 433.0		
7	Unclassified positions--10.0 FTE positions	$	1,025,300
8	Department services--88.0 FTE positions		9,251,600
9	Executive direction and operations--46.0 FTE positions		7,867,200
10	Office of accounting services--28.0 FTE positions		2,786,400
11	Office of collections--204.0 FTE positions		27,881,600
12	Office of financial services--38.0 FTE positions		4,513,600
13	Property management		6,253,700
14	Unclaimed property--29.0 FTE positions		4,852,900
15	Worker's compensation		26,500
16	GROSS APPROPRIATION	$	64,458,800
17	Appropriated from:		
18	Interdepartmental grant revenues:		
19	IDG, data/collection services fees		336,600
20	IDG from accounting service center user charges		497,700
21	IDG from MDHHS, title IV-D		778,500
22	IDG, levy/warrant cost assessment fees		3,643,300
23	IDG, state agency collection fees		4,372,400
24	Federal revenues:		
25	DED-OPSE, federal lenders allowance		20,600
26	DED-OPSE, higher education act of 1965 insured loans .		46,300
27	Special revenue funds:		

Local - city income tax fund			102,500
Delinquent tax collection revenue			32,728,400
Escheats revenue			4,852,900
Garnishment fees			2,650,400
Justice system fund			429,200
Marihuana regulatory fund			187,500
State lottery fund			293,900
State restricted indirect funds			278,600
State services fee fund			334,300
Treasury fees			47,200
State general fund/general purpose		$	12,858,500
(3) LOCAL GOVERNMENT PROGRAMS			
Full-time equated classified positions 126.0			
Financial independence teams--15.0 FTE positions		$	5,245,800
Local finance--21.0 FTE positions			2,622,800
Property tax assessor training--4.0 FTE positions			1,041,700
Supervision of the general property tax law--86.0 FTE positions			9,878,700
GROSS APPROPRIATION		$	18,789,000
Appropriated from:			
Special revenue funds:			
Local - assessor training fees			1,041,700
Local - audit charges			829,000
Local - equalization study chargebacks			40,000
Local - revenue from local government			100,000
Delinquent tax collection revenue			1,521,900
Land reutilization fund			2,046,400

Municipal finance fees			546,800
State general fund/general purpose		$	12,663,200
(4) TAX PROGRAMS			
Full-time equated classified positions	782.0		
Bottle act implementation		$	250,000
Health insurance claims fund program--15.0 FTE positions			2,080,800
Home heating assistance			3,089,300
Office of revenue and tax analysis--21.0 FTE positions			3,643,600
Tax and economic policy--51.0 FTE positions			8,002,300
Tax compliance--340.0 FTE positions			45,680,400
Tax processing--342.0 FTE positions			38,826,300
Tobacco tax enforcement--13.0 FTE positions			1,518,600
GROSS APPROPRIATION		$	103,091,300
Appropriated from:			
Interdepartmental grant revenues:			
IDG from MDOT, Michigan transportation fund			2,301,700
IDG from MDOT, state aeronautics fund			72,200
Federal revenues:			
HHS-SSA, low-income energy assistance			3,089,300
Special revenue funds:			
Bottle deposit fund			250,000
Delinquent tax collection revenue			71,065,600
Emergency 911 fund			158,700
Health insurance claims fund			2,080,800
Marihuana regulatory fund			487,500
Michigan state waterways fund			107,100

Tobacco tax revenue			4,116,900
State general fund/general purpose		$	19,361,500
(5) FINANCIAL PROGRAMS			
Full-time equated classified positions 201.5			
Common cash and debt management--21.5 FTE positions		$	1,676,500
Dual enrollment payments			2,007,600
Investments--82.0 FTE positions			20,713,700
John R. Justice grant program			288,100
Michigan finance authority - bond finance--72.5 FTE positions			25,962,900
Student financial assistance programs--25.5 FTE positions			2,704,300
GROSS APPROPRIATION		$	53,353,100
Appropriated from:			
Interdepartmental grant revenues:			
IDG, fiscal agent service fees			211,300
Federal revenues:			
DED-OPSE, federal lenders allowance			3,718,400
DED-OPSE, higher education act of 1965, insured loans			19,232,100
Federal - John R. Justice grant			288,100
Special revenue funds:			
Defined contribution administrative fee revenue			100,000
Michigan finance authority bond and loan program revenue			3,012,400
Michigan merit award trust fund			1,172,200
Retirement funds			18,981,000
School bond fees			858,300

Treasury fees			1,850,900
State general fund/general purpose		$	3,928,400
(6) DEBT SERVICE			
Clean Michigan initiative		$	62,751,000
Great Lakes water quality bond			22,865,000
Quality of life bond			21,964,000
GROSS APPROPRIATION		$	107,580,000
Appropriated from:			
State general fund/general purpose		$	107,580,000
(7) GRANTS			
Beat the streets		$	100,000
Convention facility development distribution			90,950,000
Emergency 911 payments			27,000,000
Health and safety fund grants			1,500,000
Medical marihuana excise fund grants			3,960,000
Senior citizen cooperative housing tax exemption program			10,720,000
GROSS APPROPRIATION		$	134,230,000
Appropriated from:			
Special revenue funds:			
Convention facility development fund			90,950,000
Emergency 911 fund			27,000,000
Health and safety fund			1,500,000
Medical marihuana excise fund			3,960,000
State general fund/general purpose		$	10,820,000
(8) BUREAU OF STATE LOTTERY			
Full-time equated classified positions	191.0		

Lottery information technology services and projects .	$	5,254,500
Lottery operations--191.0 FTE positions		25,619,700
GROSS APPROPRIATION	$	30,874,200
Appropriated from:		
Special revenue funds:		
State lottery fund		30,874,200
State general fund/general purpose	$	0
(9) CASINO GAMING		
Full-time equated classified positions 143.0		
Casino gaming control operations--133.0 FTE positions	$	26,457,300
Gaming information technology services and projects ..		2,526,000
Horse racing--10.0 FTE positions		2,021,400
Michigan gaming control board		50,000
GROSS APPROPRIATION	$	31,054,700
Appropriated from:		
Special revenue funds:		
Casino gambling agreements		950,500
Equine development fund		2,144,100
Laboratory fees		701,800
State services fee fund		27,258,300
State general fund/general purpose	$	0
(10) PAYMENTS IN LIEU OF TAXES		
Commercial forest reserve	$	3,368,100
Purchased lands		8,677,900
Swamp and tax reverted lands		15,605,600
GROSS APPROPRIATION	$	27,651,600
Appropriated from:		

	Special revenue funds:		
	Private funds		27,500
	Game and fish protection fund		3,007,400
	Michigan natural resources trust fund		2,064,700
	Michigan state waterways fund		260,800
	State general fund/general purpose	$	22,291,200
	(11) REVENUE SHARING		
	City, village, and township revenue sharing	$	243,040,000
	Constitutional state general revenue sharing grants		773,544,100
	County incentive program		43,160,400
	County revenue sharing payments		174,747,700
	Financially distressed cities, villages, or townships		4,999,900
	Sheriff patrol assistance for financially distressed communities		100
	GROSS APPROPRIATION	$	1,239,492,200
	Appropriated from:		
	Special revenue funds:		
	Sales tax		1,239,492,200
	State general fund/general purpose	$	0
	(12) STATE BUILDING AUTHORITY		
	Full-time equated classified positions 4.0		
	State building authority--4.0 FTE positions	$	732,000
	GROSS APPROPRIATION	$	732,000
	Appropriated from:		
	Special revenue funds:		
	State building authority revenue		732,000
	State general fund/general purpose	$	0

	(13) CITY INCOME TAX ADMINISTRATION PROGRAM		
	Full-time equated classified positions 72.0		
	City income tax administration program--72.0 FTE positions	$	9,685,300
	GROSS APPROPRIATION	$	9,685,300
	Appropriated from:		
	Special revenue funds:		
	Local - city income tax fund		9,685,300
	State general fund/general purpose	$	0
	(14) INFORMATION TECHNOLOGY		
	Treasury operations information technology services and projects	$	30,909,800
	GROSS APPROPRIATION	$	30,909,800
	Appropriated from:		
	Interdepartmental grant revenues:		
	IDG from MDOT, Michigan transportation fund		400,000
	Federal revenues:		
	DED-OPSE, federal lender allowance		627,800
	Special revenue funds:		
	Local - city income tax fund		1,217,500
	Delinquent tax collection revenue		17,420,700
	Retirement funds		768,700
	Tobacco tax revenue		129,400
	State general fund/general purpose	$	10,345,700
	(15) ONE-TIME BASIS ONLY APPROPRIATIONS		
	City income tax administration	$	1,500,000
	City, village, and township revenue sharing		5,800,000

Treasury operations information technology services and projects		2,000,000
Urban search and rescue		500,000
Supplemental city, village, and township revenue sharing		12,400,000
GROSS APPROPRIATION	$	22,200,000
Appropriated from:		
Special revenue funds:		
Local - city income tax fund		1,500,000
Sales tax		5,800,000
State general fund/general purpose	$	14,900,000

Sec. 109. DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT

(1) APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	1,609.0	
GROSS APPROPRIATION	$	1,102,237,200
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	$	1,102,237,200
Federal revenues:		
Total federal revenues		762,144,800
Special revenue funds:		
Total local revenues		500,000
Total private revenues		5,620,900

Total other state restricted revenues			206,363,400
State general fund/general purpose		$	127,608,100
(2) DEPARTMENTAL ADMINISTRATION			
Full-time equated unclassified positions 6.0			
Full-time equated classified positions 3.0			
Unclassified positions--6.0 FTE positions		$	1,086,900
Executive direction and operations--3.0 FTE positions			1,397,100
GROSS APPROPRIATION		$	2,484,000
Appropriated from:			
Federal revenues:			
DOL-ETA, unemployment insurance			1,436,900
DOL, federal funds			366,100
Special revenue funds:			
Michigan state housing development authority fees and charges.....			487,100
State general fund/general purpose		$	193,900
(3) MICHIGAN STRATEGIC FUND			
Full-time equated classified positions 197.0			
Administrative services--37.0 FTE positions		$	6,212,900
Arts and cultural program			10,150,000
Business attraction and community revitalization			89,200,000
Community college skilled trades equipment program debt service.....			4,600,000
Community development block grants			47,000,000
Entrepreneurship ecosystem			16,706,700
Facility for rare isotope beams			7,300,000
Job creation services--160.0 FTE positions			17,403,700

Pure Michigan			34,000,000
GROSS APPROPRIATION		$	232,573,300
Appropriated from:			
Federal revenues:			
DOL, federal funds			2,825,800
DOL-ETA, unemployment insurance			287,000
HUD-CPD community development block grant			49,773,300
NFAH-NEA, promotion of the arts, partnership agreements			1,050,000
Special revenue funds:			
Private - special project advances			250,000
Private - Michigan council for the arts fund			100,000
21st century jobs trust fund			75,000,000
Michigan film promotion fund			402,200
Michigan state housing development authority fees and charges			4,649,300
State general fund/general purpose		$	98,235,700
(4) TALENT INVESTMENT AGENCY			
Full-time equated classified positions	1,087.0		
Executive direction--14.0 FTE positions		$	1,991,400
Information technology services and projects - TIA			22,501,000
Workforce program administration--220.0 FTE positions			32,339,500
Workforce development programs			385,822,900
Community ventures--7.0 FTE positions			9,806,700
Going pro			30,908,300
Unemployment insurance agency--846.0 FTE positions			137,953,400
GROSS APPROPRIATION		$	621,323,200

	Appropriated from:		
	Federal revenues:		
	DAG, employment and training		3,499,400
	DED-OESE, GEAR-UP		4,730,700
	DED-OVAE, adult education		20,000,000
	DED-OVAE, basic grants to states		19,000,000
	DOL, federal funds		108,735,800
	DOL-ETA, workforce investment act		173,988,600
	DOL-ETA, unemployment insurance		138,952,200
	Federal funds		5,940,200
	Social security act, temporary assistance to needy families		63,698,800
	Special revenue funds:		
	Local revenues		500,000
	Private funds		5,270,900
	Contingent fund, penalty and interest account		63,436,100
	Defaulted loan collection fees		152,700
	State general fund/general purpose	$	13,417,800
	(5) LAND BANK FAST TRACK AUTHORITY		
	Full-time equated classified positions 6.0		
	Land bank fast track authority--6.0 FTE positions	$	5,259,100
	GROSS APPROPRIATION	$	5,259,100
	Appropriated from:		
	Federal revenues:		
	Federal revenues		1,000,000
	Special revenue funds:		
	Land bank fast track fund		298,400

State general fund/general purpose		$	3,960,700
(6) MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY			
Full-time equated classified positions	316.0		
Property management		$	3,659,600
Michigan state housing development authority technology services and projects			3,598,500
Housing and rental assistance--316.0 FTE positions			44,372,000
Lighthouse preservation program			307,500
Payments on behalf of tenants			166,860,000
GROSS APPROPRIATION		$	218,797,600
Appropriated from:			
Federal funds:			
HUD, lower income housing assistance			166,860,000
Special revenue funds:			
Michigan state housing development authority fees and charges			51,630,100
Michigan lighthouse preservation program			307,500
State general fund/general purpose		$	0
(7) ONE-TIME BASIS ONLY APPROPRIATIONS			
Business attraction and community revitalization		$	10,800,000
Protect and grow			1,000,000
Going Pro			10,000,000
GROSS APPROPRIATION		$	21,800,000
Appropriated from:			
Special revenue funds:			
Contingent fund, penalty and interest account			10,000,000
State general fund/general purpose		$	11,800,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2017-2018 is $3,282,204,000.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 is $1,429,883,600.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE		
Fees to local units	$	109,800
Motorcycle safety grants		1,106,100
Subtotal	$	1,215,900
DEPARTMENT OF TREASURY		
Senior citizen cooperative housing tax exemption	$	10,720,000
Health and safety fund grants		1,500,000
Constitutional state general revenue sharing grants		773,544,100
City, village, and township revenue sharing		248,840,000
Medical marihuana excise fund grands		3,960,000
Supplemental city, village, and township revenue sharing		12,400,000
Convention facility development fund distribution		90,950,000
Emergency 9-1-1 payments		24,894,000
Financially distressed cities, villages, or townships		4,999,900

County incentive program		43,160,400
County revenue sharing payments		174,747,700
Payments in lieu of taxes		27,651,600
Subtotal	$	1,417,367,700

DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT

Welfare-to-work programs	$	11,300,000
Subtotal	$	11,300,000
TOTAL GENERAL GOVERNMENT	$	1,429,883,600

(2) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources for fiscal year 2017-2018 is estimated at $31,638,233,600.00 in the 2017-2018 appropriations acts and total state spending from state sources paid to local units of government for fiscal year 2017-2018 is estimated at $17,680,017,300.00. The state-local proportion is estimated at 55.9% of total state spending from state resources.

(3) If payments to local units of government and state spending from state sources for fiscal year 2017-2018 are different than the amounts estimated in subsection (2), the state budget director shall report the payments to local units of government and state spending from state sources that were made for fiscal year 2017-2018 to the senate and house of representatives standing committees on appropriations within 30 days after the final book-closing for fiscal year 2017-2018.

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

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

(a) "ATM" means automated teller machine.

(b) "COBRA" means the consolidated omnibus budget reconciliation act of 1985, Public Law 99-272, 100 Stat 82.

(c) "DAG" means the United States Department of Agriculture.

(d) "DED" means the United States Department of Education.

(e) "DED-OESE" means the DED Office of Elementary and Secondary Education.

(f) "DED-OPSE" means the DED Office of Postsecondary Education.

(g) "DED-OVAE" means the DED Office of Vocational and Adult Education.

(h) "DOE-OEERE" means the United States Department of Energy, Office of Energy Efficiency and Renewable Energy.

(i) "DOL" means the United States Department of Labor.

(j) "DOL-ETA" means the United States Department of Labor, Employment and Training Administration.

(k) "EEOC" means the United States Equal Employment Opportunity Commission.

(*l*) "FTE" means full-time equated.

(m) "Fund" means the Michigan strategic fund.

(n) "GEAR-UP" means gaining early awareness and readiness for undergraduate programs.

(o) "GED" means a general educational development certificate.

(p) "GF/GP" means general fund/general purpose.

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

(r) "HHS-OS" means the HHS Office of the Secretary.

(s) "HHS-SSA" means the HHS Social Security Administration.

(t) "HUD" means the United States Department of Housing and Urban Development.

(u) "HUD-CPD" means the United States Department of Housing and Urban Development - Community Planning and Development.

(v) "IDG" means interdepartmental grant.

(w) "JCOS" means the joint capital outlay subcommittee.

(x) "MAIN" means the Michigan administrative information network.

(y) "MCL" means the Michigan Compiled Laws.

(z) "MDE" means the Michigan department of education.

(aa) "MDLARA" means the Michigan department of licensing and regulatory affairs.

(bb) "MDEQ" means the Michigan department of environmental quality.

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

(dd) "MDMVA" means the Michigan department of military and veterans affairs.

(ee) "MDOT" means the Michigan department of transportation.

(ff) "MDSP" means the Michigan department of state police.

(gg) "MDTMB" means the Michigan department of technology, management, and budget.

(hh) "MEDC" means the Michigan economic development corporation, which is the public body corporate created under section 28 of article VII of the state constitution of 1963 and the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to

124.512, by contractual interlocal agreement effective April 5, 1999, between local participating economic development corporations formed under the economic development corporations act, 1974 PA 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund.

(ii) "MFA" means the Michigan finance authority.

(jj) "MPE" means the Michigan public employees.

(kk) "MSF" means the Michigan strategic fund.

(*ll*) "MSHDA" means the Michigan state housing development authority.

(mm) "NERE" means nonexclusively represented employees.

(nn) "NFAH-NEA" means the National Foundation of the Arts and the Humanities - National Endowment for the Arts.

(oo) "PA" means public act.

(pp) "PATH" means Partnership. Accountability. Training. Hope.

(qq) "RFP" means a request for a proposal.

(rr) "SEIU" means Service Employees International Union.

(ss) "WDA" means the workforce development agency.

(tt) "WIC" means women, infants, and children.

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

Sec. 205. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or

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

Sec. 206. The director of each department and agency receiving appropriations in part 1 shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

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

(a) The dates of each travel occurrence.

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

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

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

Sec. 210. (1) Pursuant to section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, which provides for a transfer of state general fund revenue into or out of the countercyclical budget and economic stabilization fund, the calculations required by section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, are determined as follows:

	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 calculation for the fiscal year ending September 30, 2018 (millions).....	N/A	$0.0	N/A
Growth rate less than 0%?.....	N/A	NO	NO
Equals: countercyclical budget and economic stabilization fund pay-out calculation for the fiscal year ending September 30, 2018 (millions).....	N/A	N/A	$0.0

(2) Notwithstanding subsection (1), there is appropriated for the fiscal year ending September 30, 2017, from GF/GP revenue for deposit into the countercyclical budget and economic stabilization fund the sum of $266,500,000.00.

Sec. 211. The departments and agencies receiving appropriations in part 1 shall cooperate with the department of technology, management, and budget to maintain a searchable website that is updated at least quarterly and that is accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the departments and agencies receiving appropriations in part 1 shall cooperate with the state budget director to provide the chairs of the senate and house of representatives standing committees on appropriations, the chairs of the senate and house of representatives standing committees on appropriations subcommittees on general government, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2017 and September 30, 2018.

Sec. 213. The departments and agencies receiving appropriations in part 1 shall maintain, on a publicly accessible website, a department or agency scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's or agency's performance.

Sec. 215. Funds appropriated in part 1 shall not be used by this state, a department, an agency, or an authority of this state to purchase an ownership interest in a casino enterprise or a

gambling operation as those terms are defined in the Michigan gaming control and revenue act, 1996 IL 1, MCL 432.201 to 432.226.

Sec. 216. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 217. General fund appropriations in part 1 shall not be expended for items in cases where federal funding or private grant funding is available for the same expenditures.

Sec. 218. A department or state agency shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 221. Each department and agency shall report no later than April 1 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the senate and house of representatives standing committees on appropriations subcommittees on general government, the joint committee on administrative rules, and the senate and house fiscal agencies.

Sec. 229. If the office of the auditor general has identified an initiative or made a recommendation that is related to savings and efficiencies in an audit report for an executive branch department or agency, the department or agency shall report within 6 months of the release of the audit on their efforts and progress made toward achieving the savings and efficiencies identified in

the audit report. The report shall be submitted to the chairs of the senate and house of representatives standing committees on appropriations, the chairs of the senate and house of representatives standing committees with jurisdiction over matters relating to the department that is audited, and the senate and house fiscal agencies.

Sec. 233. In addition to the GF/GP appropriations for special maintenance, remodeling, and addition - state facilities in part 1, there is also appropriated related federal and state restricted funds up to the amounts that will be earned based upon the initiatives undertaken with the funds in part 1. The state budget director shall determine and authorize the appropriate manner for implementing this section.

Sec. 234. In addition to the GF/GP appropriations for enterprisewide information technology investments in part 1, there is also appropriated related federal and state restricted funds up to the amounts that will be earned based upon the initiatives undertaken with the funds in part 1. The state budget director shall determine and authorize the appropriate manner for implementing this section.

Sec. 235. By April 1, the state budget director shall submit a report to the senate and house appropriations committees, the chairpersons of the relevant appropriations subcommittees, and the senate and house fiscal agencies. The report shall recommend a contingency plan for each federal funding source included in the state budget of $10,000,000.00 or more in the event that the federal government reduces funding to the state through that source

by 10% or greater.

Sec. 240. (1) Concurrently with the submission of the fiscal year 2018-2019 executive budget recommendations, the state budget office shall provide the senate and house appropriations committees, the chairpersons of the relevant appropriations subcommittees, the senate and house fiscal agencies, and the policy offices a report that lists each new program or program enhancement for which funds in excess of $500,000.00 are appropriated in part 1 of each departmental appropriation act.

(2) By July 1, 2018, the state budget director and the chairs of the senate and house appropriations committees shall identify new programs or program enhancements identified under subsection (1) for measurement using program-specific metrics, in addition to the metrics required under section 447 of the management and budget act, 1984 PA 431, MCL 18.1447.

(3) By September 30, 2019, the state budget office shall provide a report on the specific metrics and the progress in meeting the estimated performance for each program identified under subsection (2) to the senate and house appropriations committees, the senate and house appropriations subcommittees on each state department, and the senate and house fiscal agencies and policy offices. It is the intent of the legislature that the governor consider the estimated performance of the new program or program enhancement as the basis for any increase in funds appropriated from the prior year.

DEPARTMENT OF ATTORNEY GENERAL

Sec. 301. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $1,500,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Sec. 301a. (1) From the funds appropriated in part 1 for attorney general operations, the attorney general must maintain a minimum of 24 drug investigations and may prosecute when sufficient

evidence is obtained. The purpose of this investment is to establish a specialized drug investigation and prosecution unit.

(2) The attorney general's office must submit a report to the house and senate appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director by March 1 detailing the activities and the results of the investigations and prosecutions of the unit established in subsection (1).

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

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

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

Sec. 303. (1) The attorney general may sell copies of the biennial report in excess of the 350 copies that the attorney general may distribute on a gratis basis. Gratis copies shall not be provided to members of the legislature. Electronic copies of

biennial reports shall be made available on the department of attorney general's website. The attorney general shall sell copies of the report at not less than the actual cost of the report and shall deposit the money received into the general fund.

(2) The attorney general's office shall submit a report to the house and senate appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director by March 1. The report must include the amount of revenue collected from sales of the biennial report in subsection (1).

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

Sec. 305. In addition to the funds appropriated in part 1, not more than $400,000.00 shall be reimbursed per fiscal year for food stamp fraud cases heard by the third circuit court of Wayne County that were initiated by the department of attorney general pursuant to the existing contract between the department of health and human services, the Prosecuting Attorneys Association of Michigan, and the department of attorney general. The source of this funding is money earned by the department of attorney general under the agreement after the allowance for reimbursement to the department of attorney general for costs associated with the prosecution of

food stamp fraud cases. It is recognized that the federal funds are earned by the department of attorney general for its documented progress on the prosecution of food stamp fraud cases according to the United States Department of Agriculture regulations and that, once earned by this state, the funds become state funds.

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

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

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

(3) The attorney general's office shall submit a report to the house and senate appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director by March 1. The report must detail the amount of revenue from subsection (1) recovered by the attorney general, including a description of the source of the revenue and the carryforward amount.

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

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

(3) Unexpended funds at the end of the fiscal year may be carried forward for expenditure in the following year, up to a maximum authorization of $250,000.00.

Sec. 309. (1) From the prisoner reimbursement funds appropriated in part 1, the department may spend up to $625,200.00 on activities related to the state correctional facility reimbursement act, 1935 PA 253, MCL 800.401 to 800.406. In addition to the funds appropriated in part 1, if the department collects in excess of $1,131,000.00 in gross annual prisoner reimbursement receipts provided to the general fund, the excess, up to a maximum of $1,000,000.00, is appropriated to the department of attorney general and may be spent on the representation of the department of corrections and its officers, employees, and agents, including, but not limited to, the defense of litigation against the state, its departments, officers, employees, or agents in civil actions filed

by prisoners.

(2) The attorney general's office shall submit a report to the house and senate appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director by March 1. The report must include the dollar amount of prisoner reimbursements collected from subsection (1) as well as descriptions of all expenditures made from the reimbursements, including what activities related to the state correctional facility reimbursement act, 1935 PA 253, MCL 800.401 to 800.406, funds were spent on.

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

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

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

Sec. 314. (1) From the lawsuit settlement proceeds fund

appropriated in part 1, the department may spend the funds for the costs of all associated expenses related to the declaration of emergency due to drinking water contamination up to $2,150,000.00.

(2) The attorney general's office must submit a quarterly report to the house and senate standing committees on appropriations, the house and senate appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director, detailing how funds in subsection (1) and all other currently and previously budgeted funds associated with legal costs pertaining to the Flint water declaration of emergency were expended. The report must itemize expenditures by case, purpose, and department involved.

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

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

Sec. 315. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2018 are $17,281,300.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at

$8,893,100.00. Total agency appropriations for retiree health care legacy costs are estimated at $8,388,200.00.

Sec. 316. (1) From the funds appropriated in part 1 for sexual assault law enforcement efforts, the department shall use the funds for testing of backlogged sexual assault kits across the state. The funding provided in part 1 shall be distributed in the following order of priority:

(a) To eliminate all county sexual assault kit backlogs outside of Wayne County.

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

(c) To provide victim services.

(2) The department of attorney general shall provide a detailed work and spending plan outlining anticipated litigation action and expenditures resulting from findings of the sexual assault kit testing. The spending plan shall be transmitted to the state budget office, the senate and house fiscal agencies, and the senate and house of representatives standing committees on appropriations subcommittees on general government. The appropriation shall not be available for expenditure until the work plan is approved by the state budget director. The state budget office shall notify the senate and house of representatives standing committees on appropriations subcommittees on general government at least 15 days prior to release of the funds.

(3) The department of attorney general shall provide a report by January 30 providing updated information related to the work and spending plan listed in subsection (2) and provide an update on

expenditures made in relation to assisting local prosecutions and investigations and providing victim services. The report shall be distributed to the state budget office and the chairs of the senate and house of representatives standing committees on appropriations subcommittees on general government, as well as the senate and house fiscal agencies.

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

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

DEPARTMENT OF CIVIL RIGHTS

Sec. 401. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $2,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

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

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

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

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

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

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

(2) The department of civil rights shall annually report to the state budget director, the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant appropriations subcommittees, and the senate and house

fiscal agencies the amount of funds received and expended for purposes authorized under this section.

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

Sec. 404. (1) The department of civil rights shall prepare and transmit a detailed report that includes, but is not limited to, the following information for the most recent fiscal year:

(a) A detailed description of the department operations.

(b) A detailed description of all subunits within the department, including FTE positions associated with each subunit, responsibilities of each subunit, and all revenues and expenditures for each subunit.

(c) The number of complaints by type of complaint.

(d) The average cost of, and time expended, investigating complaints.

(e) The percentage of complaints that are meritorious and worthy of investigation or settlement and the percentage of complaints that have no merit.

(f) A listing of amounts awarded to claimants.

(g) Expenditures associated with complaint investigation and enforcement.

(h) A listing of complaint investigations closed per FTE position for each of the past 5 years.

(i) A listing of complaint evaluations completed per FTE

position for each of the past 5 years.

(j) Productivity projections for the current fiscal year, including investigations closed per FTE, complaint evaluations completed per FTE, and average time expended investigating complaints.

(k) Revenues and expenditures associated with section 403 by local unit.

(2) The report required under subsection (1) shall be posted online and transmitted electronically not later than November 30 to the state budget director, the chairpersons of the senate and house of representatives standing committees on appropriations, the senate and house appropriations subcommittees on general government, and the senate and house fiscal agencies.

Sec. 405. The department of civil rights shall notify the office of the state budget, senate and house of representatives standing committees on appropriations, the chairpersons of the appropriations subcommittees on general government, and senate and house fiscal agencies prior to submitting a report or complaint to the United States Commission on Civil Rights or other federal departments.

Sec. 410. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2018 are $2,695,600.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $1,387,200.00. Total agency appropriations for retiree health care legacy costs are estimated at $1,308,400.00.

EXECUTIVE OFFICE

Sec. 501. (1) The executive office shall report by April 15 to the senate and house appropriations subcommittees on general government and the senate and house fiscal agencies on the expenditures for the office of urban initiatives. The report shall provide information detailing the economic impact and job growth initiatives for each urban and metropolitan area receiving funds under part 1. The report shall also provide information detailing the initiatives undertaken in each urban or metropolitan area receiving funds under part 1, including, but not limited to, all of the following:

(a) Transportation and infrastructure.

(b) Public services.

(c) Land use and sustainability.

(d) Housing.

(e) Workforce and economic development.

(2) Any unencumbered and unexpended funds appropriated to the office of urban initiatives in the previous fiscal year shall lapse to the general fund on October 1.

LEGISLATURE

Sec. 600. The senate, the house of representatives, or an agency within the legislative branch may receive, expend, and transfer funds in addition to those authorized in part 1.

Sec. 601. (1) Funds appropriated in part 1 to an entity within the legislative branch shall not be expended or transferred to another account without written approval of the authorized agent of

the legislative entity. If the authorized agent of the legislative entity notifies the state budget director of its approval of an expenditure or transfer before the year-end book-closing date for that legislative entity, the state budget director shall immediately make the expenditure or transfer. The authorized legislative entity agency shall be designated by the speaker of the house of representatives for house entities, the senate majority leader for senate entities, and the legislative council for legislative council entities.

(2) Funds appropriated within the legislative branch, to a legislative council component, shall not be expended by any agency or other subgroup included in that component without the approval of the legislative council.

Sec. 602. The senate may charge rent and assess charges for utility costs. The amounts received for rent charges and utility assessments are appropriated to the senate for the renovation, operation, and maintenance of the Senate Office Building and other properties.

Sec. 603. From the appropriation contained in part 1 for national association dues, the first $34,800.00 shall be paid to the National Conference of Commissioners of Uniform State Laws. The remaining funds shall be distributed accordingly by the legislative council.

Sec. 604. (1) The appropriation in part 1 to the Michigan state capitol historic site includes funds to operate the legislative parking facilities in the capitol area. The Michigan state capitol commission shall establish rules regarding the

operation of the legislative parking facilities.

(2) The Michigan state capitol commission shall collect a fee from state employees and the general public using certain legislative parking facilities. The revenues received from the parking fees are appropriated upon receipt and shall be allocated by the Michigan state capitol commission.

Sec. 605. The appropriation in part 1 to the legislative council for publication of the Michigan manual is a work project account. The unexpended portion remaining on September 30 shall not lapse and shall be carried forward into the subsequent fiscal year for use in paying the associated biennial costs of publication of the Michigan manual.

Sec. 606. The appropriations in part 1 to the legislative branch, for property management, shall be used to purchase equipment and services for building maintenance in order to ensure a safe and productive work environment. These funds are designated as work project appropriations and shall not lapse at the end of the fiscal year, and shall continue to be available for expenditure until the project has been completed. The total cost is estimated at $2,000,000.00, and the tentative completion date is September 30, 2021.

Sec. 607. The appropriations in part 1 to the legislative branch, for automated data processing, shall be used to purchase equipment, software, and services in order to support and implement data processing requirements and technology improvements. These funds are designated as work project appropriations in accordance with section 451a of the management and budget act, 1984 PA 431,

MCL 18.1451a, and shall not lapse at the end of the fiscal year, and shall continue to be available for expenditure until the project has been completed. The total cost is estimated at $2,000,000.00, and the tentative completion date is September 30, 2021.

Sec. 608. In addition to funds appropriated in part 1, the Michigan capitol committee publications save the flags fund account may accept contributions, gifts, bequests, devises, grants, and donations. Those funds that are not expended in the fiscal year ending September 30 shall not lapse at the close of the fiscal year, and shall be carried forward for expenditure in the following fiscal years.

Sec. 615. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2018 are $21,252,700.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $10,936,800.00. Total agency appropriations for retiree health care legacy costs are estimated at $10,315,900.00.

Sec. 616. The appropriation in part 1 for the legislative IT systems design project shall be used for the design, development, and implementation of a legislative computer system. Funds described in this section shall not be expended without written approval of the senate majority leader or his or her designee, the speaker of the house of representatives or his or her designee, and the legislative council administrator or his or her designee. The appropriations described in this section are designated as work project appropriations in accordance with section 451a of the

management and budget act, 1984 PA 431, MCL 18.1451a, and shall not lapse at the end of the fiscal year. The unexpended portion of these funds shall continue to be available for expenditure until the project has been completed. The total cost is estimated at $12,000,000.00 and the tentative completion date is September 30, 2020.

Sec. 618. It is the intent of the legislature that all administrative functions and associated funding for the Michigan legislative retirement system shall be transferred from the legislative council to the department of technology, management, and budget before the end of the 2017-2018 fiscal year.

Sec. 619. The funds appropriated in part 1 for the Michigan veterans facility ombudsman shall be used to maintain a veterans facility ombudsman to address complaints made at the veterans' homes of this state.

LEGISLATIVE AUDITOR GENERAL

Sec. 620. Pursuant to section 53 of article IV of the state constitution of 1963, the auditor general shall conduct audits of the judicial branch. The audits may include the supreme court and its administrative units, the court of appeals, and trial courts.

Sec. 621. (1) The auditor general shall take all reasonable steps to ensure that certified minority- and women-owned and operated accounting firms, and accounting firms owned and operated by persons with disabilities participate in the audits of the books, accounts, and financial affairs of each principal executive department, branch, institution, agency, and office of this state.

(2) The auditor general shall strongly encourage firms with which the auditor general contracts to perform audits of the principal executive departments and state agencies to subcontract with certified minority- and women-owned and operated accounting firms, and accounting firms owned and operated by persons with disabilities.

(3) The auditor general shall compile an annual report regarding the number of contracts entered into with certified minority- and women-owned and operated accounting firms, and accounting firms owned and operated by persons with disabilities. The auditor general shall deliver the report to the state budget director and the senate and house of representatives standing committees on appropriations subcommittees on general government by November 1 of each year.

Sec. 622. From the funds appropriated in part 1 to the legislative auditor general, the auditor general's salary and the salaries of the remaining 2.0 FTE unclassified positions shall be set by the speaker of the house of representatives, the senate majority leader, the house of representatives minority leader, and the senate minority leader.

Sec. 623. Any audits, reviews, or investigations requested of the auditor general by the legislature or by legislative leadership, legislative committees, or individual legislators shall include an estimate of the additional costs involved and, when those costs exceed $50,000.00, should provide supplemental funding. The auditor general shall determine whether to perform those activities in keeping with Audit Directive No. 29, which describes

the office of the auditor general's policy on responding to legislative requests.

DEPARTMENT OF STATE

Sec. 701. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $2,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $7,500,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

MCL 18.1393.

Sec. 703. From the funds appropriated in part 1, the department of state shall sell copies of records including, but not limited to, records of motor vehicles, off-road vehicles, snowmobiles, watercraft, mobile homes, personal identification cardholders, drivers, and boat operators and shall charge $11.00 per record sold only as authorized in section 208b of the Michigan vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222, MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.80130, 324.80315, 324.81114, and 324.82156. The revenue received from the sale of records shall be credited to the transportation administration collection fund created under section 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b. The department of state shall provide quarterly reports to the legislature, the chairpersons of the relevant appropriations subcommittees, and the senate and house fiscal agencies. The report shall be provided within 15 days of the close of the quarter and shall include the number of records sold and the revenues collected.

Sec. 704. From the funds appropriated in part 1, the secretary of state may enter into agreements with the department of corrections for the manufacture of vehicle registration plates 15 months before the registration year in which the registration plates will be used.

Sec. 705. (1) The department of state may accept gifts, donations, contributions, and grants of money and other property

from any private or public source to underwrite, in whole or in part, the cost of a departmental publication that is prepared and disseminated under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923. A private or public funding source may receive written recognition in the publication and may furnish a traffic safety message, subject to departmental approval, for inclusion in the publication. The department may reject a gift, donation, contribution, or grant. The department may furnish copies of a publication underwritten, in whole or in part, by a private source to the underwriter at no charge.

(2) The department of state may sell and accept paid advertising for placement in a departmental publication that is prepared and disseminated under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923. The department may charge and receive a fee for any advertisement appearing in a departmental publication and shall review and approve the content of each advertisement. The department may refuse to accept advertising from any person or organization. The department may furnish a reasonable number of copies of a publication to an advertiser at no charge.

(3) Pending expenditure, the funds received under this section shall be deposited in the Michigan department of state publications fund created by section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211. Funds given, donated, or contributed to the department from a private source are appropriated and allocated for the purpose for which the revenue is furnished. Funds granted to the department from a public source are allocated and may be expended upon receipt. The department shall not accept a gift,

donation, contribution, or grant if receipt is conditioned upon a commitment of state funding at a future date. Revenue received from the sale of advertising is appropriated and may be expended upon receipt.

(4) Any unexpended revenues received under this section shall be carried over into subsequent fiscal years and shall be available for appropriation for the purposes described in this section.

(5) On March 1 of each year, the department of state shall file a report with the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant appropriations subcommittees, the senate and house fiscal agencies, and the state budget director. The report shall include all of the following information:

(a) The amount of gifts, contributions, donations, and grants of money received by the department under this section for the prior fiscal year.

(b) A listing of the expenditures made from the amounts received by the department as reported in subdivision (a).

(c) A listing of any gift, donation, contribution, or grant of property other than funding received by the department under this section for the prior year.

(d) The total revenue received from the sale of paid advertising accepted under this section and a statement of the total number of advertising transactions.

(6) In addition to copies delivered without charge as the secretary of state considers necessary, the department of state may sell copies of manuals and other publications regarding the sale,

ownership, or operation or regulation of motor vehicles, with amendments, at prices to be established by the secretary of state. As used in this subsection, the term "manuals and other publications" includes videos and proprietary electronic publications. All funds received from sales of these manuals and other publications shall be credited to the Michigan department of state publications fund.

Sec. 707. Funds collected by the department of state under section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211, are appropriated for all expenses necessary to provide for the costs of the publication. Funds are allotted for expenditure when they are received by the department of treasury and shall not lapse to the general fund at the end of the fiscal year.

Sec. 708. From the funds appropriated in part 1, the department of state shall use available balances at the end of the state fiscal year to provide payment to the department of state police in the amount of $332,000.00 for the services provided by the traffic accident records program as first appropriated in 1990 PA 196 and 1990 PA 208.

Sec. 709. From the funds appropriated in part 1, the department of state may restrict funds from miscellaneous revenue to cover cash shortages created from normal branch office operations. This amount shall not exceed $50,000.00 of the total funds available in miscellaneous revenue.

Sec. 710. (1) Commemorative and specialty license plate fee revenue collected by the department of state and deposited into the transportation administration collection fund created in section

810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b, is authorized for expenditure up to the amount of revenue collected but not to exceed the amount appropriated to the department of state in part 1 to administer commemorative and specialty license plate programs.

(2) Commemorative and specialty license plate fee revenue collected by the department of state and deposited in the transportation administration collection fund created in section 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b, in addition to the amount appropriated in part 1 to the department of state, shall remain in the transportation administration collection fund created in section 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b, and be available for future appropriation.

Sec. 711. Collector plate and fund-raising registration plate revenues collected by the department of state are appropriated and allotted for distribution to the recipient university or public or private agency overseeing a state-sponsored goal when received. Distributions shall occur on a quarterly basis or as otherwise authorized by law. Any revenues remaining at the end of the fiscal year shall not lapse to the general fund but shall remain available for distribution to the university or agency in the next fiscal year.

Sec. 712. The department of state may produce and sell copies of a training video designed to inform registered automotive repair facilities of their obligations under Michigan law. The price shall not exceed the cost of production and distribution. The money received from the sale of training videos shall revert to the

department of state and be placed in the auto repair facility account.

Sec. 713. (1) The department of state, in collaboration with the gift of life transplantation society or its successor federally designated organ procurement organization, may develop and administer a public information campaign concerning the Michigan organ donor program.

(2) The department of state may solicit funds from any private or public source to underwrite, in whole or in part, the public information campaign authorized by this section. The department may accept gifts, donations, contributions, and grants of money and other property from private and public sources for this purpose. A private or public funding source underwriting the public information campaign, in whole or in substantial part, shall receive sponsorship credit for its financial backing.

(3) Funds received under this section, including grants from state and federal agencies, shall not lapse to the general fund at the end of the fiscal year but shall remain available for expenditure for the purposes described in this section.

(4) Funding appropriated in part 1 for the organ donor program shall be used for producing a pamphlet to be distributed with driver licenses and personal identification cards regarding organ donations. The funds shall be used to update and print a pamphlet that will explain the organ donor program and encourage people to become donors by marking a checkoff on driver license and personal identification card applications.

(5) The pamphlet shall include a return reply form addressed

to the gift of life organization. Funding appropriated in part 1 for the organ donor program shall be used to pay for return postage costs.

(6) In addition to the appropriations in part 1, the department of state may receive and expend funds from the organ and tissue donation education fund for administrative expenses.

(7) The department must submit a report to the house and senate appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director by March 1 that provides the amount of revenue collected by the department of state authorized under this section, the purpose of each expenditure, and the amount of revenue carried forward.

Sec. 714. (1) Except as otherwise provided under subsection (2), at least 180 days before closing a branch office or consolidating a branch office and at least 60 days before relocating a branch office, the department of state shall inform members of the senate and house of representatives standing committees on appropriations and legislators who represent affected areas regarding the details of the proposal. The information provided shall be in written form and include all analyses done regarding criteria for changes in the location of branch offices, including, but not limited to, branch transactions, revenue, and the impact on citizens of the affected area. The impact on citizens shall include information regarding additional distance to branch office locations resulting from the plan. The written notice provided by the department of state shall also include detailed estimates of costs and savings that will result from the overall

changes made to the branch office structure and the same level of detail regarding costs for new leased facilities and expansions of current leased space.

(2) If the consolidation of a branch office is with another branch office that is located within the same local unit of government or the relocation of a branch office is to another location that is located within the same local unit of government, the department of state is not required to provide the notification or written information described in subsection (1).

(3) As used in this section, "local unit of government" means a city, village, township, or county.

Sec. 715. (1) Any service assessment collected by the department of state from the user of a credit or debit card under section 3 of 1995 PA 144, MCL 11.23, may be used by the department for necessary expenses related to that service and may be remitted to a credit or debit card company, bank, or other financial institution.

(2) The service assessment imposed by the department of state for credit and debit card services may be based either on a percentage of each individual credit or debit card transaction, or on a flat rate per transaction, or both, scaled to the amount of the transaction. However, the department shall not charge any amount for a service assessment which exceeds the costs billable to the department for service assessments.

(3) If there is a balance of service assessments received from credit and debit card services remaining on September 30, the balance may be carried forward to the following fiscal year and

appropriated for the same purpose.

(4) As used in this section, "service assessment" means and includes costs associated with service fees imposed by credit and debit card companies and processing fees imposed by banks and other financial institutions.

(5) The department must submit a report to the house and senate appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director by March 1 that includes the amount of fees assessed by the department of state authorized under this section, the number of assessed credit and debit card transactions, the type of assessment used as described in subsection (2), the amount of service fees imposed by credit and debit card companies, and the amount of funds carried forward.

Sec. 716b. The department of state shall provide a report that calculates the total amount of funds expended for the business application modernization project to date from the inception of the program. The report shall contain information on the original start and completion dates for the project, the original cost to complete the project, and a listing of all revisions to project completion dates and costs. The report shall include the total amount of funds paid to the state by the contract provider for penalties. The report shall be submitted to the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant appropriations subcommittees, the senate and house fiscal agencies, and the state budget director by January 1.

Sec. 717. (1) The department of state may accept nonmonetary gifts, donations, or contributions of property from any private or public source to support, in whole or in part, the operation of a departmental function relating to licensing, regulation, or safety. The department may recognize a private or public contributor for making the contribution. The department may reject a gift, donation, or contribution.

(2) The department of state shall not accept a gift, donation, or contribution under subsection (1) if receipt of the gift, donation, or contribution is conditioned upon a commitment of future state funding.

(3) On March 1 of each year, the department of state shall file a report with the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant appropriations subcommittees, the senate and house fiscal agencies, and the state budget director. The report shall list any gift, donation, or contribution received by the department under subsection (1) for the prior calendar year.

Sec. 718. From the funds appropriated in part 1 to the department of state, branch operations, the department shall maintain a full service secretary of state branch office in Buena Vista Township.

Sec. 722. (1) From the funds appropriated in part 1 for information technology services and projects, the department of state shall continue implementation of a legacy modernization project. The purpose of this project is modernization of the entire system and removal of existing programs from the legacy mainframes.

(2) The department of state shall provide a report on the status of the legacy modernization project that includes, but is not limited to, itemization of all expenditures made on behalf of the project, anticipated completion date of the project, time frame of each phase of the project, the cost of the project, the number of employees assigned to implement each phase of the project, the contracts entered into for the project, anticipated overall cost of the project, and any other information the department considers necessary. The plan shall be distributed to the senate and house of representatives standing committees on appropriations subcommittees on general government, as well as the senate and house fiscal agencies, and the state budget director by January 1.

Sec. 724. The funds appropriated in part 1 for uniform law commission registration fees shall be used to pay the registration fees for the statutory commissioners at the uniform law commission annual meeting. The funds shall not be used for any other associated costs. Unexpended funds shall lapse to the general fund at the close of the fiscal year.

Sec. 725. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2018 are estimated at $31,170,200.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $16,040,400.00. Total agency appropriations for retiree health care legacy costs are estimated at $15,129,800.00.

DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET

Sec. 801. (1) In addition to the funds appropriated in part 1,

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

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

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $150,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

Sec. 802. Proceeds in excess of necessary costs incurred in the conduct of transfers or auctions of state surplus, salvage, or scrap property made pursuant to section 267 of the management and budget act, 1984 PA 431, MCL 18.1267, are appropriated to the

department to offset costs incurred in the acquisition and distribution of federal surplus property. The department shall provide consolidated internet auction services through the state's contractors for all local units of government.

Sec. 803. (1) The department may receive and expend funds in addition to those authorized by part 1 for maintenance and operation services provided specifically to other principal executive departments or state agencies, the legislative branch, the judicial branch, or private tenants, or provided in connection with facilities transferred to the operational jurisdiction of the department.

(2) The department may receive and expend funds in addition to those authorized by part 1 for real estate, architectural, design, and engineering services provided specifically to other principal executive departments or state agencies, the legislative branch, the judicial branch, or private tenants.

(3) The department may receive and expend funds in addition to those authorized in part 1 for mail pickup and delivery services provided specifically to other principal executive departments and state agencies, the legislative branch, or the judicial branch.

(4) The department may receive and expend funds in addition to those authorized in part 1 for purchasing services provided specifically to other principal executive departments and state agencies, the legislative branch, or the judicial branch.

Sec. 804. (1) The source of financing in part 1 for statewide appropriations shall be funded by assessments against longevity and insurance appropriations throughout state government in a manner

prescribed by the department. Funds shall be used as specified in joint labor/management agreements or through the coordinated compensation hearings process. Any deposits made under this subsection and any unencumbered funds are restricted revenues, may be carried over into the succeeding fiscal years, and are appropriated.

(2) In addition to the funds appropriated in part 1 for statewide appropriations, the department may receive and expend funds in such additional amounts as may be specified in joint labor/management agreements or through the coordinated compensation hearings process in the same manner and subject to the same conditions as prescribed in subsection (1).

Sec. 805. To the extent a specific appropriation is required for a detailed source of financing included in part 1 for the department appropriations financed from special revenue and internal service and pension trust funds, or MAIN user charges, the specific amounts are appropriated within the special revenue internal service and pension trust funds in portions not to exceed the aggregate amount appropriated in part 1.

Sec. 806. In addition to the funds appropriated in part 1 to the department, the department may receive and expend funds from other principal executive departments and state agencies to implement administrative leave bank transfer provisions as may be specified in joint labor/management agreements. The amounts may also be transferred to other principal executive departments and state agencies under the joint agreement and any amounts transferred under the joint agreement are authorized for receipt

and expenditure by the receiving principal executive department or state agency. Any amounts received by the department under this section and intended, under the joint labor/management agreements, to be available for use beyond the close of the fiscal year and any unencumbered funds may be carried over into the succeeding fiscal year.

Sec. 807. The source of financing in part 1 for the Michigan administrative information network and statewide integrated governmental management applications shall be funded by proportionate charges assessed against the respective state funds benefiting from this project in the amounts determined by the department.

Sec. 808. (1) Deposits against the interdepartmental grant from building occupancy and parking charges appropriated in part 1 shall be collected, in part, from state agencies, the legislative branch, and the judicial branch based on estimated costs associated with maintenance and operation of buildings managed by the department. To the extent excess revenues are collected due to estimates of building occupancy charges exceeding actual costs, the excess revenues may be carried forward into succeeding fiscal years for the purpose of returning funds to state agencies.

(2) Appropriations in part 1 to the department, for management and budget services from building occupancy charges and parking charges, may be increased to return excess revenue collected to state agencies.

Sec. 809. On a quarterly basis, the department shall notify the chairpersons of the senate and house of representatives

standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the house and senate fiscal agencies, and the state budget director on any revisions either individually or in the aggregate that increase or decrease current contracts by more than $500,000.00 for computer software development, hardware acquisition, or quality assurance.

Sec. 810. The department shall maintain an internet website that contains notice of all invitations for bids and requests for proposals over $50,000.00 issued by the department or by any state agency operating under delegated authority. The department shall not accept an invitation for bid or request for proposal in less than 14 days after the notice is made available on the internet website, except in situations where it would be in the best interest of the state and documented by the department. In addition to the requirements of this section, the department may advertise the invitations for bids and requests for proposals in any manner the department determines appropriate, in order to give the greatest number of individuals and businesses the opportunity to make bids or requests for proposals.

Sec. 811. The department may receive and expend funds from the Vietnam veterans memorial monument fund as provided in the Michigan Vietnam veterans memorial act, 1988 PA 234, MCL 35.1051 to 35.1057. Funds are appropriated and allocated when received and may be expended upon receipt.

Sec. 812. The Michigan veterans' memorial park commission may receive and expend money from any source, public or private,

including, but not limited to, gifts, grants, donations of money, and government appropriations, for the purposes described in Executive Order No. 2001-10. Funds are appropriated and allocated when received and may be expended upon receipt. Any deposits made under this section and unencumbered funds are restricted revenues and may be carried over into succeeding fiscal years.

Sec. 813. (1) Funds in part 1 for motor vehicle fleet are appropriated to the department for administration and for the acquisition, lease, operation, maintenance, repair, replacement, and disposal of state motor vehicles.

(2) The appropriation in part 1 for motor vehicle fleet shall be funded by revenue from rates charged to principal executive departments and agencies for utilizing vehicle travel services provided by the department. Revenue in excess of the amount appropriated in part 1 from the motor transport fund and any unencumbered funds are restricted revenues and may be carried over into the succeeding fiscal year.

(3) Pursuant to the department's authority under sections 213 and 215 of the management and budget act, 1984 PA 431, MCL 18.1213 and 18.1215, the department shall maintain a plan regarding the operation of the motor vehicle fleet. The plan shall include the number of vehicles assigned to, or authorized for use by, state departments and agencies, efforts to reduce travel expenditures, the number of cars in the motor vehicle fleet, the number of miles driven by fleet vehicles, and the number of gallons of fuel consumed by fleet vehicles. The plan shall include a calculation of the amount of state motor vehicle fuel taxes that would have been

incurred by fleet vehicles if fleet vehicles were required by law to pay motor fuel taxes. The plan shall include a description of fleet garage operations, the goods sold and services provided by the fleet garage, the cost to operate the fleet garage, the number of fleet garage locations, and the number of employees assigned to each fleet garage. The plan may be adjusted during the fiscal year based on needs and cost savings to achieve the maximum value and efficiency from the state motor fleet. Within 60 days after the close of the fiscal year, the department shall provide a report to the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant appropriations subcommittees, the senate and house fiscal agencies, and the state budget director detailing the current plan and changes made to the plan during the fiscal year. The plan shall also be posted on the department website.

(4) The department may charge state agencies for fuel cost increases that exceed $3.04 per gallon of unleaded gasoline. The department shall notify state agencies, in writing or by electronic mail, at least 30 days before implementing additional charges for fuel cost increases. Revenues received from these charges are appropriated upon receipt.

(5) The state budget director, upon notification to the senate and house of representatives standing committees on appropriations, may adjust spending authorization and the IDG from motor transport fund in the department in order to ensure that the appropriations for motor vehicle fleet in the department budget equal the expenditures for motor vehicle fleet in the budgets for all

executive branch agencies.

Sec. 814. The department shall develop a plan regarding the use of the funds appropriated in part 1 for the enterprisewide information technology investment projects. The plan shall include, but not be limited to, a description of proposed information technology investment projects, the time frame for completion of the information technology investment projects, the proposed cost of the information technology investment projects, the number of employees assigned to implement each information technology investment project, the contracts entered into for each information technology investment project, and any other information the department deems necessary. The plan shall be distributed to the senate and house of representatives standing committees on appropriations subcommittees on general government, as well as the senate and house fiscal agencies, and the state budget director on a quarterly basis. The submitted plan shall also include anticipated spending reductions or overages for each of the proposed information technology investment projects. The department shall notify the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director when a project funded under an information technology investment project line item in part 1 is expected to require a transfer of dollars from another project in excess of $500,000.00.

Sec. 814a. The funds appropriated in part 1 for information technology investment projects shall be used for the modernization of state information technology systems, improvement of the state's

cyber security framework, and to achieve efficiencies.

Sec. 816. An RFP issued for the purpose of privatization shall include all factors used in evaluating and determining price.

Sec. 818. In addition to the funds appropriated in part 1, the department may receive and expend money from the Michigan law enforcement officers memorial monument fund as provided in the Michigan law enforcement officers memorial act, 2004 PA 177, MCL 28.781 to 28.787.

Sec. 820. The department shall make available to the public a list of all parcels of real property owned by the state that are available for purchase. The list shall be posted on the internet through the department's website.

Sec. 821. The department shall annually update the office space consolidation project plan, including the use of the funds appropriated pursuant to 2012 PA 200 for the space consolidation fund. By February 15, the department shall report to the senate and house of representatives committees on appropriations subcommittees on general government and the senate and house fiscal agencies on the revised plan and plan implementation. The report shall include, but is not limited to, the description of the proposed office space to be consolidated, the time frame for completion of the office space consolidation, the proposed itemized cost of the office space consolidation, the number of employees assigned to implement the office space consolidation, the contracts entered into for the office space consolidation, information on completed projects, anticipated savings, savings achieved, and any other information the department deems necessary.

Sec. 822. The department shall compile a report by January 1 pertaining to the salaries of unclassified employees, as well as gubernatorial appointees, within all state departments and agencies. The report shall enumerate each unclassified employee and gubernatorial appointee and his or her annual salary individually. The report shall be distributed to the chairs of the senate and house of representatives standing committees on appropriations subcommittees on general government, as well as the senate and house fiscal agencies and be made available electronically.

Sec. 822b. (1) A public-private partnership investment fund is created in the department. Subject to subsections (2) and (3), public-private partnership investments shall include, but are not limited to, all of the following:

(a) Capital asset improvements including buildings, land, or structures.

(b) Energy resource exploration, extraction, generation, and sales.

(c) Financial and investment incentive opportunities.

(d) Infrastructure construction, maintenance, and operation.

(e) Public-private sector joint ventures that provide economic benefit to an area or to the state.

(2) Public-private investments shall not include projects, consultant expenses, staff effort, or any other activity related to the development, financing, construction, operation, or implementation of the Detroit River International Crossing or any successor project unless the project is approved by the legislature and signed into law.

(3) The state budget director shall determine whether or not a specific public-private partnership investment opportunity qualifies for funding under subsection (1).

(4) Investment development revenue, including a portion of the proceeds from the sale of any public-private partnership investment designated in subsection (1), shall be deposited into the fund created in subsection (1) and shall be available for administration, development, financing, marketing, and operating expenditures associated with public-private partnerships, unless otherwise provided by law. Public-private partnership investments authorized in subsection (1) are authorized for public or private operation or sale consistent with state law. Expenditures from the fund are authorized for investment purposes as designated in subsection (1) to enhance the marketable value of each investment. The unencumbered balance remaining in the fund at the end of the fiscal year may be carried forward for appropriation in future years.

(5) An annual report shall be transmitted to the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant appropriations subcommittees, the senate and house fiscal agencies, and the state budget office not later than December 31 of each year. This report shall detail both of the following:

(a) The revenue and expenditure activity in the fund for the preceding fiscal year.

(b) Public-private partnership investments as identified under subsection (1).

(6) The department shall monitor the revenue deposited in the public-private partnership investment fund created in subsection (1). If the revenue in the fund is insufficient to pay the amount appropriated in part 1 for public-private partnership investment, then the department shall propose a legislative transfer to fund the line from the appropriations in part 1.

Sec. 822c. The funds appropriated in part 1 shall not be used to support any staff effort, projects, consultant expenses, or any other activity related to the development, financing, construction, operation, or implementation of the Detroit River International Crossing or any successor project unless the project is approved by the legislature and signed into law.

Sec. 822d. By December 31, the department shall provide a report to the senate and house appropriations subcommittees on general government and the senate and house fiscal agencies that identifies fee and rate schedules to be used by state departments and agencies for services, including information technology, provided by the department during fiscal year 2017-2018. The report shall also identify changes from fees and rates charged in fiscal year 2016-2017 and include an explanation of the factors that justify each fee and rate increase.

Sec. 822e. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2018 are estimated at $84,145,300.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $43,301,700.00. Total agency appropriations for retiree health care legacy costs are estimated at $40,843,600.00.

Sec. 822f. (1) The funds appropriated in part 1 for the regional prosperity initiative are to be used as competitive grants to eligible regional planning organizations qualifying for funding as a regional prosperity collaborative, a regional prosperity council, or a regional prosperity board. A regional planning organization may not qualify for funding under more than 1 category in the same state fiscal year. As used in this section:

(a) "Eligible regional planning organization" means any of the following:

(*i*) An existing regional planning commission created pursuant to 1945 PA 281, MCL 125.11 to 125.25.

(*ii*) An existing regional economic development commission created pursuant to 1966 PA 46, MCL 125.1231 to 125.1237.

(*iii*) An existing metropolitan area council formed pursuant to the metropolitan councils act, 1989 PA 292, MCL 124.651 to 124.729.

(*iv*) A Michigan metropolitan planning organization established pursuant to the moving ahead for progress in the 21st century act, Public Law 112-141.

(b) "Freedom of information act" means the freedom of information act, 5 USC 552.

(c) "Open meetings act" means the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(d) "Regional prosperity board" means a regional body that has a singular governing board with representation from private, public, and nonprofit entities engaged in joint decision-making practices for the purpose of creating or maintaining a phase three: regional prosperity plan.

(e) "Regional prosperity collaborative" means any committee developed by a regional planning organization or a metropolitan planning organization that serves to bring organizational representation together from private, public, and nonprofit entities within a region for the purpose of creating or maintaining a phase one: regional prosperity plan.

(f) "Regional prosperity council" means a regional body with representation from private, public, and nonprofit entities with shared administrative services and an executive governing entity, as demonstrated by a formal local agreement or agreements for the purpose of creating or maintaining a phase two: regional prosperity plan.

(2) Regional planning organizations may qualify to receive not more than $250,000.00 of incentive-based funding as a regional prosperity collaborative subject to meeting all of the following requirements:

(a) The regional prosperity collaborative has created a phase one: regional prosperity plan, as follows:

(*i*) The regional prosperity collaborative must include regional representatives from adult education, workforce development, community development, economic development, transportation, and higher education organizations.

(*ii*) The plan is required, at a minimum, to include a 5-year plan focused on economic growth and vitality for the region, as well as a performance dashboard and measurable annual goals to support the 5-year plan.

(*iii*) The 5-year plan shall address regional strategies

related to adult education, workforce development, economic development, transportation, higher education, and business development.

(*iv*) The regional prosperity collaborative shall adopt the plan by a minimum 2/3 majority vote of its members.

(b) The regional prosperity collaborative adheres to accountability and transparency measures required in the open meetings act and the freedom of information act.

(c) The regional prosperity collaborative convenes monthly meetings, open to the public, to consider and discuss issues leading to a common vision of economic prosperity for the region, including, but not limited to, community development, economic development, talent, and infrastructure opportunities.

(d) The regional prosperity collaborative makes available on the grant recipient's publicly accessible internet site pertinent documents, including, but not limited to, monthly meeting agendas, minutes of monthly meetings, voting records, and the regional prosperity plan and performance dashboard.

(e) The regional prosperity collaborative keeps a status report detailing the spending associated with previous regional prosperity initiative grants. Organizations that have successfully received grant awards in previous fiscal years shall be required to make available to the department and on a publicly accessible internet site information regarding the use of those grant dollars.

(3) Regional planning organizations eligible to receive a payment as a regional prosperity collaborative under subsection (2) may qualify to receive a 1-time grant of not more than $75,000.00

to produce a plan to transform the regional prosperity collaborative into a regional prosperity council or regional prosperity board, including necessary local formal agreements, to make recommendations that eliminate duplicative efforts and administrative functions, and to leverage resources through cooperation, collaboration, and consolidations of organizations or programs throughout the region. Plans produced to transform the regional prosperity collaborative into a regional prosperity council or regional prosperity board shall be made available on the grant recipient's publicly accessible internet site.

(4) Regional planning organizations may qualify to receive not more than $375,000.00 of incentive-based funding as a regional prosperity council subject to meeting all of the following requirements:

(a) A regional prosperity council has been formed and includes regional representatives from adult education, workforce development, community development, economic development, transportation, and higher education organizations.

(b) An eligible regional prosperity council will demonstrate shared administrative services between 2 public regional entities included in subdivision (a). In addition, the council must have and maintain an executive governing entity, as demonstrated by a formal local agreement or agreements.

(c) The regional prosperity council has created a phase two: regional prosperity plan, as follows:

(*i*) The regional prosperity council shall identify opportunities for shared administrative services and decision-

making among the private, public, and nonprofit entities within the region and shall continue collaboration with regional prosperity council members, including, but not limited to, representatives from adult education providers, workforce development agencies, community development agencies, economic development agencies, transportation service providers, and higher education institutions.

(*ii*) The plan is required to include, but is not limited to, all of the following:

(A) A status report of the approved 5-year plan.

(B) The addition of a 10-year plan for the region which builds upon prior work and is focused on economic growth and vitality in the region.

(C) A prioritized list of regional projects.

(D) A performance dashboard with measurable annual goals.

(*iii*) The regional prosperity council shall adopt the plan by a minimum 2/3 vote of its members.

(d) The regional prosperity council adheres to accountability and transparency measures required in the open meetings act and the freedom of information act.

(e) The regional prosperity council convenes monthly meetings, open to the public, to consider and discuss issues leading to a common vision of economic prosperity for the region, including, but not limited to, community development, economic development, talent, and infrastructure opportunities.

(f) The regional prosperity council makes available on the grant recipient's publicly accessible internet site pertinent

documents, including, but not limited to, monthly meeting agendas, minutes of monthly meetings, voting records, and the regional prosperity plan and performance dashboard.

(g) The regional prosperity council keeps a status report detailing the spending associated with previous regional prosperity initiative grants. Organizations that have successfully received grant awards in previous fiscal years shall be required to make available to the department and on a publicly accessible internet site information regarding the use of those grant dollars.

(5) Regional planning organizations eligible to receive a payment as a regional prosperity council under subsection (4) may qualify to receive a 1-time grant of not more than $75,000.00 to produce a plan to transform the regional prosperity council into a regional prosperity board, including a singular private/public governance structure that comports with federal guidelines for governance under the workforce investment act, Public Law 105-220, the moving ahead for progress in the 21st century act, Public Law 112-141, the economic development administration and Appalachian regional development reform act of 1998, Public Law 105-393, and recommendations to eliminate duplicative efforts, administrative functions, and leverage resources through cooperation, collaboration, and consolidations of organizations or programs throughout the region.

(6) Regional planning organizations may qualify to receive not more than $500,000.00 of incentive-based funding as a regional prosperity board subject to meeting all of the following requirements:

(a) The regional prosperity board has been formed and, at a minimum, must demonstrate the consolidation of a regional metropolitan planning organization, where one exists, state designated regional planning agency boards, workforce development boards, and federally designated regional economic development districts within a region.

(b) The regional prosperity board has created a phase three: regional prosperity plan, as follows:

(*i*) The regional prosperity board shall create a regional services recommendations report prioritizing the list of state-funded services and programs provided to the region, and recommendations for state-regional partnerships to support the adopted regional prosperity plan.

(*ii*) The plan is required to include a status report of the approved 10-year plan for the creation of an updated regional prosperity plan.

(*iii*) The regional prosperity board shall adopt the plan by a minimum 2/3 vote of its members.

(c) The regional prosperity board adheres to accountability and transparency measures required in the open meetings act and the freedom of information act.

(d) The regional prosperity board convenes monthly meetings, open to the public, to consider and discuss issues leading to a common vision of economic prosperity for the region, including, but not limited to, community development, economic development, talent, and infrastructure opportunities.

(e) The regional prosperity board makes available on the grant

recipient's publicly accessible internet site pertinent documents, including, but not limited to, monthly meeting agendas, minutes of monthly meetings, voting records, and the regional prosperity plan and performance dashboard.

(7) Regional planning organizations eligible to receive a payment as a regional prosperity board under subsection (6) may qualify to receive not more than $125,000.00, to implement the prioritized regional prosperity plan projects.

(8) Regional planning organizations eligible to receive a payment as a regional prosperity collaborative, board, or council may partner with other eligible regional planning organizations to submit joint applications. In the instance of a joint application, 1 regional planning organization shall be utilized as the overall applicant. The department may award a joint application award of no greater than the sum of potential application dollars which would have otherwise been available through individual applications.

(9) The department shall develop an application process and method of grant distribution for the regional prosperity initiative. Funding applications from regional planning organizations shall be due to the department by December 1, 2016. The department shall notify regional planning organizations of grant application status by January 1, 2017. The department shall ensure that processes are established to verify that qualifying regional planning organizations meet the requirements under subsections (2), (3), (4), (5), (6), and (7), as applicable.

(10) Unexpended funds appropriated in part 1 for the regional prosperity initiative are designated as work project

appropriations, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for regional prosperity initiative projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the projects is to provide incentive-based grants to recipients under this section.

(b) The projects will be accomplished by grants to qualified regional planning organizations.

(c) The total estimated cost of all projects is $2,500,000.00.

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

Sec. 822g. The department shall report quarterly to the senate and house of representatives standing committees on appropriations, the senate and house appropriations subcommittees on general government, and the senate and house fiscal agencies on legal service fund expenditures. The report shall itemize expenditures by case, purpose, and department involved and shall include expenditures related to all previously appropriated funds.

Sec. 822i. (1) From the funds appropriated in part 1, the department shall assure all of the following:

(a) That public schools that are placed in the state school reform/redesign school district or under a chief executive officer under section 1280c of the revised school code, 1976 PA 451, MCL 380.1280c, remain in compliance with all applicable state and federal law concerning special education.

(b) That students at public schools described in subdivision

(a) with individualized education programs are afforded special education services in accordance with applicable state and federal law concerning special education.

(2) The department shall report to the legislature on the number of students in public schools described in subsection (1)(a) who have an individualized education program and the performance results of those students after the change in governance of the public school.

Sec. 822*l*. From the funds appropriated in part 1 for the school reform office, the school reform office shall conduct 1 public hearing in the school district of priority schools that the school reform office has determined require an intervention authorized by section 1280c(6) or (7) of the revised school code, 1976 PA 451, MCL 380.1280c. The school reform office shall give notice to the district prior to the public hearing. The public hearing shall include an outline of the plan for academic improvement of the schools and a projected time frame of the school reform office's involvement with the schools.

Sec. 822m. From the funds appropriated in part 1, the department shall establish a system that collaborates with other departments to keep track of the performance of vendors in fulfilling contract obligations. The performance of these vendors shall be recorded and used as a factor to determine future contracts awarded in the procurement process.

Sec. 822n. From the funds appropriated in part 1, beginning on October 1, the department shall ensure that all new requests for proposals that are publicly displayed on the webpage include the

proposal's corresponding department and agency for the purpose of searching for requests for proposals by department and agency.

Sec. 822o. From the funds appropriated in part 1 for the school reform office, the school reform office shall make an effort to coordinate with the department of education to streamline state services and resources, reduce duplication, and increase efficiency.

INFORMATION TECHNOLOGY

Sec. 823. (1) The department may sell and accept paid advertising for placement on any state website under its jurisdiction. The department shall review and approve the content of each advertisement. The department may refuse to accept advertising from any person or organization or require modification to advertisements based upon criteria determined by the department. Revenue received under this subsection shall be used for operating costs of the department and for future technology enhancements to state of Michigan e-government initiatives. Funds received under this subsection shall be limited to $250,000.00. Any funds in excess of $250,000.00 shall be deposited in the state general fund.

(2) The department may accept gifts, donations, contributions, bequests, and grants of money from any public or private source to assist with the underwriting or sponsorship of state webpages or services offered on those webpages. A private or public funding source may receive recognition in the webpage. The department may reject any gift, donation, contribution, bequest, or grant.

(3) Funds accepted by the department under subsection (1) or

(2) are appropriated and allotted when received and may be expended upon approval of the state budget director. The state budget office shall notify the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies within 10 days after the approval is given. The department shall provide a report to the senate and house of representatives appropriations subcommittees on general government and senate and house fiscal agencies that details the funds accepted for the prior fiscal year by November 1.

Sec. 824. The department may enter into agreements to supply spatial information and technical services to other principal executive departments, state agencies, local units of government, and other organizations. The department may receive and expend funds in addition to those authorized in part 1 for providing information and technical services, publications, maps, and other products. The department may expend amounts received for salaries, supplies, and equipment necessary to provide informational products and technical services. Prior to December 1 of each year, the department shall provide a report to the senate and house of representatives standing committees on appropriations subcommittees on general government and the state budget director detailing the sources of funding and expenditures made under this section.

Sec. 825. The legislature shall have access to all historical and current data contained within MAIN, or its successor, pertaining to state departments. State departments shall have access to all historical and current data contained within MAIN, or its successor.

Sec. 826. When used in this part and part 1, "information technology services" means services involving all aspects of managing and processing information, including, but not limited to, all of the following:

(a) Application and mobile development and maintenance.

(b) Desktop computer support and management.

(c) Cyber security.

(d) Social media.

(e) Mainframe computer support and management.

(f) Server support and management.

(g) Local area network support and management, including, but not limited to, wired and wireless network build-out, support, and management.

(h) Information technology project management.

(i) Information technology planning and budget management.

(j) Telecommunication services, infrastructure, and support.

Sec. 827. (1) Funds appropriated in part 1 for the Michigan public safety communications system shall be expended upon approval of an expenditure plan by the state budget director.

(2) The department shall assess all subscribers of the Michigan public safety communications system reasonable access and maintenance fees and deposit the fees in the Michigan public safety communications systems fees fund.

(3) All money received by the department under this section shall be expended for the support and maintenance of the Michigan public safety communications system.

(4) The department shall provide a report to the senate and

house of representatives standing committees on appropriations, the chairpersons of the relevant appropriations subcommittees, the senate and house fiscal agencies, and the state budget director on April 15, indicating the amount of revenue collected under this section and expended for support and maintenance of the Michigan public safety communications system for the immediately preceding 6-month period. Any deposits made under this section and unencumbered funds are restricted revenues and shall be carried forward into succeeding fiscal years.

Sec. 828. The department shall submit a report for the immediately preceding fiscal year ending September 30 to the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies by March 1. The report shall include the following:

(a) The total amount of funding appropriated for information technology services and projects, by funding source, for all principal executive departments and agencies.

(b) A listing of the expenditures made from the amounts received by the department as reported in subdivision (a).

Sec. 829. The department shall provide a report that analyzes and makes recommendations on the life-cycle of information technology hardware and software. The report shall be submitted to the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies by March 1.

Sec. 830. By December 31, the department shall provide a report that lists all information technology-related change orders

and follow-on contracts, greater than $50,000.00, whether they are bid, exercise options, or no-bid, and the amount of each change order or contract extension contract entered into by the department to the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director.

Sec. 832. (1) The department shall inform the senate and house appropriations subcommittees on general government and the senate and house fiscal agencies within 30 days of any potential or actual penalties assessed by the federal government for failure of the Michigan child support enforcement system to achieve certification by the federal government.

(2) If potential penalties are assessed by the federal government, the department shall submit a report to the senate and house appropriations subcommittees on general government and the senate and house fiscal agencies within 90 days specifying the department's plans to avoid actual penalties and ensure federal certification of the Michigan child support enforcement system.

Sec. 833. (1) The state budget director, upon notification to the senate and house of representatives standing committees on appropriations, may adjust spending authorization and user fees in the department in order to ensure that the appropriations for information technology in the department budget equal the appropriations for information technology in the budgets for all executive branch agencies.

(2) If during the course of the fiscal year a transfer or supplemental to or from the information technology line item within

an agency budget is made under section 393 of the management and budget act, 1984 PA 431, MCL 18.1393, there is appropriated an equal amount of user fees in the department budget to accommodate an increase or decrease in spending authorization.

Sec. 834. (1) Revenue collected from licenses issued under the antenna site management project shall be deposited into the antenna site management revolving fund created for this purpose in the department. The department may receive and expend money from the fund for costs associated with the antenna site management project, including the cost of a third-party site manager. Any excess revenue remaining in the fund at the close of the fiscal year shall be proportionately transferred to the appropriate state restricted funds as designated in statute or by constitution.

(2) An antenna shall not be placed on any site pursuant to this section without complying with the respective local zoning codes and local unit of government processes.

Sec. 835. (1) In addition to the funds appropriated in part 1, the funds collected by the department for supplying census-related information and technical services, publications, statistical studies, population projections and estimates, and other demographic products are appropriated for all expenses necessary to provide the required services. These funds are available for expenditure when they are received and may be carried forward into the next succeeding fiscal year.

(2) The department must submit a report to the house and senate appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director by

March 1 that provides the amount of revenue collected by the department from the authorization in subsection (1) and the amount of revenue carried forward.

Sec. 836. (1) From the funds appropriated in part 1 for cyber security staffing, hardware, and support costs, the department shall identify specific outcomes and performance measures, including, but not limited to, the following:

(a) Reduce the number of cyber threats based on the daily attacks to prevent data breaches during the fiscal year ending September 30, 2018.

(b) Reduce the risk of cyber vulnerabilities for application, data, and network during the fiscal year ending September 30, 2018.

(c) Increase awareness of cyber threats and the preventative steps for citizens, businesses, and employees during the fiscal year ending September 30, 2018.

(2) The department must submit a report to the house and senate appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director by March 15. The report must describe the specific outcomes and measures required in subsection (1) and provide the results and data related to these outcomes and measures for the prior fiscal year if related information is available for the prior fiscal year.

Sec. 837. (1) From the funds appropriated in part 1 for citizen-centric government, the department shall identify specific outcomes and performance measures, including, but not limited to, the following:

(a) Begin integration of MiLogin with at least 10 high-value

systems to provide seamless access to those systems with 1 set of credentials during the fiscal year ending September 30, 2018.

(b) Increase the number of high-value systems that citizens and businesses can log into with 1 login during the fiscal year ending September 30, 2018.

(2) The department must submit a report to the house and senate appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director by March 15. The report must describe the specific outcomes and measures required in subsection (1) and provide the results and data related to these outcomes and measures.

Sec. 838. (1) From the funds appropriated in part 1 for budget and financial management, $300,000.00 shall be used for a pilot program with a vendor to provide comprehensive information on the vendors with which this state does business. This pilot program must commence by November 1, 2017. The selected vendor must maintain a business data repository to provide information on all vendor financials, industry, products, operations, and competition. The department must review this information prior to, during, and after entering into any contract or other agreement and for compliance oversight. The pilot program must be available for use by all state departments, agencies, and local units of government.

(2) The selected vendor must gather and provide metrics on all of the following:

(a) A comprehensive database of commercial business information.

(b) Whether a vendor has been identified as fiscally at-risk.

(c) Whether a vendor has been identified as having ethics, labor, or corruption issues that may affect its ability to do business with this state.

(d) Economic trends in this state, including identifying business growth areas.

(e) The performance of healthcare providers indicted for or convicted of fraud along with a performance risk score and cumulative percentage of at-risk providers.

(f) Vendor buying activity as an indicator of vendor viability.

(3) The department shall notify the chairpersons of the appropriations subcommittees on general government, senate and house fiscal agencies, and state budget director once a vendor has been selected.

STATE BUILDING AUTHORITY RENT

Sec. 842. (1) The state building authority rent appropriations in part 1 may also be expended for the payment of required premiums for insurance on facilities owned by the state building authority or payment of costs that may be incurred as the result of any deductible provisions in such insurance policies.

(2) If the amount appropriated in part 1 for state building authority rent is not sufficient to pay the rent obligations and insurance premiums and deductibles identified in subsection (1) for state building authority projects, there is appropriated from the general fund of the state the amount necessary to pay such obligations.

CIVIL SERVICE COMMISSION

Sec. 850. (1) In accordance with section 5 of article XI of the state constitution of 1963, all restricted funds shall be assessed a sum not less than 1% of the total aggregate payroll paid from those funds for financing the civil service commission on the basis of actual 1% restricted sources total aggregate payroll of the classified service for the preceding fiscal year. This includes, but is not limited to, restricted funds appropriated in part 1 of any appropriations act. Unexpended 1% appropriated funds shall be returned to each 1% fund source at the end of the fiscal year.

(2) The appropriations in part 1 are estimates of actual charges based on payroll appropriations. With the approval of the state budget director, the commission is authorized to adjust financing sources for civil service charges based on actual payroll expenditures, provided that such adjustments do not increase the total appropriation for the civil service commission.

(3) The financing from restricted sources shall be credited to the civil service commission by the end of the second fiscal quarter.

Sec. 851. Except where specifically appropriated for this purpose, financing from restricted sources shall be credited to the civil service commission. For restricted sources of funding within the general fund that have the legislative authority for carryover, if current spending authorization or revenues are insufficient to accept the charge, the shortage shall be taken from carryforward balances of that funding source. Restricted revenue sources that do

not have carryforward authority shall be utilized to satisfy commission operating deducts first and civil service obligations second. General fund dollars are appropriated for any shortfall, pursuant to approval by the state budget director.

Sec. 852. The appropriation in part 1 to the civil service commission, for state-sponsored group insurance, flexible spending accounts, and COBRA, represents amounts, in part, included within the various appropriations throughout state government for the current fiscal year to fund the flexible spending account program included within the civil service commission. Deposits against state-sponsored group insurance, flexible spending accounts, and COBRA for the flexible spending account program shall be made from assessments levied during the current fiscal year in a manner prescribed by the civil service commission. Unspent employee contributions to the flexible spending accounts may be used to offset administrative costs for the flexible spending account program, with any remaining balance of unspent employee contributions to be lapsed to the general fund.

CAPITAL OUTLAY

Sec. 860. As used in sections 861 through 867:

(a) "Board" means the state administrative board.

(b) "Community college" means a community college organized under the community college act of 1966, 1966 PA 331, MCL 389.1 to 389.195, or under part 25 of the revised school code, 1976 PA 451, MCL 380.1601 to 380.1607, and does not include a state agency or university.

(c) "Department" means the department of technology, management, and budget.

(d) "Director" means the director of the department of technology, management, and budget.

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

(f) "State agency" means an agency of state government. State agency does not include a community college or university.

(g) "State building authority" means the authority created under 1964 PA 183, MCL 830.411 to 830.425.

(h) "University" means a 4-year university supported by the state. University does not include a community college or a state agency.

Sec. 861. Each capital outlay project authorized in this part and part 1 or any previous capital outlay act shall comply with the procedures required by the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 862. (1) The department shall provide the JCOS, state budget director, and the senate and house fiscal agencies with reports as considered necessary relative to the status of each planning or construction project financed by the state building authority, by this part and part 1, or by previous acts.

(2) Before the end of each fiscal year, the department shall report to the JCOS, state budget director, and the senate and house fiscal agencies for each capital outlay project other than lump sums all of the following:

(a) The account number and name of each construction project.

(b) The balance remaining in each account.

(c) The date of the last expenditure from the account.

(d) The anticipated date of occupancy if the project is under construction.

(e) The appropriations history for the project.

(f) The professional service contractor.

(g) The amount of the project financed with federal funds.

(h) The amount of the project financed through the state building authority.

(i) The total authorized cost for the project and the state authorized share if different than the total.

(3) Before the end of each fiscal year, the department shall report the following for each project by a state agency, university, or community college that is authorized for planning but is not yet authorized for construction:

(a) The name of the project and account number.

(b) Whether a program statement is approved.

(c) Whether schematics are approved by the department.

(d) Whether preliminary plans are approved by the department.

(e) The name of the professional service contractor.

(4) As used in this section, "project" includes appropriation line items made for purchase of real estate.

Sec. 864. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with the provisions of section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

Sec. 865. (1) A site preparation economic development fund is

created in the department. As used in this section, "economic development sites" means those state-owned sites declared as surplus property pursuant to section 251 of the management and budget act, 1984 PA 431, MCL 18.1251, that would provide economic benefit to the area or to the state. The MEDC board and the state budget director shall determine whether or not a specific state-owned site qualifies for inclusion in the fund created under this subsection.

(2) Proceeds from the sale of any sites designated in subsection (1) shall be deposited into the fund created in subsection (1) and shall be available for site preparation expenditures, unless otherwise provided by law. The economic development sites authorized in subsection (1) are authorized for sale consistent with state law. Expenditures from the fund are authorized for site preparation activities that enhance the marketable sale value of the sites. Site preparation activities include, but are not limited to, demolition, environmental studies and abatement, utility enhancement, and site excavation.

(3) A cash advance in an amount of not more than $25,000,000.00 is authorized from the general fund to the site preparation economic development fund.

(4) An annual report shall be transmitted to the senate and house of representatives standing committees on appropriations not later than December 31 of each year. This report shall detail both of the following:

(a) The revenue and expenditure activity in the fund for the preceding fiscal year.

(b) The sites identified as economic development sites under subsection (1).

Sec. 867. Proceeds from the sale of the Farnum Building shall be subsequently appropriated to the department in accordance with any legislation enacted that authorizes the sale of that property. If the net proceeds from the sale of the Farnum Building are less than the $7,000,000.00 authorized for senate relocation costs in section 896 of article VIII of 2014 PA 252, an amount equal to the difference between the net sale proceeds and $7,000,000.00 shall be appropriated by the legislature to the department.

CAPITAL OUTLAY - UNIVERSITIES AND COMMUNITY COLLEGES

Sec. 873. (1) This section applies only to projects for community colleges.

(2) State support is directed towards the remodeling and additions, special maintenance, or construction of certain community college buildings. The community college shall obtain or provide for site acquisition and initial main utility installation to operate the facility. Funding shall be composed of local and state shares and not more than 50% of a capital outlay project, not including a lump-sum special maintenance project or remodeling and addition project, for a community college shall be appropriated from state and federal funds, unless otherwise appropriated by the legislature.

(3) An expenditure under this part and part 1 is authorized when the release of the appropriation is approved by the board upon the recommendation of the director. The director may recommend to

the board the release of any appropriation in part 1 only after the director is assured that the legal entity operating the community college to which the appropriation is made has complied with this part and part 1 and has matched the amounts appropriated as required by this part and part 1. A release of funds in part 1 shall not exceed 50% of the total cost of planning and construction of any project, not including lump-sum remodeling and additions and special maintenance, unless otherwise appropriated by the legislature. Further planning and construction of a project authorized by this part and part 1 or applicable sections of the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, shall be in accordance with the purpose and scope as defined and delineated in the approved program statements and planning documents. This part and part 1 are applicable to all projects for which planning appropriations were made in previous acts.

(4) The community college shall take the steps necessary to secure available federal construction and equipment money for projects funded for construction in this part and part 1 if an application was not previously made. If there is a reasonable expectation that a prior year unfunded application may receive federal money in a subsequent year, the college shall take whatever action necessary to keep the application active.

Sec. 874. If university and community college matching revenues are received in an amount less than the appropriations for capital projects contained in this part and part 1, the state funds shall be reduced in proportion to the amount of matching revenue received.

Sec. 875. (1) The director may require that community colleges and universities that have an authorized project listed in part 1 submit documentation regarding the project match and governing board approval of the authorized project not more than 60 days after the beginning of the fiscal year.

(2) If the documentation required by the director under subsection (1) is not submitted, or does not adequately authenticate the availability of the project match or board approval of the authorized project, the authorization may terminate. The authorization terminates 30 days after the director notifies the JCOS of the intent to terminate the project unless the JCOS convenes to extend the authorization.

ONE-TIME APPROPRIATIONS

Sec. 880. (1) The drinking water declaration of emergency reserve fund is created within the department of treasury.

(2) From the funds appropriated in part 1 for the drinking water declaration of emergency reserve fund, $25,000,000.00 shall be deposited into the drinking water declaration of emergency reserve fund.

(3) Funds may only be spent from the drinking water declaration of emergency reserve fund upon appropriation, or legislative transfer pursuant to section 393 of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) Interest and earnings from the investment of funds deposited in the drinking water declaration of emergency reserve fund shall be deposited in the general fund.

(5) Funds in the drinking water declaration of emergency reserve fund at the close of a fiscal year shall remain in the drinking water declaration of emergency reserve fund and shall not lapse to the general fund.

DEPARTMENT OF TREASURY

OPERATIONS

Sec. 901. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $1,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $200,000.00 for local contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $40,000.00 for private

contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 902. (1) Amounts needed to pay for interest, fees, principal, mandatory and optional redemptions, arbitrage rebates as required by federal law, and costs associated with the payment, registration, trustee services, credit enhancements, and issuing costs in excess of the amount appropriated to the department of treasury in part 1 for debt service on notes and bonds that are issued by the state under sections 14, 15, and 16 of article IX of the state constitution of 1963 as implemented by 1967 PA 266, MCL 17.451 to 17.455, are appropriated.

(2) In addition to the amount appropriated to the department of treasury for debt service in part 1, there is appropriated an amount for fiscal year cash-flow borrowing costs to pay for interest on interfund borrowing made under 1967 PA 55, MCL 12.51 to 12.53.

(3) In addition to the amount appropriated to the department of treasury for debt service in part 1, there is appropriated all repayments received by the state on loans made from the school bond loan fund not required to be deposited in the school loan revolving fund by or pursuant to section 4 of 1961 PA 112, MCL 388.984, to the extent determined by the state treasurer, for the payment of debt service, including, without limitation, optional and mandatory redemptions, on bonds, notes or commercial paper issued by the state pursuant to 1961 PA 112, MCL 388.981 to 388.985.

Sec. 902a. The department of treasury shall notify the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant appropriations subcommittees, the senate and house fiscal agencies, and the state budget office not more than 30 days after a refunding or restructuring bond issue is sold. The notification shall compare the annual debt service prior to the refinancing or restructuring, the annual debt service after the refinancing or restructuring, the change in the principal and interest over the duration of the debt, and the projected change in the present value of the debt service due to the refinancing and restructuring.

Sec. 903. (1) From the funds appropriated in part 1, the department of treasury may contract with private collection agencies and law firms to collect taxes and other accounts due this state. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund collection costs and fees not to exceed 25% of the collections or 2.5% plus operating costs, whichever amount is prescribed by each contract. The appropriation to fund collection costs and fees for the collection of taxes or other accounts due this state are from the fund or account to which the revenues being collected are recorded or dedicated. However, if the taxes collected are constitutionally dedicated for a specific purpose, the appropriation of collection costs and fees are from the general purpose account of the general fund.

(2) From the funds appropriated in part 1, the department of treasury may contract with private collections agencies and law

firms to collect defaulted student loans and other accounts due the Michigan guaranty agency. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund collection costs and fees not to exceed 24.34% of the collection or a lesser amount as prescribed by the contract. The appropriation to fund collection costs and fees for the auditing and collection of defaulted student loans due the Michigan guaranty agency is from the fund or account to which the revenues being collected are recorded or dedicated.

(3) The department of treasury shall submit a report for the immediately preceding fiscal year ending September 30 to the state budget director, the senate and house of representatives standing committees on appropriations, and the chairpersons of the relevant appropriations subcommittees, not later than November 30 stating the agencies or law firms employed, the amount of collections for each, the costs of collection, and other pertinent information relating to determining whether this authority should be continued.

(4) From the funds appropriated in part 1 for collection services, the department of treasury shall issue an RFP for a secondary placement collections program. The secondary placement collections program shall begin by January 2, 2018. The department shall issue a request for competitive proposals from service providers interested in providing secondary placement collection services. The competitive proposal for secondary placement services shall meet all of the following requirements:

(a) Be issued no later than October 2, 2017 with responses due by November 6, 2017.

(b) Require delinquent accounts at least 180 days old to be referred to the secondary placement service.

(c) Provide information to the department of treasury necessary to evaluate the performance of the program.

(d) Demonstrate that the vendor has the ability to interface its technology systems with the existing technology framework of the department of treasury.

(e) Not require a physical presence of the vendor in the state.

Sec. 904. (1) The department of treasury, through its bureau of investments, may charge an investment service fee against the applicable retirement funds. The fees may be expended for necessary salaries, wages, contractual services, supplies, materials, equipment, travel, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement funds. Service fees shall not exceed the aggregate amount appropriated in part 1. The department of treasury shall maintain accounting records in sufficient detail to enable the retirement funds to be reimbursed periodically for fee revenue that is determined by the department of treasury to be surplus.

(2) In addition to the funds appropriated in part 1 from the retirement funds to the department of treasury, there is appropriated from retirement funds an amount sufficient to pay for the services of money managers, investment advisors, investment consultants, custodians, and other outside professionals, the state treasurer considers necessary to prudently manage the retirement funds' investment portfolios. The state treasurer shall report

annually to the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant appropriations subcommittees, and the state budget office concerning the performance of each portfolio by investment advisor.

Sec. 904a. (1) There is appropriated an amount sufficient to recognize and pay expenditures for financial services provided by financial institutions as provided under section 1 of 1861 PA 111, MCL 21.181.

(2) The appropriations under subsection (1) shall be funded by restricting revenues from common cash interest earnings and investment earnings in an amount sufficient to record these expenditures. If the amounts of common cash interest earnings are insufficient to cover these costs, then miscellaneous revenues shall be used to fund the remaining balance of these expenditures.

Sec. 905. A revolving fund known as the municipal finance fee fund is created in the department of treasury. Fees are established under the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, and the fees collected shall be credited to the municipal finance fee fund and may be carried forward for future appropriation.

Sec. 906. (1) The department of treasury shall charge for audits as permitted by state or federal law or under contractual arrangements with local units of government, other principal executive departments, or state agencies. However, the charge shall not be more than the actual cost for performing the audit. A report detailing audits performed and audit charges for the immediately preceding fiscal year shall be submitted to the state budget

director, the chairpersons of the relevant appropriations subcommittees, and the senate and house fiscal agencies not later than November 30.

(2) A revolving fund known as the audit charges fund is created in the department of treasury. The contractual charges collected shall be credited to the audit charges fund and may be carried forward for future appropriation.

Sec. 907. A revolving fund known as the assessor certification and training fund is created in the department of treasury. The assessor certification and training fund shall be used to organize and operate a property assessor certification and training program. Each participant certified and trained shall pay to the department of treasury examination fees not to exceed $50.00 per examination and certification fees not to exceed $175.00. Training courses shall be offered in assessment administration. Each participant shall pay a fee to cover the expenses incurred in offering the optional programs to certified assessing personnel and other individuals interested in an assessment career opportunity. The fees collected shall be credited to the assessor certification and training fund.

Sec. 908. The amount appropriated in part 1 to the department of treasury, home heating assistance program, is to cover the costs, including data processing, of administering federal home heating credits to eligible claimants and to administer the supplemental fuel cost payment program for eligible tax credit and welfare recipients.

Sec. 909. Revenue from the airport parking tax act, 1987 PA

248, MCL 207.371 to 207.383, is appropriated and shall be distributed under section 7a of the airport parking tax act, 1987 PA 248, MCL 207.377a.

Sec. 910. The disbursement by the department of treasury from the bottle deposit fund to dealers as required by section 3c(2) of 1976 IL 1, MCL 445.573c, is appropriated.

Sec. 911. There is appropriated an amount sufficient to recognize and pay refundable income tax credits as provided by law.

Sec. 912. A plaintiff in a garnishment action involving this state shall pay to the state treasurer 1 of the following:

(a) A fee of $6.00 at the time a writ of garnishment of periodic payments is served upon the state treasurer, as provided in section 4012 of the revised judicature act of 1961, 1961 PA 236, MCL 600.4012.

(b) A fee of $6.00 at the time any other writ of garnishment is served upon the state treasurer, except that the fee shall be reduced to $5.00 for each writ of garnishment for individual income tax refunds or credits filed by magnetic media.

Sec. 913. (1) The department of treasury may contract with private firms to appraise and, if necessary, appeal the assessments of senior citizen cooperative housing units. Payment for this service shall be from savings resulting from the appraisal or appeal process.

(2) Of the funds appropriated in part 1 to the department of treasury for the senior citizens' cooperative housing tax exemption program, a portion may be utilized for a program audit of the program. The department of treasury shall forward copies of any

audit report completed to the senate and house of representatives standing committees on appropriations subcommittees on general government and to the state budget office. The department of treasury may utilize up to 1% of the funds for program administration and auditing.

Sec. 914. The department of treasury may provide a $200.00 annual prize from the Ehlers internship award account in the gifts, bequests, and deposit fund to the runner-up of the Rosenthal prize for interns. The Ehlers internship award account is interest bearing.

Sec. 915. Pursuant to section 61 of the Michigan campaign finance act, 1976 PA 388, MCL 169.261, there is appropriated from the general fund to the state campaign fund an amount equal to the amounts designated for tax year 2016. Except as otherwise provided in this section, the amount appropriated shall not revert to the general fund and shall remain in the state campaign fund. Any amounts remaining in the state campaign fund in excess of $10,000,000.00 on December 31 shall revert to the general fund.

Sec. 916. The department of treasury may make available to interested entities otherwise unavailable customized unclaimed property listings of nonconfidential information in its possession. The charge for this information is as follows: 1 to 100,000 records at 2.5 cents per record and 100,001 or more records at .5 cents per record. The revenue received from this service shall be deposited to the appropriate revenue account or fund. The department shall submit an annual report on or before June 1 to the state budget director and the senate and house of representatives standing

committees on appropriations that states the amount of revenue received from the sale of information.

Sec. 917. (1) There is appropriated for write-offs and advances an amount equal to total write-offs and advances for departmental programs, but not to exceed current year authorizations that would otherwise lapse to the general fund.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year to the state budget director, the chairpersons of the relevant appropriations subcommittees, and the senate and house fiscal agencies not later than November 30 stating the amounts appropriated for write-offs and advances under subsection (1).

Sec. 919. (1) From funds appropriated in part 1, the department of treasury may contract with private auditing firms to audit for and collect unclaimed property due this state in accordance with the uniform unclaimed property act, 1995 PA 29, MCL 567.221 to 567.265. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund auditing and collection costs and fees not to exceed 12% of the collections, or a lesser amount as prescribed by the contract. The appropriation to fund collection costs and fees for the auditing and collection of unclaimed property due this state is from the fund or account to which the revenues being collected are recorded or dedicated.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year ending September 30 to the state budget director, the senate and house of representatives standing

committees on appropriations, and the chairpersons of the relevant appropriations subcommittees not later than November 30 stating the auditing firms employed, the amount of collections for each, the costs of collection, and other pertinent information relating to determining whether this authority should be continued.

Sec. 924. (1) In addition to the funds appropriated in part 1, the department of treasury may receive and expend principal residence audit fund revenue for administration of principal residence audits under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year to the state budget director, the chairpersons of the relevant appropriations subcommittees, and the senate and house fiscal agencies not later than December 31 stating the amount of exemptions denied and the revenue received under the program.

Sec. 926. Unexpended appropriations of the John R. Justice grant program are designated as work project appropriations and shall not lapse at the end of the fiscal year and shall continue to be available for expenditure until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide student loan forgiveness to qualified public defenders and prosecutors.

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

(c) The total estimated cost of the project is $288,100.00.

(d) The tentative completion date is September 30, 2018.

Sec. 927. The department of treasury shall submit annual progress reports to the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies, regarding personal property tax audits. The report shall include the number of audits, revenue generated, and number of complaints received by the department related to the audits.

Sec. 928. The department of treasury may provide receipt, warrant and cash processing, data, collection, investment, fiscal agent, levy and warrant cost assessment, writ of garnishment, and other user services on a contractual basis for other principal executive departments and state agencies. Funds for the services provided are appropriated and shall be expended for salaries and wages, fees, supplies, and equipment necessary to provide the services. Any unobligated balance of the funds received shall revert to the general fund of this state as of September 30.

Sec. 930. (1) The department of treasury shall provide accounts receivable collections services to other principal executive departments and state agencies under 1927 PA 375, MCL 14.131 to 14.134. The department of treasury shall deduct a fee equal to the cost of collections from all receipts except unrestricted general fund collections. Fees shall be credited to a restricted revenue account and appropriated to the department of treasury to pay for the cost of collections. The department of treasury shall maintain accounting records in sufficient detail to enable the respective accounts to be reimbursed periodically for

fees deducted that are determined by the department of treasury to be surplus to the actual cost of collections.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year to the state budget director, the chairpersons of the relevant appropriations subcommittees, and the senate and house fiscal agencies not later than November 30 stating the principal executive departments and state agencies served, funds collected, and costs of collection under subsection (1).

Sec. 931. (1) The appropriation in part 1 to the department of treasury for treasury fees shall be assessed against all restricted funds that receive common cash earnings or other investment income. Treasury fees include all costs, including administrative overhead, relating to the investment of each restricted fund. The fee assessed against each restricted fund will be based on the size of the restricted fund (the absolute value of the average daily cash balance plus the market value of investments in the prior fiscal year) and the level of effort necessary to maintain the restricted fund as required by each department. The department of treasury shall provide a report to the state budget director, the senate and house of representatives standing committees on appropriations subcommittees on general government, and the senate and house fiscal agencies by November 30 of each year identifying the fees assessed against each restricted fund and the methodology used for assessment.

(2) In addition to the funds appropriated in part 1, the department of treasury may receive and expend investment fees relating to new restricted funding sources that participate in

common cash earnings or other investment income during the current fiscal year. When a new restricted fund is created starting on or after October 1, that restricted fund shall be assessed a fee using the same criteria identified in subsection (1).

Sec. 932. Revenue received under the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1442, may be expended by the board of directors of the Michigan education trust for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, and grants to the civil service commission and state employees' retirement fund.

Sec. 934. (1) The department of treasury may expend revenues received under the hospital finance authority act, 1969 PA 38, MCL 331.31 to 331.84, the shared credit rating act, 1985 PA 227, MCL 141.1051 to 141.1076, the higher education facilities authority act, 1969 PA 295, MCL 390.921 to 390.934, the Michigan public educational facilities authority, Executive Reorganization Order No. 2002-3, MCL 12.192, the Michigan tobacco settlement finance authority act, 2005 PA 226, MCL 129.261 to 129.279, the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774, part 505 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.50501 to 324.50522, the state housing development authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c, and the Michigan finance authority, Executive Reorganization Order No. 2010-2, MCL 12.194, for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, grants to the civil service commission and state employees' retirement fund, and other expenses as allowed under

those acts.

(2) The department of treasury shall report by January 31 to the senate and house appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director on the amount and purpose of expenditures made under subsection (1) from funds received in addition to those appropriated in part 1. The report shall also include a listing of reimbursement of revenue, if any. The report shall cover the previous fiscal year.

Sec. 935. The funds appropriated in part 1 for dual enrollment payments for an eligible student enrolled in a state-approved nonpublic school shall be distributed as provided under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, and the career and technical preparation act, 2000 PA 258, MCL 388.1901 to 388.1913, in a form and manner as determined by the department of treasury.

Sec. 937. From the funds appropriated in part 1, the department of treasury shall submit a report to the state budget director, the senate and house standing committees on appropriations, the chairpersons of the relevant appropriations subcommittees, and the senate and house fiscal agencies not later than March 31 regarding the performance of the Michigan accounts receivable collections system. The report shall include, but is not limited to:

(a) Information regarding the effectiveness of the department's current collection strategies, including use of vendors or contractors.

(b) The amount of delinquent accounts and collection referrals to vendors and contractors.

(c) The liquidation rates for declining delinquent accounts.

(d) The profile of uncollected delinquent accounts, including specific uncollected amounts by category.

(e) The department's strategy to manage delinquent accounts once those accounts exceed the vendor's or contractor's contracted collectible period.

(f) A summary of the strategies used in other states, including, but not limited to, secondary placement services, and assessing the benefits of those strategies.

Sec. 941. (1) The department of treasury, in conjunction with the Michigan strategic fund, shall report to the senate and house of representatives standing committees on appropriations, the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by November 1 on the annual cost of the Michigan economic growth authority tax credits. The report shall include for each year the board-approved credit amount, adjusted for credit amendments where applicable, and the actual and projected value of tax credits for each year from 1995 to the expiration of the credit program. For years for which credit claims are complete, the report shall include the total of actual certificated credit amounts. For years for which claims are still pending or not yet submitted, the report shall include a combination of actual credits where available and projected credits. Credit projections shall be based on updated estimates of

employees, wages, and benefits for eligible companies.

(2) In addition to the report under subsection (1), the department of treasury, in conjunction with the Michigan strategic fund, shall report to the senate and house of representatives standing committees on appropriations, the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by November 1 on the annual cost of all other certificated credits by program, for each year until the credits expire or can no longer be collected. The report shall include estimates on the brownfield redevelopment credit, film credits, MEGA photovoltaic technology credit, MEGA polycrystalline silicon manufacturing credit, MEGA vehicle battery credit, and other certificated credits.

Sec. 944. If the department of treasury hires a pension plan consultant using any of the funds appropriated in part 1, the department shall retain any report provided to the department by that consultant, notify the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director, and shall make that report available upon request to the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director. A rationale for retention of a pension plan consultant shall be included in the notification of retention.

Sec. 945. Reviews of local unit assessment administration practices, procedures, and records, also known as the audit of minimal assessing requirements, shall be conducted in each

assessment jurisdiction a minimum of once every 5 years.

Sec. 946. Revenue collected in the convention facility development fund is appropriated and shall be distributed under sections 8 and 9 of the state convention facility development act, 1985 PA 106, MCL 207.628 and 207.629.

Sec. 947. Financial independence teams shall cooperate with the financial responsibility section to coordinate and streamline efforts in identifying and addressing fiscal emergencies in school districts and intermediate school districts.

Sec. 948. Total authorized appropriations from all department of treasury sources under part 1 for legacy costs for the fiscal year ending September 30, 2018 are $43,024,600.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $22,140,700.00. Total agency appropriations for retiree health care legacy costs are estimated at $20,883,900.00.

Sec. 949. (1) From the funds appropriated in part 1, the department of treasury may contract with private agencies to prevent the disbursement of fraudulent tax refunds. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to pay contract costs or fund operations designed to reduce fraudulent income tax refund payments not to exceed $1,200,000.00 of the refunds identified as potentially fraudulent and for which payment of the refund is denied. The appropriation to fund fraud prevention efforts is from the fund or account to which the revenues being collected are recorded or dedicated.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year ending September 30 to the state budget director, the senate and house of representatives standing committees on appropriations, and the chairpersons of the relevant appropriations subcommittees not later than November 30 stating the number of refund claims denied due to the fraud prevention operations, the amount of refunds denied, the costs of the fraud prevention operations, and other pertinent information relating to determining whether this authority should be continued.

Sec. 949a. From the funds appropriated in part 1 for additional staff in city income tax administration, the department shall expand individual income tax return administration to 1 additional city to leverage the department's capabilities to assist cities with their taxation efforts.

Sec. 949d. (1) From the funds appropriated in part 1 for financial review commission, the department shall continue financial review commission efforts in the current fiscal year. The purpose of the funding is to cover ongoing costs associated with the operation of the commission.

(2) The department shall identify specific outcomes and performance measures for this initiative, including, but not limited to, the department's ability to perform a critical fiscal review to ensure the city of Detroit does not reenter distress following its exit from bankruptcy and to ensure that the community district does not enter distress and maintains a balanced budget.

(3) The department must submit a report to the house and senate appropriations subcommittees on general government, the

senate and house fiscal agencies, and the state budget director by March 15. The report must describe the specific outcomes and measures required in subsection (1) and provide the results and data related to these outcomes and measures.

Sec. 949e. From the funds appropriated in part 1 for the state essential services assessment program, the department of treasury shall administer the state essential services assessment program. The program will provide the department the ability to collect the state essential services assessment which is a phased-in replacement of locally collected personal property taxes on eligible manufacturing personal property.

Sec. 949f. Revenue from the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, related to counties with a 2000 population of more than 2,000,000 is appropriated and shall be distributed under section 12(4)(d) of the tobacco products tax act, 1993 PA 327, MCL 205.432.

Sec. 949g. From the one-time funds appropriated in part 1 for urban search and rescue task force, $500,000.00 shall be expended to support the urban search and rescue task force. In distributing funds under this section, the department of treasury shall require the task force to provide to the department the following information:

(a) A final year-end report providing information on all revenue received by source and expenditures by categories, with the funds distributed to the task force under section 949g of article VIII of 2016 PA 268 discretely presented.

(b) Detail on the proposed expenditure of the funds

distributed under this section.

(c) A final year-end report providing information on all revenue received by source and expenditures by categories, with the funds distributed under this section discretely presented.

Sec. 949h. Revenue from part 6 of the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27601 to 333.27605, is appropriated and distributed pursuant to part 6 of the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27601 to 333.27605.

Sec. 949j. All funds in the wrongful imprisonment compensation fund created in the wrongful imprisonment compensation act, 2016 PA 343, MCL 691.1751 to 691.1757, are appropriated and available for expenditure. Expenditures are limited to support wrongful imprisonment compensation payments pursuant to section 6 of the wrongful imprisonment compensation act, 2016 PA 343, MCL 691.1756.

REVENUE SHARING

Sec. 950. The funds appropriated in part 1 for constitutional revenue sharing shall be distributed by the department of treasury to cities, villages, and townships, as required under section 10 of article IX of the state constitution of 1963. Revenue collected in accordance with section 10 of article IX of the state constitution of 1963 in excess of the amount appropriated in part 1 for constitutional revenue sharing is appropriated for distribution to cities, villages, and townships, on a population basis as required under section 10 of article IX of the state constitution of 1963.

Sec. 952. (1) The funds appropriated in part 1 for city, village, and township revenue sharing are for grants to cities,

villages, and townships such that, subject to fulfilling the requirements under subsection (3), each city, village, or township is eligible to receive 100% of its eligible payment under section 952 of article VIII of 2016 PA 268. For purposes of this subsection, any city, village, or township that completely merges with another city, village, or township will be treated as a single entity, such that when determining the eligible payment under section 952 of article VIII of 2016 PA 268 for the combined single entity, the amount each of the merging local units was eligible to receive under section 952 of article VIII of 2016 PA 268 is summed. For purposes of this subsection, population is determined in the same manner as under section 3 of the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.903. In addition, any city or village that according to the 2010 federal decennial census is determined to have population in more than 1 county shall be treated as a single entity when determining the eligible payment under section 952 of article VIII of 2016 PA 268.

(2) The funds appropriated in part 1 for the county incentive program are to be used for grants to counties such that each county is eligible to receive an amount equal to 20% of the amount by which the balance in its revenue sharing reserve fund under section 44a of the general property tax act, 1893 PA 206, MCL 211.44a, for the county's most recent fiscal year that ends prior to the January 1 of the state's fiscal year is less than the amount calculated under section 44a(14) of the general property tax act, 1893 PA 206, MCL 211.44a, for the county fiscal year that begins in the state's fiscal year. The amount calculated under this subsection shall be

adjusted as necessary to reflect partial county fiscal years and prorated based on the total amount appropriated for distribution to all eligible counties. Except as otherwise provided under this subsection, payments under this subsection will be distributed to an eligible county subject to the county's fulfilling the requirements under subsection (3).

(3) For purposes of accountability and transparency, each eligible city, village, township, or county shall certify by December 1, or the first day of a payment month, that it has produced a citizen's guide of its most recent local finances, including a recognition of its unfunded liabilities; a performance dashboard; a debt service report containing a detailed listing of its debt service requirements, including, at a minimum, the issuance date, issuance amount, type of debt instrument, a listing of all revenues pledged to finance debt service by debt instrument, and a listing of the annual payment amounts until maturity; and a projected budget report, including, at a minimum, the current fiscal year and a projection for the immediately following fiscal year. The projected budget report shall include revenues and expenditures and an explanation of the assumptions used for the projections. Each eligible city, village, township, or county shall include in any mailing of general information to its citizens the internet website address location for its citizen's guide, performance dashboard, debt service report, and projected budget report or the physical location where these documents are available for public viewing in the city, village, township, or county clerk's office. Each city, village, township, and county applying

for a payment under this subsection shall submit a copy of the performance dashboard, a copy of the debt service report, and a copy of the projected budget report to the department of treasury. In addition, each eligible city, village, township, or county applying for a payment under this subsection shall either submit a copy of the citizen's guide or certify that the city, village, township, or county will be utilizing treasury's online citizen's guide. The department of treasury shall develop detailed guidance for a city, village, township, or county to follow to meet the requirements of this subsection. The detailed guidance shall be posted on the department of treasury website and distributed to cities, villages, townships, and counties by October 1.

(4) City, village, and township revenue sharing payments and county incentive program payments are subject to the following conditions:

(a) The city, village, township, or county shall certify to the department that it has met the required criteria for subsection (3) and submitted the required citizen's guide, performance dashboard, debt service report, and projected budget report as required by subsection (3). A department of treasury review of the citizen's guide, dashboard, or reports is not required in order for a city, village, township, or county to receive a payment under subsection (1) or (2). The department shall develop a certification process and method for cities, villages, townships, and counties to follow.

(b) Subject to subdivisions (c), (d), and (e), if a city, village, township, or county meets the requirements of subsection

(3), the city, village, township, or county shall receive its full potential payment under this section.

(c) Cities, villages, and townships eligible to receive a payment under subsection (1) shall receive 1/6 of their eligible payment on the last business day of October, December, February, April, June, and August. Payments under subsection (1) shall be issued to cities, villages, and townships until the specified due date for subsection (3). After the specified due date for subsection (3), payments shall be made to a city, village, or township only if that city, village, or township has complied with subdivision (a).

(d) Payments under subsection (2) shall be issued to counties until the specified due date for subsection (3). After the specified due date for subsection (3), payments shall be made to a county only if that county has complied with subdivision (a).

(e) If a city, village, township, or county does not submit the required certification, citizen's guide, performance dashboard, debt service report, and projected budget report by the first day of a payment month, the city, village, township, or county shall forfeit the payment in that payment month.

(f) Any city, village, township, or county that falsifies certification documents shall forfeit any future city, village, and township revenue sharing payments or county incentive program payments and shall repay to this state all payments it has received under this section.

(g) City, village, and township revenue sharing payments and county incentive program payments under this section shall be

distributed on the last business day of October, December, February, April, June, and August.

(h) Payments distributed under this section may be withheld pursuant to sections 17a and 21 of the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.917a and 141.921.

(5) The unexpended funds appropriated in part 1 for city, village, and township revenue sharing and the county incentive program shall be available for expenditure under the program for financially distressed cities, villages, and townships after the approval of transfers by the legislature pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 955. (1) The funds appropriated in part 1 for county revenue sharing shall be distributed by the department of treasury so that each eligible county receives a payment equal to 100.976% of the amount determined pursuant to the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921, less the amount for which the county is eligible under section 952(2). The amount calculated under this subsection shall be adjusted as necessary to reflect partial county fiscal years and prorated based on the total amount appropriated for distribution to all eligible counties.

(2) The department of treasury shall annually certify to the state budget director the amount each county is authorized to expend from its revenue sharing reserve fund.

Sec. 956. (1) The funds appropriated in part 1 for financially distressed cities, villages, and townships shall be granted by the department of treasury to cities, villages, and townships that have

1 or more conditions that indicate probable financial distress, as determined by the department of treasury. A city, village, or township with 1 or more conditions that indicate probable financial distress may apply in a manner determined by the department of treasury for a grant to pay for specific projects or services that move the city, village, or township toward financial stability. Grants are to be used for specific projects or services that move the city, village, or township toward financial stability. The city, village, or township must use the grants under this section to make payments to reduce unfunded accrued liability; to repair or replace critical infrastructure and equipment owned or maintained by the city, village, or township; to reduce debt obligations; or for costs associated with a transition to shared services with another jurisdiction. The department of treasury shall award no more than $2,000,000.00 to any city, village, or township under this section.

(2) The department of treasury shall provide a report to the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by March 31. The report shall include a list by grant recipient of the date each grant was approved, the amount of the grant, and a description of the project or projects that will be paid by the grant.

(3) The unexpended funds appropriated in part 1 for financially distressed cities, villages, and townships are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and

shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide assistance to financially distressed cities, villages, and townships under this section.

(b) The projects will be accomplished by grants to cities, villages, and townships approved by the department of treasury.

(c) The total estimated cost of all projects is $4,999,900.00.

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

Sec. 957. (1) From the 1-time funds appropriated in part 1 for supplemental revenue sharing, a city, village, or township eligible for a payment under section 952 shall receive a payment equal to the population of the city, village, or township multiplied by 1.62396, rounded to the nearest dollar. For purposes of this section, population is determined in the same manner as under section 3 of the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.903. In addition, any city or village that according to the 2010 federal decennial census is determined to have population in more than 1 county shall be treated as a single entity when determining the payment received under this section.

(2) Cities, villages, and townships eligible to receive a payment under subsection (1) shall receive 1/6 of their eligible payment on the last business day of October, December, February, April, June, and August.

BUREAU OF STATE LOTTERY

Sec. 960. In addition to the funds appropriated in part 1 to the bureau of state lottery, there is appropriated from state lottery fund revenues the amount necessary for, and directly related to, implementing and operating lottery games under the McCauley-Traxler-Law-Bowman-McNeely lottery act, 1972 PA 239, MCL 432.1 to 432.47, and activities under the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.120, including expenditures for contractually mandated payments for vendor commissions, contractually mandated payments for instant tickets intended for resale, the contractual costs of providing and maintaining the online system communications network, and incentive and bonus payments to lottery retailers.

Sec. 963. The bureau of state lottery shall inform all lottery retailers that the cash side of MDHHS bridge cards cannot be used to purchase lottery tickets.

Sec. 964. For the bureau of state lottery, there is appropriated 1% of the lottery's prior fiscal year's gross sales or $25,000,000.00, whichever is less, for promotion and advertising.

CASINO GAMING

Sec. 971. From the revenue collected by the Michigan gaming control board regarding the total annual assessment of each casino licensee, $2,000,000.00 is appropriated and shall be deposited in the compulsive gaming prevention fund as described in section 12a(5) of the Michigan gaming control and revenue act, 1996 IL 1, MCL 432.212a.

Sec. 973. (1) Funds appropriated in part 1 for local government programs may be used to provide assistance to a local

revenue sharing board referenced in an agreement authorized by the Indian gaming regulatory act, Public Law 100-497.

(2) A local revenue sharing board described in subsection (1) shall comply with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(3) A county treasurer is authorized to receive and administer funds received for and on behalf of a local revenue sharing board. Funds appropriated in part 1 for local government programs may be used to audit local revenue sharing board funds held by a county treasurer. This section does not limit the ability of local units of government to enter into agreements with federally recognized Indian tribes to provide financial assistance to local units of government or to jointly provide public services.

(4) A local revenue sharing board described in subsection (1) shall comply with all applicable provisions of any agreement authorized by the Indian gaming regulatory act, Public Law 100-497, in which the local revenue sharing board is referenced, including, but not limited to, the disbursal of tribal casino payments received under applicable provisions of the tribal-state class III gaming compact in which those funds are received.

(5) The director of the department of state police and the executive director of the Michigan gaming control board are authorized to assist the local revenue sharing boards in determining allocations to be made to local public safety organizations.

(6) The Michigan gaming control board shall submit a report by

September 30 to the senate and house of representatives standing committees on appropriations and the state budget director on the receipts and distribution of revenues by local revenue sharing boards.

Sec. 974. If revenues collected in the state services fee fund are less than the amounts appropriated from the fund, available revenues shall be used to fully fund the appropriation in part 1 for casino gaming regulation activities before distributions are made to other state departments and agencies. If the remaining revenue in the fund is insufficient to fully fund appropriations to other state departments or agencies, the shortfall shall be distributed proportionally among those departments and agencies.

Sec. 976. The executive director of the Michigan gaming control board may pay rewards of not more than $5,000.00 to a person who provides information that results in the arrest and conviction on a felony or misdemeanor charge for a crime that involves the horse racing industry. A reward paid pursuant to this section shall be paid out of the appropriation in part 1 for the racing commission.

Sec. 977. All appropriations from the Michigan agriculture equine industry development fund, except for the racing commission and laboratory analysis program appropriations, shall be reduced proportionately if revenues to the Michigan agriculture equine industry development fund decline during the fiscal year ending September 30, 2018 to a level lower than the amount appropriated in part 1.

Sec. 978. The Michigan gaming control board shall use actual

expenditure data in determining the actual regulatory costs of conducting racing dates and shall provide that data to the senate and house appropriations subcommittees on agriculture and general government, the state budget office, and the senate and house fiscal agencies. The Michigan gaming control board shall not be reimbursed for more than the actual regulatory cost of conducting race dates. If a certified horsemen's organization funds more than the actual regulatory cost, the balance shall remain in the agriculture equine industry development fund to be used to fund subsequent race dates conducted by race meeting licensees with which the certified horsemen's organization has contracts. If a certified horsemen's organization funds less than the actual regulatory costs of the additional horse racing dates, the Michigan gaming control board shall reduce the number of future race dates conducted by race meeting licensees with which the certified horsemen's organization has contracts. Prior to the reduction in the number of authorized race dates due to budget deficits, the executive director of the Michigan gaming control board shall provide notice to the certified horsemen's organizations with an opportunity to respond with alternatives. In determining actual costs, the Michigan gaming control board shall take into account that each specific breed may require different regulatory mechanisms.

Sec. 979. In addition to the funds appropriated in part 1, the Michigan gaming control board may receive and expend state lottery fund revenue in an amount not to exceed $3,000,000.00 for necessary expenses incurred in the licensing and regulation of millionaire

parties pursuant to Executive Order No. 2012-4. In accordance with section 8 of the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.108, the amount of necessary expenses shall not exceed the amount of revenue received under that act. The Michigan gaming control board shall provide a report to the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by April 15. The report shall include, but not be limited to, total expenditures related to the licensing and regulating of millionaire parties, steps taken to ensure charities are receiving revenue due to them, progress on promulgating rules to ensure compliance with the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.120, and any enforcement actions taken.

DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT

Sec. 980. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $30,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Sec. 981. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2018 are $32,357,000.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $16,651,100.00. Total agency appropriations for retiree health care legacy costs are estimated at $15,705,900.00.

Sec. 982. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 and that do not require additional state matching funds are appropriated for the purposes intended. The department may carry forward into the succeeding fiscal year unexpended federal pass-through funds to local institutions and governments that do not require additional state matching funds. The department shall report the amount and source of the funds to the senate and house appropriation subcommittees on general

government, the senate and house fiscal agencies, and the state budget office within 10 business days after receiving any additional pass-through funds.

MICHIGAN STRATEGIC FUND - HOUSING AND COMMUNITY DEVELOPMENT

Sec. 990. MSHDA shall annually present a report to the state budget office and the subcommittees on the status of the authority's housing production goals under all financing programs established or administered by the authority. The report shall give special attention to efforts to raise affordable multifamily housing production goals.

Sec. 994. In addition to the funds appropriated in part 1, the funds collected by state historic preservation programs for document reproduction and services and application fees are appropriated for all expenses necessary to provide the required services. These funds are available for expenditure when they are received and may be carried forward into the succeeding fiscal year.

Sec. 995. In addition to the amounts appropriated in part 1, the land bank fast track authority may expend revenues received under the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774, for the purposes authorized by the act, including, but not limited to, the acquisition, lease, management, demolition, maintenance, or rehabilitation of real or personal property, payment of debt service for notes or bonds issued by the authority, and other expenses to clear or quiet title property held by the authority.

MICHIGAN STRATEGIC FUND

Sec. 1005. In addition to the appropriations in part 1, Travel Michigan may receive and expend private revenue related to the use of "Pure Michigan" and all other copyrighted slogans and images. This revenue may come from the direct licensing of the name and image or from the royalty payments from various merchandise sales. Revenue collected is appropriated for the marketing of the state as a travel destination. The funds are available for expenditure when they are received by the department of treasury. The fund shall provide a report that lists the revenues by source received from the use of "Pure Michigan" and all other copyrighted slogans and images. The report shall provide a detailed list of expenditures of revenues received under this section. The report shall be provided to the appropriations subcommittees on general government, the fiscal agencies, and the state budget office by April 10.

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

(a) Travel Michigan, including any expenditures authorized under section 89b of the Michigan strategic fund act, 1984 PA 270, MCL 125.2089b, to supplement the Michigan promotion program or Pure

Michigan programs. The report shall include the number of commercials produced, the types of media purchased, and the target of tourism promotion used in Michigan tourism promotion material.

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

(c) Community development block grants.

(d) Strategic fund administration.

(e) Renaissance zones.

(f) 21st century investment program.

(g) Michigan business development program.

(h) Community revitalization program.

(i) Core community fund.

(j) Any other programs of the fund.

(2) As a condition of the expenditure of funds appropriated in part 1 for business attraction and community revitalization, the fund shall submit a report to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office that provides performance metrics for the Michigan business development program and community revitalization program. The

report shall include, but is not limited to, all of the following for all appropriated funds that are available during the fiscal year:

(a) Total verified jobs created, as required by statute, compared to total committed jobs.

(b) Total actual private investment compared to total projected private investment.

(c) An estimate of the return on investment to the state as a result of the incentives.

(d) A listing of projects previously awarded incentives that were revoked and the reason for revocation.

(e) A listing of projects that had incentive contracts amended by the fund or MEDC. The listing shall include a detailed listing of the amendments made to the contract.

(3) The reports in subsections (1) and (2) shall be submitted by March 15. The report for each program in subsection (1)(a) through (j) shall include details on all revenue sources, actual expenditures, and number of FTEs for that program for the previous fiscal year.

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

Sec. 1009. (1) Of the funds appropriated to the fund or through grants to the MEDC, no funds shall be expended for the

purchase of options on land or the purchase of land unless at least 1 of the following conditions applies:

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

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

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

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

(4) The fund shall provide a report to the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office that provides a list of all properties purchased, all options on land purchased, the location of the land purchased, and the purchase price. The report must be submitted before April 10.

Sec. 1010. As a condition for receiving funds in part 1, not later than April 10, the fund shall provide a report for the immediately preceding fiscal year on the jobs for Michigan

investment fund, created in section 88h of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088h. The report shall be submitted to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office. The report shall include, but is not limited to, all of the following:

(a) A detailed listing of revenues, by fund source, to the jobs for Michigan investment fund. The listing shall include the manner and reason for which the funds were appropriated to the jobs for Michigan investment fund.

(b) A detailed listing of expenditures, by project, from the jobs for Michigan investment fund.

(c) A fiscal year-end balance of the jobs for Michigan investment fund.

Sec. 1011. (1) From the appropriations in part 1 to the fund and granted or transferred to the MEDC, any unexpended or unencumbered balance shall be disposed of in accordance with the requirements in the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, unless carryforward authorization has been otherwise provided for.

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

Sec. 1012. (1) As a condition of receiving funds under part 1, the fund shall ensure that the MEDC and the fund comply with all of

the following:

(a) The freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(b) The open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(c) Annual audits of all financial records by the auditor general or his or her designee.

(d) All reports required by law to be submitted to the legislature.

(2) If the MEDC is unable for any reason to perform duties under this part, the fund may exercise those duties.

Sec. 1013. As a condition for receiving the appropriations in part 1, any staff of the MEDC involved in private fund-raising activities shall not be party to any decisions regarding the awarding of grants, incentives, or tax abatements from the fund, the MEDC, or the Michigan economic growth authority.

Sec. 1024. From the funds appropriated in part 1 for business attraction and community revitalization, not less than $20,000,000.00 shall be granted by the fund board for brownfield redevelopment and historic preservation projects under the community revitalization program authorized by chapter 8C of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090 to 125.2090d.

Sec. 1032. (1) The department shall report to the relevant subcommittees, the state budget director, and the fiscal agencies on the status of the film incentives at the same time as it submits the annual report required under section 455 of the Michigan business tax act, 2007 PA 36, MCL 208.1455. The department of

treasury shall provide the department of talent and economic development with the data necessary to prepare the report. Incentives included in the report shall include all of the following:

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

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

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

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

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

(f) Loans to an eligible production company or film and digital media private equity fund authorized under section 88d(3), (4), and (5) of the Michigan strategic fund act, 2005 PA 225, MCL 125.2088d.

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

(a) For each tax credit, the number of contracts signed, the projected expenditures qualifying for the credit, and the estimated value of the credits. For loans, the number of loans made under each section, the interest rate of those loans, the loan amount, the percent of the projected budget of each production financed by those loans, and the estimated interest earnings from the loan.

(b) For credits authorized under section 455 of the Michigan

business tax act, 2007 PA 36, MCL 208.1455, for productions completed by December 31, the expenditures of each production eligible for the credit that has filed a request for certificate of completion with the film office, broken down into expenditures for goods, services, or salaries and wages and showing separately expenditures in each local unit of government, including expenditures for personnel, whether or not they were made to a Michigan entity, and whether or not they were taxable under the laws of this state. For loans, the report shall include the number of loans that have been fully repaid, with principal and interest shown separately, and the number of loans that are delinquent or in default, and the amount of principal that is delinquent or is in default.

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

(*i*) The number of temporary jobs created.

(*ii*) The number of permanent jobs created.

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

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

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

(b) Attest that the information has not been publicly

disseminated at any time.

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

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

Sec. 1033. As a condition of receiving funds in part 1, not later than March 15, the department of talent and economic development shall provide a report on the activities of the Michigan film and digital media office for the immediately preceding fiscal year. The report shall be submitted to the chairpersons of the senate and house of representatives subcommittees on general government, the senate and house fiscal agencies, and the state budget office. The report shall include, but not be limited to, a listing of all projects the Michigan film and digital media office provided assistance on, a listing of the services provided for each project, and an estimate of investment leveraged.

Sec. 1034. Each business incubator or accelerator that received an award from the fund shall maintain and update a dashboard of indicators to measure the effectiveness of the business incubator and accelerator programs. Indicators shall include the direct jobs created, new companies launched as a direct result of business incubator or accelerator involvement, businesses

expanded as a direct result of business incubator or accelerator involvement, direct investment in client companies, private equity financing obtained by client companies, grant funding obtained by client companies, and other measures developed by the recipient business incubators and accelerators in conjunction with the MEDC. Dashboard indicators shall be reported for the prior fiscal year and cumulatively, if available. Each recipient shall submit a copy of their dashboard indicators to the fund by March 1. The fund shall transmit the local reports to the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by March 15.

Sec. 1035. (1) From the appropriation in part 1, the Michigan council for arts and cultural affairs shall administer an arts and cultural grant program that maintains an equitable geographic distribution of funding and utilizes past arts and cultural grant programs as a guideline for administering this program. The council shall do all of the following:

(a) On or before October 1, the fund shall publish proposed application criteria, instructions, and forms for use by eligible applicants. The fund shall provide at least a 2-week period for public comment before finalizing the application criteria, instructions, and forms.

(b) A nonrefundable application fee may be assessed for each application. Application fees shall be deposited in the council for the arts fund and are appropriated for expenses necessary to administer the programs. These funds are available for expenditure

when they are received and may be carried forward to the following fiscal year.

(c) Grants are to be made to public and private arts and cultural entities.

(d) Within 1 business day after the award announcements, the council shall provide to each member of the legislature and the fiscal agencies a list of all grant recipients and the total award given to each recipient, sorted by county.

(e) In addition to the information in subdivision (d), the council shall report on the number of applications received, number of grants awarded, total amount requested from applications received, and total amount of grants awarded.

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

Sec. 1036. (1) The general fund/general purpose funds appropriated in part 1 to the fund for business attraction and community revitalization shall be transferred to the 21st century jobs trust fund per section 90b(3) of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090b.

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

Sec. 1038. (1) From the funds appropriated in part 1, the department shall work with Michigan State University to gather information and create an annual progress report on the construction of the Facility for Rare Isotope Beams. The report

shall include, but is not limited to, the following information:

(a) If construction is ahead of the scheduled timeline made with the United States Department of Energy at the end of the previous fiscal year and the number of weeks.

(b) If the cost of construction is under or over the amount projected for the previous fiscal year and the amount.

(c) The number of Michigan companies that have been contracted for the project, the total amount of those contracts, and number of permanent and temporary employees employed in the previous fiscal year.

(2) The department shall report to the state budget director, appropriations subcommittees, senate and house appropriation subcommittees on general government, and senate and house fiscal agencies by March 15. If information is not provided by Michigan State University by March 15, the department shall provide notice of steps taken to get the required information and when it will be available.

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

Sec. 1041. From the funds appropriated in part 1 for business attraction and community revitalization, the fund shall request the

transfer by the state treasurer of not more than 50% of the funds prior to April 1.

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

Sec. 1043. (1) The fund, in conjunction with the department of treasury, shall report to the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by November 1 on the annual cost of the Michigan economic growth authority tax credits. The report shall include for each year the board-approved credit amount, adjusted for credit amendments where applicable, and the actual and projected value of tax credits for each year from 1995 to the expiration of the credit program. For years for which credit claims are complete, the report shall include the total of actual certificated credit amounts. For years for which claims are still pending or not yet submitted, the report shall include a

combination of actual credits where available and projected credits. Credit projections shall be based on updated estimates of employees, wages, and benefits for eligible companies.

(2) In addition to the report under subsection (1), the fund, in conjunction with the department of treasury, shall report to the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by November 1 on the annual cost of all other certificated credits by program, for each year until the credits expire or can no longer be collected. The report shall include estimates on the brownfield redevelopment credit, film credits, MEGA photovoltaic technology credit, MEGA polycrystalline silicon manufacturing credit, MEGA vehicle battery credit, and other certificated credits.

Sec. 1044. As a condition of receiving funds in part 1, the fund and the MEDC are prohibited from awarding or transferring tax credits to an owner of a facility with operations that include carbon steel melting, casting, hot and cold rolling, and finishing located in the city of Dearborn prior to the passage of legislation authorizing the award or transfer of tax credits.

Sec. 1050. (1) From the funds appropriated in part 1 for business attraction and community revitalization, the department shall identify specific outcomes and performance measures, including, but not limited to, the following:

(a) Total verified jobs created during the fiscal year ending September 30, 2018.

(b) Total private investment obtained during the fiscal year

ending September 30, 2018.

(c) Amount of private and public square footage created and reactivated during the fiscal year ending September 30, 2018.

(2) The department must submit a report to the house and senate appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director by March 15. The report must describe the specific outcomes and measures required in subsection (1) and provide the results and data related to these outcomes and measures for the prior fiscal year if related information is available for the prior fiscal year.

Sec. 1054. (1) For the funds appropriated in part 1 for protect and grow, the department shall identify specific outcomes and performance measures, including, but not limited to, the following:

(a) Funding commitments made by federal and private sources during the fiscal year ending September 30, 2018.

(b) Dollar amount invested, by location, in Michigan defense infrastructure during the fiscal year ending September 30, 2018.

(2) The department must submit a report to the house and senate appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director by March 15. The report must describe the specific outcomes and measures required in subsection (1) and provide the results and data related to these outcomes and measures for the prior fiscal year if related information is available for the prior fiscal year.

TALENT INVESTMENT AGENCY

Sec. 1060. The talent investment agency shall administer the

PATH training program in accordance with the requirements of section 407(d) of title IV of the social security act, 42 USC 607, the state social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, and all other applicable laws and regulations.

Sec. 1061. From the funds appropriated in part 1 for workforce programs subgrantees, the talent investment agency may allocate funding for grants to nonprofit organizations that offer programs pursuant to the workforce investment act of 1998, Public Law 105-220, or the workforce innovation and opportunity act, 29 USC 3101 to 3361, eligible youth focusing on apprenticeship readiness, pre-apprenticeship and apprenticeship activities, entrepreneurship, work-readiness skills, job shadowing, and financial literacy. Organizations eligible for funding under this section must have the capacity to provide similar programs in urban areas, as determined by the United States Bureau of the Census according to the most recent federal decennial census. Additionally, programs eligible for funding under this section must include the participation of local business partners. The talent investment agency shall develop other appropriate eligibility requirements to ensure compliance with applicable federal rules and regulations.

Sec. 1062. The talent investment agency shall make available, in person or by telephone, 1 disabled veterans outreach program specialist or local veterans employment representative to Michigan Works! service centers, as resources permit, during hours of operation, and shall continue to make the appropriate placement of veterans and disabled veterans a priority.

Sec. 1063. (1) In addition to the funds appropriated in part

1, any unencumbered and unrestricted federal workforce investment act of 1998, Public Law 105-220, workforce innovation and opportunity act, 29 USC 3101 to 3361, or trade adjustment assistance funds available from prior fiscal years are appropriated for the purposes originally intended.

(2) The talent investment agency shall report by February 15 to the subcommittees, the fiscal agencies, and the state budget office on the amount by fiscal year of federal workforce investment act of 1998, Public Law 105-220, and workforce innovation and opportunity act, 29 USC 3101 to 3361, funds appropriated under this section.

Sec. 1065. The talent investment agency shall publish data and reports quarterly on the agency website concerning the status of career technology and Going Pro funded in part 1. The report shall include the following:

(a) The number of awardees participating in the program and the names of those awardees organized by major industry group.

(b) The amount of funding received by each awardee under the program.

(c) Amount of funding leveraged from each awardee or other funding source for each awardee project.

(d) Training models established by each awardee.

(e) The number of individuals enrolled in a skilled trades training program by awardee.

(f) The number of individuals who completed the program and were hired by awardee.

(g) The number of applications received and the number of

applications approved for each region.

(h) The talent investment agency shall expand workforce training and reemployment services to better connect workers to in-demand jobs and identify specific outcomes with performance metrics for this initiative, including, but not limited to, new apprenticeships, jobs created, jobs retained, training completed, and employment retention rate at 6 months, and hourly wage at 6 months.

Sec. 1066. As a condition of receiving funds in part 1 for Going Pro, the talent investment agency shall administer the program as follows:

(a) The talent investment agency shall work cooperatively with grantees to maximize the amount of funds from part 1 that are available for direct training.

(b) The talent investment agency, workforce development partners, including regional Michigan Works! agencies, and employers shall collaborate and work cooperatively to prioritize and streamline the expenditure of the funds appropriated in part 1. The talent investment agency shall ensure that Going Pro provides a collaborative statewide network of workforce and employee skill development partners that addresses the employee talent needs throughout the state.

(c) The talent investment agency shall ensure that grants are utilized for individual skill enhancement and to address in-demand talent needs in Michigan.

(d) The talent investment agency shall develop program goals and detailed guidance for prospective participants to follow to

qualify under the program. The program goals and detailed guidance shall be posted on the talent investment agency website and distributed to workforce development partners, including local Michigan Works! agencies, by October 1. Periodic assessments of employer and employee needs shall be evaluated on a regional basis, and the talent investment agency shall identify solutions and goals to be implemented to satisfy those needs. The talent investment agency shall notify the senate and house of representatives standing committees on appropriations, the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office on any program goal, solution, or guidance changes not fewer than 14 days prior to the finalization and publication of the changes. Revenue received by the talent investment agency for Going Pro may be expended for the purpose of those programs.

(e) Up to $5,000,000.00 of the funds may be expended to match federal funds. The intent of these funds will involve improving and increasing the skill level of employees in skilled trades in the automotive industry and the manufacturing processes within the changing manufacturing environment.

Sec. 1068. (1) Of the funds appropriated in part 1 for the workforce training programs, the talent investment agency shall provide a report by March 15 to the senate and house of representatives standing committees on appropriations subcommittees on general government, the state budget director, and the fiscal agencies on the status of the workforce training programs. The

report shall include the following:

(a) The amount of funding allocated to each Michigan Works! agency and the total funding allocated to the workforce training programs statewide by fund source.

(b) The number of participants enrolled in education or training programs by each Michigan Works! agency.

(c) The average duration of training for training program participants by each Michigan Works! agency.

(d) The number of participants enrolled in remedial education programs and the number of participants enrolled in literacy programs.

(e) The number of participants enrolled in programs at 2-year institutions.

(f) The number of participants enrolled in 4-year institutions.

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

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

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

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

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

(*l*) The actual revenues received by the fund source and fund

appropriated for each discrete workforce development program area.

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

Sec. 1069. From the funds appropriated in part 1 for Going Pro, an amount not to exceed $79,000.00 must be awarded to an eligible Michigan-approved 501(c)(3) organization for the purposes of teaching or training restaurant management and culinary arts for career and professional development. The talent investment agency shall oversee funds distributed to an eligible grantee under this section. As used in this section, "eligible Michigan-approved 501(c)(3) organization" means an organization that is exempt from taxation under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, that provides the prostart curriculum and training to state-approved career and technical education programs with classification of instructional programs (CIP) codes in the 12.05xx category, and that administers national certification for the purpose of restaurant management and culinary arts, for career and professional development.

Sec. 1070. (1) From the funds appropriated in part 1 for Going Pro, $1,000,000.00 must be awarded for a pilot program to assist adults over the age of 23 in obtaining high school diplomas and placement in career training programs.

(2) For purposes of this section, an eligible program provider may be a public, nonprofit, or private accredited diploma-granting institution, but must have at least 2 years of experience providing dropout recovery services in the state of Michigan.

(3) The department of talent and economic development shall

issue a request for qualifications for eligible program providers to participate in the pilot program. To be considered a qualified program provider, the institution must possess all of the following:

(a) Experience providing dropout reengagement services.

(b) Ability to provide academic intake assessments.

(c) Capacity to provide an integrated learning plan.

(d) Course catalog that includes access to all graduation requirements.

(e) Capability to provide remediation coursework.

(f) Means to provide academic resilience assessment and intervention.

(g) Capacity to provide employability skills development.

(h) Ability to provide WorkKeys preparation.

(i) Ability to provide industry credentials.

(j) Capability to provide credit for on-the-job training.

(k) Access to a robust support framework, including technology, social support, and academic support accredited by a recognized accrediting body.

(3) The department shall announce qualified program providers no later than January 1, 2018. Qualified program providers must start providing programming by February 1, 2018.

(4) The department of talent and economic development shall reimburse qualified program providers for each month of satisfactory monthly progress as described in section 23a of the state school aid act, 1979 PA 94, MCL 388.1623a, at a rate of $500.00 per month. A payment shall be made to a qualified program

provider for the completion of the following by a pupil:

(a) $500.00 for the completion of an employability skills certification program equal to at least 1 Carnegie unit.

(b) $250.00 for the attainment of an industry-recognized credential requiring up to 50 hours of training.

(c) $500.00 for the attainment of an industry-recognized credential requiring 50 to 100 hours of training.

(d) $750.00 for the attainment of an industry-recognized credential requiring more than 100 hours of training.

(e) $1,000.00 for attainment of a high school diploma.

(f) $2,500.00 for placement in a job in an in-demand career pathway.

(5) The department of talent and economic development shall develop policies and guidelines to implement this section.

Sec. 1071. From the funds appropriated in part 1 for Going Pro, $2,500,000.00 must be awarded to an existing dropout prevention and recovery program for youth. The funds must support a program that helps Michigan youth who are at risk of dropping out of high school, or who have already dropped out, to graduate and make successful transitions to postsecondary education or employment.

Sec. 1076. The unemployment insurance agency shall provide the senate and house appropriations subcommittees on general government, senate and house fiscal agencies, and the state budget office with quarterly status reports on the implementation of and improvements to the agency's integrated system project. The quarterly status reports shall include, but not be limited to, a

summary of the expenditures for the project, a summary of the tasks completed, and a summary of the tasks anticipated to be completed in the subsequent quarter.

Sec. 1077. The talent investment agency shall report quarterly to the members of the house and senate committees on appropriations, the chairpersons of the relevant appropriations subcommittees, the senate and house fiscal agencies, and the state budget director on the percentage of unemployment claimants that meet the certification requirements for receiving benefits by using the internet Michigan web account manager system or any application developed for that purpose. The talent investment agency shall implement improvements to the internet Michigan web account manager system that promote greater ease of access and security with a goal of reaching 75% of users certifying by using the internet Michigan web account manager system or another system that reduces staff face time and Michigan automated response voice interactive network telephone system usage.

Sec. 1078. (1) From the funds appropriated in part 1 for the unemployment insurance agency, the talent investment agency shall maintain customer service standards for employers and claimants making use of the various means by which they can access the system.

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

(a) Unemployment benefit fund balance.

(b) Process improvement - fiscal integrity.

(c) Process improvement - determination timeliness.

(d) Process improvement - determination quality.

Sec. 1079. (1) The talent investment agency shall extend the interagency agreement with the department of health and human services for the duration of the current fiscal year, which concerns TANF funding to provide job readiness and welfare-to-work programming. The interagency agreement shall include specific outcome and performance reporting requirements as described in this section. TANF funding provided to the talent investment agency in the current fiscal year is contingent on compliance with the data and reporting requirements described in this section. The interagency agreement shall require the talent investment agency to provide all of the following items for the previous year to the senate and house appropriations committees by January 1 of the current fiscal year:

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

(*i*) Direct services to clients.

(*ii*) Administrative expenditures.

(b) The number of family independence program clients served through the TANF funding, including all of the following:

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

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

(*iii*) Average TANF spending per client.

(*iv*) The number and percentage of clients who were referred to

Michigan Works! but did not receive a job or job readiness placement and the reasons why.

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

Sec. 1080. (1) From the funds appropriated in part 1 for community ventures, the department of talent and economic development may expend not more than $2,000,000.00 of the funds as matching funds upon the commitment of matching dollars from private sources. For every $1.00 the department of talent and economic development elects to receive from a private source for the purposes of a community ventures program match, the department of talent and economic development shall expend $1.00 from the appropriation in part 1 up to $2,000,000.00. Funds received from private sources for a community ventures program match are appropriated upon receipt and shall be expended for the purposes of the community ventures program.

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

(a) The number of commitments from private sources, including the dollar amount committed and source.

(b) Additional participants served with challenge funds.

(c) Jobs created and the average wage.

Sec. 1081. (1) The department shall provide a status update on the statewide system for data integration that established new information technology systems to integrate data for talent and pipeline development to track and report workforce development activities and provide for sustained and expanded longitudinal data analysis between state departments.

(2) The department shall provide a report for the current and prior fiscal years on specific outcomes and performance metrics for this initiative, including, but not limited to, the following:

(a) Job placements and retention at 6 months.

(b) Apprenticeships completed.

(c) Average wage.

Sec. 1082. As a condition of receiving funds in part 1, the department shall provide a status update on the usage of the funds appropriated for the sustainable employment pilot program in 2016 PA 268 and 2016 PA 340. The status update shall include, but not be limited to, all of the following:

(a) A description of the sustainable employment initiatives supported with the funds appropriated, including the location of the initiatives.

(b) Number of individuals participating in the program supported with the funds appropriated.

(c) A listing of performance measures the department uses to

measure program effectiveness.

(d) Specific outcomes related to the performance measures developed by the department.

Sec. 1084. (1) From the funds appropriated in part 1 for Going Pro, the department shall identify specific outcomes and performance measures, including, but not limited to, all of the following:

(a) Number of job training grants awarded to employers during the fiscal year ending September 30, 2018.

(b) Number of individuals enrolled in and completing training during the fiscal year ending September 30, 2018.

(c) Number of new jobs and apprenticeships created during the fiscal year ending September 30, 2018.

(2) The department must submit a report to the house and senate appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director by March 15. The report must describe the specific outcomes and measures required in subsection (1) and provide the results and data related to these outcomes and measures for the prior fiscal year if related information is available for the prior fiscal year.

STATE BUILDING AUTHORITY

Sec. 1100. (1) Subject to section 242 of the management and budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the state building authority, the department of treasury may expend from the general fund of the state during the fiscal year an amount to meet the cash flow requirements of those state building

authority projects solely for lease to a state agency identified in both part 1 and this section, and for which state building authority bonds or notes have not been issued, and for the sole acquisition by the state building authority of equipment and furnishings for lease to a state agency as permitted by 1964 PA 183, MCL 830.411 to 830.425, for which the issuance of bonds or notes is authorized by a legislative appropriation act that is effective for the immediately preceding fiscal year. Any general fund advances for which state building authority bonds have not been issued shall bear an interest cost to the state building authority at a rate not to exceed that earned by the state treasurer's common cash fund during the period in which the advances are outstanding and are repaid to the general fund of the state.

(2) Upon sale of bonds or notes for the projects identified in part 1 or for equipment as authorized by a legislative appropriation act and in this section, the state building authority shall credit the general fund of the state an amount equal to that expended from the general fund plus interest, if any, as defined in this section.

(3) For state building authority projects for which bonds or notes have been issued and upon the request of the state building authority, the state treasurer shall make advances without interest from the general fund as necessary to meet cash flow requirements for the projects, which advances shall be reimbursed by the state building authority when the investments earmarked for the financing of the projects mature.

(4) In the event that a project identified in part 1 is terminated after final design is complete, advances made on behalf of the state building authority for the costs of final design shall be repaid to the general fund in a manner recommended by the director.

Sec. 1102. (1) State building authority funding to finance construction or renovation of a facility that collects revenue in excess of money required for the operation of that facility shall not be released to a university or community college unless the institution agrees to reimburse that excess revenue to the state building authority. The excess revenue shall be credited to the general fund to offset rent obligations associated with the retirement of bonds issued for that facility. The auditor general shall annually identify and present an audit of those facilities that are subject to this section. Costs associated with the administration of the audit shall be charged against money recovered pursuant to this section.

(2) As used in this section, "revenue" includes state appropriations, facility opening money, other state aid, indirect cost reimbursement, and other revenue generated by the activities of the facility.

Sec. 1103. The state building authority shall provide to the JCOS and senate and house fiscal agencies a report relative to the status of construction projects associated with state building authority bonds as of September 30 of each year, on or before October 15, or not more than 30 days after a refinancing or restructuring bond issue is sold. The report shall include, but is

not limited to, the following:

(a) A list of all completed construction projects for which state building authority bonds have been sold, and which bonds are currently active.

(b) A list of all projects under construction for which sale of state building authority bonds is pending.

(c) A list of all projects authorized for construction or identified in an appropriations act for which approval of schematic/preliminary plans or total authorized cost is pending that have state building authority bonds identified as a source of financing.

REVENUE STATEMENT

Sec. 1201. Pursuant to section 18 of article V of the state constitution of 1963, fund balances and estimates are presented in the following statement:

BUDGET RECOMMENDATIONS BY OPERATING FUNDS

(Amounts in millions)

Fiscal Year 2017-2018

	Beginning Balance	Estimated Revenue	Ending Balance
OPERATING FUNDS			
General fund/general purpose	366.0	10,057.5	7.6
School aid fund	143.4	14,797.0	7.6
Federal aid	0.0	20,128.1	0.0
Transportation funds	0.0	5,604.6	0.0

Special revenue funds	0.0	6,906.9	0.0
Other funds	709.1	28.4	1,004.0
TOTALS	$1,218.5	$57,522.5	$1,019.2

ARTICLE X

DEPARTMENT OF HEALTH AND HUMAN SERVICES

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of health and human services for the fiscal year ending September 30, 2018, from the following funds:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	15,466.0	
Average population	770.0	
GROSS APPROPRIATION		$ 25,171,747,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		13,640,900
ADJUSTED GROSS APPROPRIATION		$ 25,158,106,100
Federal revenues:		
Social security act, temporary assistance for needy families		532,306,900
Capped federal revenues		588,839,600
Total other federal revenues		16,984,168,600

	Special revenue funds:	
	Total local revenues	117,033,600
	Total private revenues	149,873,300
	Michigan merit award trust fund	49,068,700
	Total other state restricted revenues	2,393,101,100
	State general fund/general purpose	$ 4,343,714,300
	Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
	Full-time equated unclassified positions 6.0	
	Full-time equated classified positions 749.1	
	Unclassified salaries--6.0 FTE positions	$ 1,153,000
	Administrative hearings officers	11,219,700
	Demonstration projects--7.0 FTE positions	7,355,100
	Departmental administration and management--555.1 FTE positions	94,751,100
	Developmental disabilities council and projects--10.0 FTE positions	3,073,700
	Office of inspector general--177.0 FTE positions	21,892,200
	Property management	64,339,500
	Terminal leave payments	5,686,100
	Worker's compensation	7,502,800
	GROSS APPROPRIATION	$ 216,973,200
	Appropriated from:	
	Interdepartmental grant revenues:	
	IDG from department of education	1,919,500
	Federal revenues:	
	Social security act, temporary assistance for needy families	22,973,500

Capped federal revenues			20,349,200
Total other federal revenues			74,254,900
Special revenue funds:			
Total local revenues			16,400
Total private revenues			3,843,200
Total other state restricted revenues			841,400
State general fund/general purpose		$	92,775,100

Sec. 103. CHILD SUPPORT ENFORCEMENT

Full-time equated classified positions 185.7

Child support enforcement operations--179.7 FTE positions		$	22,312,200
Child support incentive payments			24,409,600
Legal support contracts			113,607,100
State disbursement unit--6.0 FTE positions			8,112,800
GROSS APPROPRIATION		$	168,441,700
Appropriated from:			
Federal revenues:			
Capped federal revenues			1,735,000
Total other federal revenues			142,644,500
State general fund/general purpose		$	24,062,200

Sec. 104. COMMUNITY SERVICES AND OUTREACH

Full-time equated classified positions 74.6

Bureau of community services and outreach--20.0 FTE positions		$	2,529,300
Child advocacy centers--0.5 FTE position			1,500,000
Community services and outreach administration--11.0 FTE positions			1,465,000

Community services block grant		25,840,000
Crime victim grants administration services--13.0 FTE positions		2,177,100
Crime victim justice assistance grants		59,279,300
Crime victim rights services grants		16,870,000
Domestic violence prevention and treatment--14.6 FTE positions		15,817,200
Homeless programs		19,466,700
Housing and support services		13,031,000
Michigan community service commission--15.0 FTE positions		11,628,700
Rape prevention and services--0.5 FTE position		5,097,300
School success partnership program		525,000
Weatherization assistance		16,340,000
GROSS APPROPRIATION	$	191,566,600
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		13,188,400
Capped federal revenues		66,676,300
Total other federal revenues		75,829,400
Special revenue funds:		
Private - collections		44,100
Compulsive gambling prevention fund		1,040,500
Sexual assault victims' prevention and treatment fund		3,000,000
Child advocacy centers fund		1,500,000
Crime victim's rights fund		15,337,000

State general fund/general purpose ..... $ 14,950,900

Sec. 105. CHILDREN'S SERVICES AGENCY - CHILD WELFARE

Full-time equated classified positions 3,844.2

Adoption subsidies	$ 212,142,600
Adoption support services--10.0 FTE positions	27,283,500
Attorney general contract	4,366,500
Child abuse and neglect - children's justice act--1.0 FTE position	622,600
Child care fund	177,440,100
Child protection	800,300
Child welfare administration travel	375,000
Child welfare field staff - caseload compliance--2,461.0 FTE positions	229,613,400
Child welfare field staff - noncaseload compliance--330.0 FTE positions	34,559,000
Child welfare first line supervisors--578.0 FTE positions	72,890,500
Child welfare institute--45.0 FTE positions	8,203,600
Child welfare licensing--59.0 FTE positions	6,914,000
Child welfare medical/psychiatric evaluations	10,435,500
Children's services administration--172.2 FTE positions	20,075,100
Children's trust fund--12.0 FTE positions	3,327,700
Contractual services, supplies, and materials	9,300,000
Education planners--15.0 FTE positions	1,530,100
Family preservation and prevention services	

	administration--9.0 FTE positions	1,299,300
	Family preservation programs--13.0 FTE positions	38,877,000
	Family support subsidy	16,951,400
	Foster care payments	192,269,300
	Guardianship assistance program	12,004,800
	Interstate compact	179,600
	Peer coaches--45.5 FTE positions	5,737,300
	Performance-based funding implementation--3.0 FTE positions.....	1,444,800
	Permanency resource managers--28.0 FTE positions	3,197,900
	Prosecuting attorney contracts	3,879,500
	Psychotropic oversight	618,200
	Second line supervisors and technical staff--54.0 FTE positions.....	8,912,000
	Settlement monitor	1,885,800
	Strong families/safe children	12,350,100
	Title IV-E compliance and accountability office--4.0 FTE positions.....	424,700
	Youth in transition--4.5 FTE positions	14,276,300
	GROSS APPROPRIATION	$ 1,134,187,500
	Appropriated from:	
	Interdepartmental grant revenues:	
	IDG from department of education	90,200
	Federal revenues:	
	Social security act, temporary assistance for needy families.....	348,647,400
	Capped federal revenues	112,538,600

Total other federal revenues			244,113,100
Special revenue funds:			
Private - collections			2,927,400
Local funds - county chargeback			14,658,300
Children's trust fund			2,091,900
State general fund/general purpose		$	409,120,600

Sec. 106. CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE

Full-time equated classified positions	120.5		
Bay Pines Center--47.0 FTE positions		$	5,468,900
Committee on juvenile justice administration--2.5 FTE positions			351,400
Committee on juvenile justice grants			3,000,000
Community support services--3.0 FTE positions			2,116,600
County juvenile officers			3,904,300
Juvenile justice, administration and maintenance--21.0 FTE positions			3,739,300
Shawono Center--47.0 FTE positions			5,565,400
W.J. Maxey Training School			250,000
GROSS APPROPRIATION		$	24,395,900
Appropriated from:			
Federal revenues:			
Capped federal revenues			8,330,600
Special revenue funds:			
Local funds - state share education funds			1,339,000
Local funds - county chargeback			5,037,000
State general fund/general purpose		$	9,689,300

Sec. 107. PUBLIC ASSISTANCE		
Full-time equated classified positions 8.0		
Emergency services local office allocations	$	9,357,500
Family independence program		76,658,100
Food assistance program benefits		2,348,117,400
Food Bank Council of Michigan		2,045,000
Indigent burial		4,375,000
Low-income home energy assistance program		181,718,400
Michigan corner store initiative		100
Michigan energy assistance program--1.0 FTE position .		50,000,000
Multicultural integration funding		15,303,800
Refugee assistance program--7.0 FTE positions		27,993,400
State disability assistance payments		11,422,400
State supplementation		61,696,700
State supplementation administration		2,381,100
GROSS APPROPRIATION	$	2,791,068,900
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families.....		51,086,200
Capped federal revenues		203,129,500
Total other federal revenues		2,342,627,400
Special revenue funds:		
Child support collections		10,979,000
Supplemental security income recoveries		5,057,600
Public assistance recoupment revenue		6,290,000
Low-income energy assistance fund		50,000,000

State general fund/general purpose		$	121,899,200
Sec. 108. FIELD OPERATIONS AND SUPPORT SERVICES			
Full-time equated classified positions	6,299.5		
Administrative support workers--221.0 FTE positions		$	12,872,400
Adult services field staff--472.0 FTE positions			50,765,400
Contractual services, supplies, and materials			16,377,100
Donated funds positions--288.0 FTE positions			32,702,700
Elder Law of Michigan MiCAFE contract			350,000
Electronic benefit transfer (EBT)			8,509,000
Employment and training support services			4,219,100
Field policy and administration--66.0 FTE positions			11,103,600
Field staff travel			8,103,900
Independent living			4,531,600
Medical/psychiatric evaluations			1,420,100
Michigan rehabilitation services--526.0 FTE positions			128,750,800
Nutrition education--2.0 FTE positions			33,045,300
Public assistance field staff--4,704.5 FTE positions			478,474,200
Training and program support--20.0 FTE positions			2,448,000
Volunteer services and reimbursement			942,400
GROSS APPROPRIATION		$	794,615,600
Appropriated from:			
Interdepartmental grant revenues:			
IDG from department of corrections			116,000
IDG from department of education			7,769,500
Federal revenues:			
Social security act, temporary assistance for needy families			67,495,500

Capped federal revenues			152,849,600
Federal supplemental security income			8,588,600
Total other federal revenues			257,233,000
Special revenue funds:			
Local funds - donated funds			5,783,500
Local vocational rehabilitation match			5,300,000
Private funds - donated funds			9,600,500
Private funds - gifts, bequests, and donations			531,500
Rehabilitation service fees			40,000
Second injury fund			38,300
State general fund/general purpose		$	279,269,600

Sec. 109. DISABILITY DETERMINATION SERVICES

Full-time equated classified positions	587.4		
Disability determination operations--583.3 FTE positions		$	112,005,400
Retirement disability determination--4.1 FTE positions			608,500
GROSS APPROPRIATION		$	112,613,900
Appropriated from:			
Interdepartmental grant revenues:			
IDG from DTMB - office of retirement services			785,600
Federal revenues:			
Total other federal revenues			108,362,800
State general fund/general purpose		$	3,465,500

Sec. 110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS

Full-time equated classified positions	97.0		
Behavioral health program administration--77.0 FTE			

positions	$	58,033,200
Federal and other special projects		2,535,600
Gambling addiction--1.0 FTE position		3,006,500
Office of recipient rights--19.0 FTE positions		2,721,900
Protection and advocacy services support		194,400
GROSS APPROPRIATION	$	66,491,600
Appropriated from:		
Federal revenues:		
Total other federal revenues		34,685,000
Special revenue funds:		
Total private revenues		1,004,700
Total other state restricted revenues		3,006,500
State general fund/general purpose	$	27,795,400

Sec. 111. BEHAVIORAL HEALTH SERVICES

Full-time equated classified positions	9.5	
Autism services	$	100,097,300
Children with serious emotional disturbance waiver		10,000,000
Children's waiver home care program		20,241,100
Civil service charges		399,300
Community mental health non-Medicaid services		120,050,400
Community substance use disorder prevention, education, and treatment		77,075,000
Federal mental health block grant--2.5 FTE positions		15,457,300
Health homes		3,369,000
Healthy Michigan plan - behavioral health		265,335,600
Medicaid mental health services		2,316,344,700
Medicaid substance use disorder services		50,369,600

Nursing home PAS/ARR-OBRA--7.0 FTE positions		12,274,100
State disability assistance program substance use disorder services		2,018,800
GROSS APPROPRIATION	$	2,993,032,200
Appropriated from:		
Federal revenues:		
Total other federal revenues		1,966,137,500
Special revenue funds:		
Total local revenues		25,475,800
Total other state restricted revenues		23,881,400
State general fund/general purpose	$	977,537,500

Sec. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES

Total average population 770.0		
Full-time equated classified positions 2,256.9		
Caro Regional Mental Health Center - psychiatric hospital - adult--467.8 FTE positions	$	58,565,600
Average population 145.0		
Center for forensic psychiatry--607.3 FTE positions ..		82,823,400
Average population 240.0		
Gifts and bequests for patient living and treatment environment		1,000,000
Hawthorn Center - psychiatric hospital - children and adolescents--277.4 FTE positions		30,638,600
Average population 55.0		
IDEA, federal special education		120,000
Kalamazoo Psychiatric Hospital - adult--474.1 FTE		

positions		67,273,500
Average population	170.0	
Purchase of medical services for residents of hospitals and centers		445,600
Revenue recapture		750,000
Special maintenance		924,600
Walter P. Reuther Psychiatric Hospital - adult--430.3 FTE positions		58,601,500
Average population	160.0	
GROSS APPROPRIATION	$	301,142,800
Appropriated from:		
Federal revenues:		
Total other federal revenues		36,784,000
Special revenue funds:		
Total local revenues		20,000,500
Total private revenues		1,000,000
Total other state restricted revenues		19,376,600
State general fund/general purpose	$	223,981,700
Sec. 113. HEALTH POLICY		
Full-time equated classified positions	42.9	
Certificate of need program administration--12.3 FTE positions	$	2,825,300
Health policy administration--25.2 FTE positions		13,065,200
Human trafficking intervention services		200,000
Michigan essential health provider		3,591,300
Minority health grants and contracts		612,700
Nurse education and research program--3.0 FTE		

positions		784,400
Primary care services--1.4 FTE positions		5,068,700
Rural health services--1.0 FTE position		1,555,500
GROSS APPROPRIATION	$	27,703,100
Appropriated from:		
Interdepartmental grant revenues:		
IDG from the department of licensing and regulatory affairs		784,400
IDG from the department of treasury, Michigan state hospital finance authority		117,700
Federal revenues:		
Social security act, temporary assistance for needy families		30,400
Capped federal revenues		18,700
Total other federal revenues		16,851,200
Special revenue funds:		
Total private revenues		865,000
Total other state restricted revenues		2,709,400
State general fund/general purpose	$	6,326,300

Sec. 114. LABORATORY SERVICES

Full-time equated classified positions	100.0	
Laboratory services--100.0 FTE positions	$	20,812,100
GROSS APPROPRIATION	$	20,812,100
Appropriated from:		
Interdepartmental grant revenues:		
IDG from the department of environmental quality		991,000
Federal revenues:		

Total other federal revenues			2,340,100
Special revenue funds:			
Total other state restricted revenues			10,633,400
State general fund/general purpose		$	6,847,600

Sec. 115. DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY

Full-time equated classified positions 114.9			
Childhood lead program--4.5 FTE positions		$	2,048,300
Epidemiology administration--75.1 FTE positions			20,594,400
Healthy homes program--12.0 FTE positions			27,740,400
Immunization program--12.8 FTE positions			16,886,600
Newborn screening follow-up and treatment services--			
10.5 FTE positions			7,427,500
GROSS APPROPRIATION		$	74,697,200
Appropriated from:			
Federal revenues:			
Total other federal revenues			53,683,100
Special revenue funds:			
Total private revenues			339,900
Total other state restricted revenues			12,896,400
State general fund/general purpose		$	7,777,800

Sec. 116. LOCAL HEALTH AND ADMINISTRATIVE SERVICES

Full-time equated classified positions 228.2			
AIDS prevention, testing, and care programs--37.7 FTE			
positions		$	70,623,800
Cancer prevention and control program--13.0 FTE			
positions			15,064,100

Chronic disease control and health promotion administration--27.4 FTE positions		8,461,300
Dental programs--3.8 FTE positions		2,203,500
Diabetes and kidney program--8.0 FTE positions		3,051,600
Essential local public health services		40,886,100
Health and wellness initiatives--11.7 FTE positions		7,139,100
Implementation of 1993 PA 133, MCL 333.17015		20,000
Injury control intervention project		1,000,000
Local health services--1.3 FTE positions		1,955,100
Medicaid outreach cost reimbursement to local health departments		12,500,000
Public health administration--9.0 FTE positions		1,945,400
Sexually transmitted disease control program--20.0 FTE positions		6,295,000
Smoking prevention program--12.0 FTE positions		2,148,300
Violence prevention--2.9 FTE positions		3,124,100
Vital records and health statistics--81.4 FTE positions		10,049,700
GROSS APPROPRIATION	$	186,467,100
Appropriated from:		
Federal revenues:		
Capped federal revenues		81,100
Total other federal revenues		79,856,800
Special revenue funds:		
Total local revenues		5,150,000
Total private revenues		39,279,600
Total other state restricted revenues		18,672,700

State general fund/general purpose		$	43,426,900
Sec. 117. FAMILY, MATERNAL, AND CHILD HEALTH			
Full-time equated classified positions	112.3		
Family, maternal, and child health administration--53.3 FTE positions		$	9,103,600
Family planning local agreements			8,310,700
Local MCH services			7,018,100
Pregnancy prevention program			602,100
Prenatal care outreach and service delivery support--14.0 FTE positions			19,628,800
Special projects			6,289,100
Sudden and unexpected infant death and suffocation prevention program			321,300
Women, infants, and children program administration and special projects--45.0 FTE positions			18,045,000
Women, infants, and children program local agreements and food costs			256,285,000
GROSS APPROPRIATION		$	325,603,700
Appropriated from:			
Federal revenues:			
Social security act, temporary assistance for needy families			700,000
Total other federal revenues			252,926,000
Special revenue funds:			
Total local revenues			75,000
Total private revenues			61,702,400
Total other state restricted revenues			595,900

State general fund/general purpose	$	9,604,400
Sec. 118. EMERGENCY MEDICAL SERVICES, TRAUMA, AND PREPAREDNESS		
Full-time equated classified positions 76.0		
Bioterrorism preparedness--53.0 FTE positions	$	30,398,600
Emergency medical services program--23.0 FTE positions		6,591,600
GROSS APPROPRIATION	$	36,990,200
Appropriated from:		
Federal revenues:		
Total other federal revenues		31,366,100
Special revenue funds:		
Total other state restricted revenues		4,020,500
State general fund/general purpose	$	1,603,600
Sec. 119. CHILDREN'S SPECIAL HEALTH CARE SERVICES		
Full-time equated classified positions 46.8		
Bequests for care and services--2.8 FTE positions	$	1,535,300
Children's special health care services		
administration--44.0 FTE positions		6,028,300
Medical care and treatment		247,241,600
Nonemergency medical transportation		905,900
Outreach and advocacy		5,510,000
GROSS APPROPRIATION	$	261,221,100
Appropriated from:		
Federal revenues:		
Total other federal revenues		138,362,100
Special revenue funds:		
Total private revenues		1,013,700

Total other state restricted revenues			3,382,900
State general fund/general purpose		$	118,462,400
Sec. 120. AGING AND ADULT SERVICES AGENCY			
Full-time equated classified positions 48.0			
Aging and adult services administration--48.0 FTE positions.....		$	9,394,700
Community services			42,514,000
Employment assistance			3,500,000
Nutrition services			41,494,000
Respite care program			6,468,700
Senior volunteer service programs			4,465,300
GROSS APPROPRIATION		$	107,836,700
Appropriated from:			
Federal revenues:			
Capped federal revenues			371,500
Total other federal revenues			59,627,100
Special revenue funds:			
Total private revenues			520,000
Michigan merit award trust fund			4,068,700
Total other state restricted revenues			2,000,000
State general fund/general purpose		$	41,249,400
Sec. 121. MEDICAL SERVICES ADMINISTRATION			
Full-time equated classified positions 460.0			
Electronic health record incentive program--24.0 FTE positions.....		$	144,328,000
Healthy Michigan plan administration--30.0 FTE positions.....			47,720,000

1	Medical services administration--384.5 FTE positions .		82,310,400
2	Technology supporting integrated service--21.5 FTE		
3	positions.....		29,014,400
4	GROSS APPROPRIATION	$	303,372,800
5	Appropriated from:		
6	Federal revenues:		
7	Social security act, temporary assistance for needy		
8	families.....		749,600
9	Capped federal revenues		910,700
10	Total other federal revenues		254,031,900
11	Special revenue funds:		
12	Total local revenues		107,300
13	Total private revenues		101,300
14	Total other state restricted revenues		336,300
15	State general fund/general purpose	$	47,135,700
16	**Sec. 122. MEDICAL SERVICES**		
17	Adult home help services	$	323,217,200
18	Ambulance services		18,376,100
19	Auxiliary medical services		5,500,000
20	Dental clinic program		1,000,000
21	Dental services		305,881,800
22	Federal Medicare pharmaceutical program		290,548,800
23	Health plan services		4,992,803,500
24	Healthy Michigan plan		3,745,414,000
25	Home health services		4,700,000
26	Hospice services		113,466,100
27	Hospital disproportionate share payments		40,500,000

Hospital services and therapy		789,175,400
Integrated care organizations		187,469,700
Long-term care services		1,779,991,400
Maternal and child health		20,279,500
Medicaid home- and community-based services waiver		328,662,200
Medicare premium payments		537,393,200
Personal care services		9,491,200
Pharmaceutical services		450,496,300
Physician services		262,552,900
Program of all-inclusive care for the elderly		106,289,100
School-based services		109,937,200
Special Medicaid reimbursement		308,796,100
Transportation		22,073,500
GROSS APPROPRIATION	$	14,754,015,200
Appropriated from:		
Federal revenues:		
Total other federal revenues		10,690,472,300
Special revenue funds:		
Total local revenues		34,090,800
Total private revenues		2,100,000
Michigan merit award trust fund		45,000,000
Total other state restricted revenues		2,184,525,900
State general fund/general purpose	$	1,797,826,200

Sec. 123. INFORMATION TECHNOLOGY

Child support automation	$	41,877,600
Information technology services and projects		158,851,200
Michigan Medicaid information system		55,634,400

GROSS APPROPRIATION		$	256,363,200
Appropriated from:			
Interdepartmental grant revenues:			
IDG from department of education			1,067,000
Federal revenues:			
Social security act, temporary assistance for needy families			23,935,900
Capped federal revenues			21,848,800
Total other federal revenues			109,683,700
Special revenue funds:			
Total private revenues			25,000,000
Total other state restricted revenues			1,985,800
State general fund/general purpose		$	72,842,000

Sec. 124. ONE-TIME BASIS ONLY APPROPRIATIONS

Full-time equated classified positions	4.5		
Autism navigator		$	565,000
Child lead poisoning elimination board			500,000
Dental clinic program			1,000,000
Direct primary care pilot program			5,724,000
Drinking water declaration of emergency--4.5 FTE positions			13,361,700
Food Bank Council of Michigan			184,000
University autism programs			500,000
Primary care and dental health services			300,000
GROSS APPROPRIATION		$	22,134,700
Appropriated from:			
Federal revenues:			

Social security act, temporary assistance for needy families		3,500,000
Total other federal revenues		3,708,000
Special revenue funds:		
Total other state restricted revenues		8,861,700
State general fund/general purpose	$	6,065,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2017-2018 is $6,785,884,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 is $1,361,256,600.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

COMMUNITY SERVICES AND OUTREACH

Crime victim rights services grants	$	7,216,000
Housing and support services		637,300

CHILDREN'S SERVICES AGENCY - CHILD WELFARE

Child care fund	$	141,665,000

PUBLIC ASSISTANCE

Family independence program	$	5,100

Multicultural integration funding		5,478,200
State disability assistance payments		742,600
BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS		
Behavioral health program administration	$	3,132,000
BEHAVIORAL HEALTH SERVICES		
Autism services	$	34,880,700
Children with serious emotional disturbance waiver		3,522,000
Children's waiver home care program		6,500,000
Community mental health non-Medicaid services		120,050,400
Community substance use disorder prevention, education, and treatment		14,553,400
Health homes		70,700
Healthy Michigan plan - behavioral health		15,257,000
Medicaid mental health services		781,860,700
Medicaid substance use disorder services		17,505,600
Nursing home PAS/ARR-OBRA		2,728,200
State disability assistance program substance use disorder services		2,018,800
HEALTH POLICY		
Primary care services	$	87,300
LABORATORY SERVICES		
Laboratory services	$	5,300
DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY		
Childhood lead program	$	314,800
Epidemiology administration		154,800
Immunization program		1,039,300
LOCAL HEALTH AND ADMINISTRATIVE SERVICES		

AIDS prevention, testing, and care programs	$	1,809,300
Essential local public health services		35,736,100
Health and wellness initiatives		2,189,900
Public health administration		1,000
Sexually transmitted disease control program		701,300
FAMILY, MATERNAL, AND CHILD HEALTH		
Family, maternal, and child health administration	$	8,800
Prenatal care outreach and service delivery support ..		2,997,600
CHILDREN'S SPECIAL HEALTH CARE SERVICES		
Medical care and treatment	$	1,236,200
Outreach and advocacy		2,755,000
AGING AND ADULT SERVICES AGENCY		
Community services	$	20,033,500
Nutrition services		11,837,000
Respite care program		6,468,700
Senior volunteer service programs		940,800
MEDICAL SERVICES		
Dental services	$	2,141,200
Hospital services and therapy		1,575,500
Long-term care services		102,419,500
Physician services		8,926,800
Transportation		53,200
TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT	$	1,361,256,600

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

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

(a) "AIDS" means acquired immunodeficiency syndrome.

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

(c) "Current fiscal year" means the fiscal year ending September 30, 2018.

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

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

(f) "DSH" means disproportionate share hospital.

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

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

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

(j) "GME" means graduate medical education.

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

(*l*) "HEDIS" means healthcare effectiveness data and information set.

(m) "HMO" means health maintenance organization.

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

(o) "IDG" means interdepartmental grant.

(p) "MCH" means maternal and child health.

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

(r) "Medicare" means subchapter XVIII of the social security act, 42 USC 1395 to 1395*lll*.

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

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

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

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

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

(x) "Previous fiscal year" means the fiscal year ending September 30, 2017.

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

(z) "SNAP" means supplemental nutrition assistance program.

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

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

(cc) "Title IV-D" means part D of title IV of the social security act, 42 USC 651 to 669b.

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

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

(ff) "USDA" means United States Department of Agriculture.

Sec. 204. Unless otherwise specified, the departments and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part and part 1. This requirement shall include transmission of reports via electronic mail to the recipients identified for each reporting requirement, and it shall include placement of reports on the internet.

Sec. 205. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable quality. In addition, preference shall be given to goods or

services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans if they are competitively priced and of comparable quality.

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

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

(a) The dates of each travel occurrence.

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

Sec. 208. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire

a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

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

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $400,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393. These funds shall not be made available to increase TANF authorization.

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

(3) In addition to the funds appropriated in part 1, there is

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

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

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

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs on

the department budget, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the previous fiscal year and the current fiscal year.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the current fiscal year are estimated at $335,657,300.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $172,731,300.00. Total agency appropriations for retiree health care legacy costs are estimated at $162,926,000.00.

Sec. 215. If either of the following events occur, within 30 days the department shall notify the state budget director, the chairs of the house and senate subcommittees on the department budget, and the house and senate fiscal agencies and policy offices of that fact:

(a) A legislative objective of this part or of a bill or amendment to a bill to amend the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be implemented because implementation would conflict with or violate federal regulations.

(b) A federal grant, for which a notice of an award has been received, cannot be used, or will not be used.

Sec. 216. (1) In addition to funds appropriated in part 1 for

all programs and services, there is appropriated for write-offs of accounts receivable, deferrals, and for prior year obligations in excess of applicable prior year appropriations, an amount equal to total write-offs and prior year obligations, but not to exceed amounts available in prior year revenues.

(2) The department's ability to satisfy appropriation fund sources in part 1 shall not be limited to collections and accruals pertaining to services provided in the current fiscal year, but shall also include reimbursements, refunds, adjustments, and settlements from prior years.

Sec. 217. (1) On or before February 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget director on the detailed name and amounts of estimated federal, restricted, private, and local sources of revenue that support the appropriations in each of the line items in part 1.

(2) Upon the release of the next fiscal year executive budget recommendation, the department shall report to the same parties in subsection (1) on the amounts and detailed sources of federal, restricted, private, and local revenue proposed to support the total funds appropriated in each of the line items in part 1 of the next fiscal year executive budget proposal.

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

(a) Immunizations.

(b) Communicable disease control.

(c) Sexually transmitted disease control.

(d) Tuberculosis control.

(e) Prevention of gonorrhea eye infection in newborns.

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

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

(h) Prenatal care.

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

(a) A detailed description of each funded project.

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

(c) The expected project duration.

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

(2) On or before December 30 of the current fiscal year, the department shall provide to the same parties listed in subsection (1) a copy of all reports, studies, and publications produced by the Michigan Public Health Institute, its subcontractors, or the department with the funds appropriated in the department's budget in the previous fiscal year and allocated to the Michigan Public Health Institute.

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

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

Sec. 222. (1) The department shall make the entire policy and procedures manual available and accessible to the public via the department website.

(2) The department shall report no later than April 1 of the current fiscal year on each specific policy change made to implement a public act affecting the department that took effect

during the prior calendar year to the house and senate appropriations subcommittees on the budget for the department, the joint committee on administrative rules, the senate and house fiscal agencies, and policy offices. The department shall attach each policy bulletin issued during the prior calendar year to this report.

Sec. 223. The department may establish and collect fees for publications, videos and related materials, conferences, and workshops. Collected fees are appropriated when received and shall be used to offset expenditures to pay for printing and mailing costs of the publications, videos and related materials, and costs of the workshops and conferences. The department shall not collect fees under this section that exceed the cost of the expenditures. When collected fees are appropriated under this section in an amount that exceeds the current fiscal year appropriation, within 30 days the department shall notify the chairs of the house and senate subcommittees on the department budget, the house and senate fiscal agencies and policy offices, and the state budget director of that fact.

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

appropriation unit.

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

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

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

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

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

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

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

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

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

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

(*i*) Direct services to recipients.

(*ii*) Administrative expenditures.

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

(*i*) The number and percentage who obtained employment through

Michigan Works!

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

(*iii*) Average TANF spending per recipient.

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

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

Sec. 231. From the funds appropriated in part 1 for travel reimbursements to employees, the department shall allocate up to $100,000.00 toward reimbursing counties for the out-of-pocket travel costs of the local county department board members and county department directors to attend 1 meeting per year of the Michigan County Social Services Association.

Sec. 252. The appropriations in part 1 for Healthy Michigan plan - behavioral health, Healthy Michigan plan administration, and Healthy Michigan plan are contingent on the provisions of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, that were

contained in 2013 PA 107 not being amended, repealed, or otherwise altered to eliminate the Healthy Michigan plan. If that occurs, then, upon the effective date of the amendatory act that amends, repeals, or otherwise alters those provisions, the remaining funds in the Healthy Michigan plan - behavioral health, Healthy Michigan plan administration, and Healthy Michigan plan line items shall only be used to pay previously incurred costs and any remaining appropriations shall not be allotted to support those line items.

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

(2) The department shall provide written biannual reports to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office summarizing the status of any new or ongoing discussions with the Centers for Medicare and Medicaid Services or the United States Department of Health and Human Services or other federal agency regarding potential or future waiver applications as well as the status of submitted waivers that have not yet received federal

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

Sec. 264. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

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

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

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

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

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

Sec. 274. (1) The department, in collaboration with the state budget office, shall submit to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices 1 week after the day the governor submits to the legislature the budget for the

ensuing fiscal year a report on spending and revenue projections for each of the capped federal funds listed below. The report shall contain actual spending and revenue in the previous fiscal year, spending and revenue projections for the current fiscal year as enacted, and spending and revenue projections within the executive budget proposal for the fiscal year beginning October 1, 2018 for each individual line item for the department budget. The report shall also include federal funds transferred to other departments. The capped federal funds shall include, but not be limited to, all of the following:

(a) TANF.

(b) Title XX social services block grant.

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

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

(e) Low-income home energy assistance program.

(2) It is the intent of the legislature that the department, in collaboration with the state budget office, not utilize capped federal funding for economics adjustments for FTEs or other economics costs that are included as part of the budget submitted to the legislature by the governor for the ensuing fiscal year, unless there is a reasonable expectation for increased federal funding to be available to the department from that capped revenue source in the ensuing fiscal year.

Sec. 275. (1) As part of the year-end closing process, the department, with the approval of the state budget director, is authorized to realign sources between other federal, TANF, and

capped federal financing authorizations in order to maximize federal revenues. This realignment of financing shall not produce a gross increase or decrease in the department's total individual line item authorizations, nor will it produce a net increase or decrease in total federal revenues, or a net increase in TANF authorization.

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

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

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

Sec. 281. By March 1 and August 1 of the current fiscal year, the department shall report on the number of FTEs in pay status by

type of staff.

Sec. 288. (1) Beginning October 1 of the current fiscal year, no less than 90% of a new department contract supported solely from state restricted funds or general fund/general purpose funds and designated in this part or part 1 for a specific entity for the purpose of providing services to individuals shall be expended for such services after the first year of the contract.

(2) The department may allow a contract to exceed the limitation on administrative and services costs if it can be demonstrated that an exception should be made to the provision in subsection (1).

(3) By September 30 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, house and senate fiscal agencies, and state budget office on the rationale for all exceptions made to the provision in subsection (1) and the number of contracts terminated due to violations of subsection (1).

Sec. 289. By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices an annual report on the supervisor-to-staff ratio by department divisions and subdivisions.

Sec. 291. The department shall verify, using the e-verify system, that all new department employees, and new hire employees of contractors and subcontractors paid from funds appropriated in part 1, are legally present in the United States. The department

may verify this information directly or may require contractors and subcontractors to verify the information and submit a certification to the department.

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

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

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

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

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

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

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

(f) Each contractor or subcontractor shall provide timely and

accurate reports regarding the number of clients served, units of service provision, and ability to meet their stated goals.

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

Sec. 298. (1) For the items described in subsections (2), (3), and (4), the department shall demonstrate both the successes and weaknesses of altering the behavioral health services delivery system. In evaluating the successes and weaknesses, the department shall consider all of the following, including, but not limited to, improvement of the coordination between behavioral health and physical health, improvement of services available to individuals with mental illnesses, intellectual or developmental disabilities, or substance use disorders, benefits associated with whole person centered planning, benefits associated with full access to community-based services and supports, and financial efficiencies. Any and all realized benefits and cost savings of altering the behavioral health system shall be reinvested in services and supports for individuals having or at risk of having mental illness, intellectual or developmental disability, or substance use

disorder.

(2) The department shall work with a willing CMHSP in Kent County and all willing Medicaid health plans in the county to pilot a full physical and behavioral health integrated service model consistent with the stated core values of the workgroup established in section 298 of article X of 2016 PA 268.

(3) The department shall implement a public statewide behavioral health managed care organization consistent with the core values stated by the workgroup described in subsection (2). The organization shall operate in conjunction with an appointed state commission that shall consist of appropriately identified and diverse members.

(4) In addition to the pilot described in subsection (2), the department shall implement up to 3 pilots to achieve a total Medicaid behavioral health and physical health benefit and financial integration demonstration model. These demonstration models shall use single contracts between the state and each licensed Medicaid health plan that is currently contracted to provide Medicaid services in the geographic area of the pilot. The department shall ensure the pilots described in this subsection are implemented in a manner, including, but not limited to:

(a) That allows the CMHSP in the geographic area of the pilot to be a provider of behavioral health supports and services.

(b) That is consistent with the stated core values as identified in the final report of the workgroup established in section 298 of article X of 2016 PA 268.

(c) That provides updates to the Medical Care Advisory

Council, Behavioral Health Advisory Council, and Developmental Disabilities Council.

(5) By March 15 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on progress, a time frame for implementation, and any identified barriers to implementation of the items described in subsections (2), (3), and (4). In addition, the report shall also include information on policy changes and any other efforts made to improve the coordination of supports and services for individuals having or at risk of having mental illness, an intellectual or developmental disability, substance use disorder, or physical health needs.

Sec. 299. (1) No state department or agency shall issue a request for proposal (RFP) for a contract in excess of $5,000,000.00, unless the department or agency has first considered issuing a request for information (RFI) or a request for qualification (RFQ) relative to that contract to better enable the department or agency to learn more about the market for the products or services that are the subject of the RFP. The department or agency shall notify the department of technology, management, and budget of the evaluation process used to determine if an RFI or RFQ was not necessary prior to issuing the RFP.

(2) From funds appropriated in part 1, for all RFPs issued during the current fiscal year where an existing service received proposals by multiple vendors, the department shall notify all vendors within 30 days of the RFP decision. The notification to

vendors shall include details on the RFP process, including the respective RFP scores and the respective cost for each vendor. If the highest scored RFP or lowest cost RFP does not receive the contract for an existing service offered by the department, the notification shall issue an explanation for the reasons that the highest scored RFP or lowest cost RFP did not receive the contract and detail the incremental cost target amount or service level required that was required to migrate the service to a new vendor. Additionally, the department shall include in the notification details as to why a cost or service difference is justifiable if the highest scored or lowest cost vendor does not receive the contract.

(3) The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by September 30 of the current fiscal year a report that summarizes all RFPs during the current fiscal year where an existing service received proposals by multiple vendors. The report shall list all finalized RFPs where there was a divergence from awarding the contract to the lowest cost or highest scoring vendor. The report shall also include the cost or service threshold required by department policy that must be satisfied in order for an existing contract to be received by new vendor.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

Sec. 307. (1) From the funds appropriated in part 1 for demonstration projects, $950,000.00 shall be distributed as

provided in subsection (2). The amount distributed under this subsection shall not exceed 50% of the total operating expenses of the program described in subsection (2), with the remaining 50% paid by local United Way organizations and other nonprofit organizations and foundations.

(2) Funds distributed under subsection (1) shall be distributed to Michigan 2-1-1, a nonprofit corporation organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501(c)(3), and whose mission is to coordinate and support a statewide 2-1-1 system. Michigan 2-1-1 shall use the funds only to fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1 in January 2005.

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

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

Sec. 316. From the funds appropriated in part 1 for terminal leave payments, the department shall not spend in excess of its annual gross appropriation unless it identifies and requests a

legislative transfer from another budgetary line item supporting administrative costs, as provided by section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

CHILD SUPPORT ENFORCEMENT

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

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

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

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

(5) If the child support incentive payment to the state from the federal government is greater than the amount needed to satisfy the provisions identified in subsections (1), (2), (3), and (4), the additional funds shall be subject to appropriation by the legislature.

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

Sec. 409. (1) If statewide retained child support collections

exceed $38,300,000.00, 75% of the amount in excess of $38,300,000.00 is appropriated to legal support contracts. This excess appropriation may be distributed to eligible counties to supplement and not supplant county title IV-D funding.

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

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

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

COMMUNITY SERVICES AND OUTREACH

Sec. 450. (1) From the funds appropriated in part 1 for school success partnership program, the department shall allocate

$525,000.00 by December 1 of the current fiscal year to support the Northeast Michigan Community Service Agency programming, which will take place in each county in the Governor's Prosperity Region 3. The department shall require the following performance objectives be measured and reported for the duration of the state funding for the school success partnership program:

(a) Increasing school attendance and decreasing chronic absenteeism.

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

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

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

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

Sec. 452. From the funds appropriated in part 1 for crime victim justice assistance grants, the department shall continue to support forensic nurse examiner programs to facilitate training for improved evidence collection for the prosecution of sexual assault.

The funds shall be used for program coordination and training.

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

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

Sec. 455. As a condition of receipt of federal TANF funds, homeless shelters and human services agencies shall collaborate with the department to obtain necessary TANF eligibility information on families as soon as possible after admitting a family to the homeless shelter. From the funds appropriated in part 1 for homeless programs, the department is authorized to make allocations of TANF funds only to the homeless shelters and human services agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. Homeless shelters or human services agencies that do not report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements will not receive reimbursements that exceed the per diem amount they received in fiscal year 2000.

The use of TANF funds under this section is not an ongoing commitment of funding.

CHILDREN'S SERVICES AGENCY - CHILD WELFARE

Sec. 501. (1) A goal is established that not more than 25% of all children in foster care at any given time during the current fiscal year will have been in foster care for 24 months or more.

(2) By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a report describing the steps that will be taken to achieve the specific goal established in this section and on the percentage of children who currently are in foster care and who have been in foster care a total of 24 or more months.

Sec. 502. From the funds appropriated in part 1 for foster care, the department shall provide 50% reimbursement to Indian tribal governments for foster care expenditures for children who are under the jurisdiction of Indian tribal courts and who are not otherwise eligible for federal foster care cost sharing.

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

model.

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

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

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

(5) The department, in conjunction with members from both the house of representatives and senate, private child placing agencies, the courts, and counties shall implement the recommendations that are described in the workgroup report that was provided in section 503 of article X of 2013 PA 59 to establish a performance-based funding for public and private child welfare services providers. The department shall provide a quarterly report on the status of the performance-based contracting model to the

senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, and the senate and house fiscal agencies and policy offices.

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

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

(2) The consortium shall operate an integrated continuum of

care structure, with services provided by private or public agencies, based on individual case needs.

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

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

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

Sec. 508. (1) In addition to the amount appropriated in part 1 for children's trust fund grants, money granted or money received as gifts or donations to the children's trust fund created by 1982

PA 249, MCL 21.171 to 21.172, is appropriated for expenditure.

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

Sec. 511. The department shall provide semiannual reports to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, and the senate and house fiscal agencies and policy offices on the number and percentage of children who received timely health examinations after entry into foster care and the number and percentage of children entering foster care who received a required mental health examination after entry into foster care.

Sec. 512. (1) From the funds appropriated in part 1, the department shall conduct a study on the cost and feasibility of extending basic foster care services and financial resources to children and to the caregivers of children who have been removed from their birth parent, birth parents, or guardian and placed with a relative outside of the foster care system.

(2) The department shall report the findings of the study described in subsection (1) to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices by July 1 of the current fiscal year.

Sec. 513. (1) The department shall not expend funds

appropriated in part 1 to pay for the direct placement by the department of a child in an out-of-state facility unless all of the following conditions are met:

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

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

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

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

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

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

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

residence for each child.

(4) It is the intent of the legislature that the department shall work in conjunction with the courts and the state court administrative office to identify data needed to calculate statewide recidivism rates for adjudicated youth placed in either residential secure or nonsecure facilities, defined at 6 months after a youth is released from placement.

(5) By March 1 of the current fiscal year, the department shall notify the legislature on the status of efforts to accomplish the intent of subsection (4).

Sec. 514. The department shall make a comprehensive report concerning children's protective services (CPS) to the legislature, including the senate and house policy offices and the state budget director, by March 1 of the current fiscal year, that shall include all of the following:

(a) Statistical information including, but not limited to, all of the following:

(*i*) The total number of reports of child abuse or child neglect investigated under the child protection law, 1975 PA 238, MCL 722.621 to 722.638, and the number of cases classified under category I or category II and the number of cases classified under category III, category IV, or category V.

(*ii*) Characteristics of perpetrators of child abuse or child neglect and the child victims, such as age, relationship, race, and ethnicity and whether the perpetrator exposed the child victim to drug activity, including the manufacture of illicit drugs, that exposed the child victim to substance abuse, a drug house, or

methamphetamine.

(*iii*) The mandatory reporter category in which the individual who made the report fits, or other categorization if the individual is not within a group required to report under the child protection law, 1975 PA 238, MCL 722.621 to 722.638.

(*iv*) The number of cases that resulted in the separation of the child from the parent or guardian and the period of time of that separation, up to and including termination of parental rights.

(*v*) For the reported complaints of child abuse or child neglect by teachers, school administrators, and school counselors, the number of cases classified under category I or category II and the number of cases classified under category III, category IV, or category V.

(*vi*) For the reported complaints of child abuse or child neglect by teachers, school administrators, and school counselors, the number of cases that resulted in separation of the child from the parent or guardian and the period of time of that separation, up to and including termination of parental rights.

(b) New policies related to children's protective services including, but not limited to, major policy changes and court decisions affecting the children's protective services system during the immediately preceding 12-month period.

(c) Statistical information regarding families that were classified in category III, including, but not limited to, all of the following:

(*i*) The total number of cases classified in category III.

(*ii*) The number of cases in category III referred to voluntary community services and closed with no additional monitoring.

(*iii*) The number of cases in category III referred to voluntary community services and monitored for up to 90 days.

(*iv*) The number of cases in category III for which the department entered more than 1 determination that there was evidence of child abuse or child neglect.

(*v*) The number of cases in category III that the department reclassified from category III to category II.

(*vi*) The number of cases in category III that the department reclassified from category III to category I.

(*vii*) The number of cases in category III that the department reclassified from category III to category I that resulted in a removal.

(d) The department policy, or changes to the department policy, regarding children who have been exposed to the production or manufacture of methamphetamines.

Sec. 515. By March 1 of the current fiscal year, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office that provides an update on the privatization of child welfare services in Kent County as described in section 515 of article X of 2013 PA 59 and includes all of the following:

(a) Costs or savings that resulted from the program.

(b) Gaps in funding.

(c) Program successes.

(d) Challenges and barriers to a successful implementation.

Sec. 519. The department shall permit any private agency that has an existing contract with this state to provide foster care services to be also eligible to provide treatment foster care services.

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

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

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

completed service spending plan.

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

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

Sec. 531. The department shall notify the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices of any changes to a child welfare master contract template, including the adoption master contract template, the independent living plus master contract template, the child placing agency foster care master contract template, and the residential foster care juvenile justice master contract template, not less than 30 days before the change takes effect.

Sec. 532. The department, in collaboration with representatives of private child and family agencies, shall revise and improve the annual licensing review process and the annual contract compliance review process for child placing agencies and child caring institutions. The improvement goals shall be safety

and care for children. Improvements to the review process shall be directed toward alleviating administrative burdens so that agency resources may be focused on children. The revision shall include identification of duplicative staff activities and information sought from child placing agencies and child caring institutions in the annual review process. The department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget director on or before January 15 of the current fiscal year on the findings of the annual licensing review.

Sec. 533. (1) The department shall make payments to child placing facilities for in-home and out-of-home care services and adoption services within 30 days of receiving all necessary documentation from those agencies. It is the intent of the legislature that the burden of ensuring that these payments are made in a timely manner and no payments are in arrears is upon the department.

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

Sec. 537. (1) The department, in collaboration with child placing agencies, shall develop a strategy to implement section

115o of the social welfare act, 1939 PA 280, MCL 400.115o. The strategy shall include a requirement that a department caseworker responsible for preparing a recommendation to a court concerning a juvenile placement shall provide, as part of the recommendation, information regarding the requirements of section 115o of the social welfare act, 1939 PA 280, MCL 400.115o.

(2) By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a report on the strategy described in subsection (1).

Sec. 540. If a physician or psychiatrist who is providing services to state or court wards placed in a residential facility submits a formal request to the department to change the psychotropic medication of a ward, the department shall, if the ward is a state ward, make a determination on the proposed change within 7 business days after the request or, if the ward is a temporary court ward, seek parental consent within 7 business days after the request. If parental consent is not provided within 7 business days, the department shall petition the court on the eighth business day.

Sec. 546. (1) From the funds appropriated in part 1 for foster care payments and from child care fund, the department shall pay providers of general foster care and trial reunification services not less than a $45.60 administrative rate.

(2) From the funds appropriated in part 1 for foster care payments and from child care fund, the department shall pay

providers of general independent living services not less than a $37.10 administrative rate.

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

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

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

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

(2) The Adoptive Family Support Network shall submit to the senate and house appropriations subcommittees on the department

budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year a report on the program described in subsection (1), including, but not limited to, the number of cases served and the number of cases in which the program prevented an out-of-home placement.

Sec. 562. The department shall provide time and travel reimbursements for foster parents who transport a foster child to parent-child visitations. As part of the foster care parent contract, the department shall provide written confirmation to foster parents that states that the foster parents have the right to request these reimbursements for all parent-child visitations. The department shall provide these reimbursements within 60 days of receiving a request for eligible reimbursements from a foster parent.

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

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

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

(c) From the total school records, the percentage that

transferred within 2 weeks from the date of placement or return to the home.

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

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

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

Sec. 583. By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, the senate and

house fiscal agencies and policy offices, and the state budget office a report that includes:

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

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

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

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

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

Sec. 589. On a monthly basis, the department shall report on the number of all foster care cases administered by the department

and all foster care cases administered by private providers.

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

Sec. 594. From the funds appropriated in part 1 for foster care payments, the department shall support regional resource teams to provide for the recruitment, retention, and training of foster and adoptive parents and shall expand the Michigan youth opportunities initiative to all Michigan counties. The purpose of this investment is to increase the number of annual inquiries from prospective foster parents, increase the number of nonrelative foster homes that achieve licensure each year, increase the annual retention rate of nonrelative foster homes, reduce the number of older foster youth placed outside of family settings, and provide older youth with enhanced support in transitioning to adulthood.

PUBLIC ASSISTANCE

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

Sec. 604. (1) The department shall operate a state disability

assistance program. Except as provided in subsection (3), persons eligible for this program shall include needy citizens of the United States or aliens exempted from the supplemental security income citizenship requirement who are at least 18 years of age or emancipated minors meeting 1 or more of the following requirements:

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

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

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

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

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

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

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

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

(a) Meet the same asset test as is applied for the family

independence program.

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

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

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

Sec. 606. County department offices shall require each recipient of family independence program and state disability assistance who has applied with the social security administration for supplemental security income to sign a contract to repay any assistance rendered through the family independence program or

state disability assistance program upon receipt of retroactive supplemental security income benefits.

Sec. 607. (1) The department's ability to satisfy appropriation deductions in part 1 for state disability assistance/supplemental security income recoveries and public assistance recoupment revenues shall not be limited to recoveries and accruals pertaining to state disability assistance, or family independence assistance grant payments provided only in the current fiscal year, but may include revenues collected during the current year that are prior year related and not a part of the department's accrued entries.

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

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

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

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

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

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

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

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

Sec. 611. The state supplementation level under the supplemental security income program for the living independently or living in the household of another categories shall not exceed

the minimum state supplementation level as required under federal law or regulations.

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

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

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

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

(d) The infant burial allowance is $170.00.

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

Sec. 614. The department shall report to the senate and house of representatives appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices by January 15 of the current fiscal year on the number and percentage of state disability assistance recipients who were determined to be eligible for federal supplemental security income benefits in the previous fiscal year.

Sec. 615. Except as required by federal law or regulations, funds appropriated in part 1 shall not be used to provide public assistance to a person who is an illegal alien. This section shall not prohibit the department from entering into contracts with food banks, emergency shelter providers, or other human services

agencies who may, as a normal part of doing business, provide food or emergency shelter.

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

Sec. 619. (1) Subject to subsection (2), the department shall exempt from the denial of title IV-A assistance and food assistance benefits under 21 USC 862a any individual who has been convicted of a felony that included the possession, use, or distribution of a controlled substance, after August 22, 1996, if the individual is not in violation of his or her probation or parole requirements. Benefits shall be provided to such individuals as follows:

(a) A third-party payee or vendor shall be required for any cash benefits provided.

(b) An authorized representative shall be required for food assistance receipt.

(2) Subject to federal approval, an individual is not entitled to the exemption in this section if the individual was convicted in 2 or more separate cases of a felony that included the possession, use, or distribution of a controlled substance after August 22, 1996.

Sec. 620. (1) The department shall make a determination of Medicaid eligibility not later than 90 days if disability is an eligibility factor. For all other Medicaid applicants, including patients of a nursing home, the department shall make a determination of Medicaid eligibility within 45 days of

application.

(2) The department shall report on a quarterly basis to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the average Medicaid eligibility standard of promptness for each of the required standards of promptness under subsection (1) and for medical review team reviews achieved statewide and at each local office.

Sec. 645. An individual or family is considered homeless, for purposes of eligibility for state emergency relief, if living temporarily with others in order to escape domestic violence. For purposes of this section, domestic violence is defined and verified in the same manner as in the department's policies on good cause for not cooperating with child support and paternity requirements.

Sec. 650. The department shall apply the food assistance eligibility requirements as prescribed in 7 CFR 273.24(a) to (d) on a statewide basis for the fiscal year beginning October 1, 2017.

Sec. 651. (1) From the funds appropriated in part 1, the department shall allocate up to $1,500,000.00 to Michigan State University (MSU) Extension for the Michigan corner store initiative. Funds provided for the Michigan corner store initiative shall be used to provide grants to small food retailers to increase the availability and sales of fresh and nutritious food in low- and moderate-income areas of the state. In determining qualified projects to fund, the MSU Extension shall consider the level of

need in the area to be served. The MSU Extension shall report annually to the department on the projects funded, the geographic distribution of the projects, the costs of the program, and the outcomes, including the number and type of jobs created and health impacts associated with the program. The department shall provide the annual report described in this section to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices. To qualify, grant applicants must do all of the following:

(a) Be a small food retailer.

(b) Be located in a low- or moderate-income area.

(c) Accept or agree to accept, as a condition of receiving assistance, food assistance program benefits.

(d) Agree to apply to accept special supplemental nutrition program for women, infants, and children (WIC) benefits and accept WIC benefits, if eligible.

(e) Agree to abide by the conditions for receiving assistance.

(f) Collect and provide data and other information required by the department and MSU Extension for monitoring, accountability, and evaluation purposes.

(2) Grant money disbursed under the Michigan corner store initiative may be used for the following purposes:

(a) Salary and associated costs of employees or contractors providing education, advice, or other assistance on food safety and handling, nutrition education, business operations, and promotion to small food retailers.

(b) Refrigeration, display shelving, or other equipment for

small food retailers necessary for stocking healthy foods and fresh produce, at a cost of less than $5,000.00 per retailer.

(c) Materials and supplies for nutrition education and healthy food promotion.

(d) Mini-grants to retailers of no more than $100.00 per retailer to meet initial expenses incurred with participation in the program.

Sec. 653. From the funds appropriated in part 1 for food assistance, an individual who is the victim of domestic violence and does not qualify for any other exemption may be exempt from the 3-month in 36-month limit on receiving food assistance under 7 USC 2015. This exemption can be extended an additional 3 months upon demonstration of continuing need.

Sec. 654. The department shall notify recipients of food assistance program benefits that their benefits can be spent with their bridge cards at many farmers' markets in the state. The department shall also notify recipients about the Double Up Food Bucks program that is administered by the Fair Food Network. Recipients shall receive information about the Double Up Food Bucks program, including information that when the recipient spends $20.00 at participating farmers' markets through the program, the recipient can receive an additional $20.00 to buy Michigan produce.

Sec. 655. Within 14 days after the spending plan for low-income home energy assistance program is approved by the state budget office, the department shall provide the spending plan, including itemized projected expenditures, to the chairpersons of the senate and house appropriations subcommittees on the department

budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 660. From the funds appropriated in part 1 for Food Bank Council of Michigan, the department is authorized to make allocations of TANF funds only to the agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. The agencies that do not report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements will not receive allocations in excess of those received in fiscal year 2000. The use of TANF funds under this section is not an ongoing commitment of funding.

Sec. 669. The department shall allocate $7,170,000.00 for the annual clothing allowance. The allowance shall be granted to all eligible children in a family independence program group.

Sec. 672. (1) The department's office of inspector general shall report to the senate and house of representatives appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices by February 15 of the current fiscal year on department efforts to reduce inappropriate use of Michigan bridge cards. The department shall provide information on the number of recipients of services who used their electronic benefit transfer card inappropriately and the current status of each case, the number of recipients whose benefits were revoked, whether permanently or temporarily, as a result of inappropriate use, and the number of retailers that were fined or removed from the electronic benefit transfer program for permitting inappropriate use of the cards.

(2) As used in this section, "inappropriate use" means not used to meet a family's ongoing basic needs, including food, clothing, shelter, utilities, household goods, personal care items, and general incidentals.

Sec. 677. (1) The department shall establish a state goal for the percentage of family independence program cases involved in employment activities. The percentage established shall not be less than 50%. The goal for long-term employment shall be 15% of cases for 6 months or more.

(2) On a quarterly basis, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget director on the number of cases referred to Partnership. Accountability. Training. Hope. (PATH), the current percentage of family independence program cases involved in PATH employment activities, an estimate of the current percentage of family independence program cases that meet federal work participation requirements on the whole, and an estimate of the current percentage of the family independence program cases that meet federal work participation requirements for those cases referred to PATH.

(3) The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a quarterly report that includes all of the following:

(a) The number and percentage of nonexempt family independence

program recipients who are employed.

(b) The average and range of wages of employed family independence program recipients.

(c) The number and percentage of employed family independence program recipients who remain employed for 6 months or more.

Sec. 686. (1) The department shall ensure that program policy requires caseworkers to confirm that individuals presenting personal identification issued by another state seeking assistance through the family independence program, food assistance program, state disability assistance program, or medical assistance program are not receiving benefits from any other state.

(2) The department shall require caseworkers to confirm the address provided by any individual seeking family independence program benefits or state disability assistance benefits.

(3) The department shall prohibit individuals with property assets assessed at a value higher than $200,000.00 from accessing assistance through department-administered programs, unless such a prohibition would violate federal rules and guidelines.

(4) The department shall require caseworkers to obtain an up-to-date telephone number during the eligibility determination or redetermination process for individuals seeking medical assistance benefits.

Sec. 687. (1) The department shall, on a quarterly basis by February 1, May 1, August 1, and November 1, compile and make available on its website all of the following information about the family independence program, state disability assistance, the food assistance program, Medicaid, and state emergency relief:

(a) The number of applications received.

(b) The number of applications approved.

(c) The number of applications denied.

(d) The number of applications pending and neither approved nor denied.

(e) The number of cases opened.

(f) The number of cases closed.

(g) The number of cases at the beginning of the quarter and the number of cases at the end of the quarter.

(2) The information provided under subsection (1) shall be compiled and made available for the state as a whole and for each county and reported separately for each program listed in subsection (1).

(3) The department shall, on a quarterly basis by February 1, May 1, August 1, and November 1, compile and make available on its website the family independence program information listed as follows:

(a) The number of new applicants who successfully met the requirements of the 21-day assessment period for PATH.

(b) The number of new applicants who did not meet the requirements of the 21-day assessment period for PATH.

(c) The number of cases sanctioned because of the school truancy policy.

(d) The number of cases closed because of the 48-month and 60-month lifetime limits.

(e) The number of first-, second-, and third-time sanctions.

(f) The number of children ages 0-5 living in FIP-sanctioned

households.

Sec. 688. From the funds appropriated in part 1 for the low-income home energy assistance program, up to $6,766,800.00 of federal funding shall be allocated to provide an additional $20.01 payment to food assistance program cases that are not currently eligible for the standard utility allowance to enable these cases to receive expanded food assistance benefits through the program commonly known as the heat and eat program.

CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE

Sec. 706. Counties shall be subject to 50% chargeback for the use of alternative regional detention services, if those detention services do not fall under the basic provision of section 117e of the social welfare act, 1939 PA 280, MCL 400.117e, or if a county operates those detention services programs primarily with professional rather than volunteer staff.

Sec. 707. In order to be reimbursed for child care fund expenditures, counties are required to submit department-developed reports to enable the department to document potential federally claimable expenditures. This requirement is in accordance with the reporting requirements specified in section 117a(7) of the social welfare act, 1939 PA 280, MCL 400.117a.

Sec. 708. (1) As a condition of receiving funds appropriated in part 1 for the child care fund line item, by December 15 of the current fiscal year, counties shall have an approved service spending plan for the current fiscal year. Counties must submit the service spending plan to the department by October 1 of the current

fiscal year for approval. Upon submission of the county service spending plan, the department shall approve within 30 calendar days after receipt of a properly completed service plan that complies with the requirements of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b. The department shall notify and submit county service spending plan revisions to any county whose county service spending plan is not accepted upon initial submission. The department shall not request any additional revisions to a county service spending plan outside of the requested revision notification submitted to the county by the department. The department shall notify a county within 30 days after approval that its service plan was approved.

(2) The department shall submit a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office by February 15 of the current fiscal year on the number of counties that fail to submit a service spending plan by October 1 and the number of service spending plans not approved by December 15. The report shall include the number of county service spending plans that were not approved as first submitted by the counties, as well as the number of plans that were not approved by the department after being resubmitted by the county with the first revisions that were requested by the department.

Sec. 709. The department's master contract for juvenile justice residential foster care services shall be amended to prohibit contractors from denying a referral for placement of a

youth, or terminating a youth's placement, if the youth's assessed treatment needs are in alignment with the facility's residential program type, as identified by the court or the department. In addition, the master contract shall require that youth placed in juvenile justice residential foster care facilities must have regularly scheduled treatment sessions with a licensed psychologist or psychiatrist, or both, and access to the licensed psychologist or psychiatrist as needed.

Sec. 721. If the demand for placements at state-operated juvenile justice residential facilities exceeds capacity, the department shall not increase the available occupancy or services at the facilities, and shall post a request for proposals for a contract with not less than 1 private provider of residential services for juvenile justice youth to be a residential facility of last resort.

FIELD OPERATIONS AND SUPPORT SERVICES

Sec. 801. (1) Funds appropriated in part 1 for independent living shall be used to support the general operations of centers for independent living in delivering mandated independent living services in compliance with federal rules and regulations for the centers, by existing centers for independent living to serve underserved areas, and for projects to build the capacity of centers for independent living to deliver independent living services. Applications for the funds shall be reviewed in accordance with criteria and procedures established by the department. The funds appropriated in part 1 may be used to

leverage federal vocational rehabilitation innovation and expansion funds consistent with 34 CFR 361.35 up to $5,543,000.00, if available. If the possibility of matching federal funds exists, the centers for independent living network will negotiate a mutually beneficial contractual arrangement with Michigan rehabilitation services. Funds shall be used in a manner consistent with the state plan for independent living. Services provided should assist people with disabilities to move toward self-sufficiency, including support for accessing transportation and health care, obtaining employment, community living, nursing home transition, information and referral services, education, youth transition services, veterans, and stigma reduction activities and community education. This includes the independent living guide project that specifically focuses on economic self-sufficiency.

(2) The Michigan centers for independent living shall provide a report by March 1 of the current fiscal year to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on direct customer and system outcomes and performance measures.

Sec. 802. The Michigan rehabilitation services shall work collaboratively with the bureau of services for blind persons, service organizations, and government entities to identify qualified match dollars to maximize use of available federal vocational rehabilitation funds.

Sec. 803. The department shall provide an annual report by February 1 to the house and senate appropriations subcommittees on

the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on efforts taken to improve the Michigan rehabilitation services. The report shall include all of the following items:

(a) Reductions and changes in administration costs and staffing.

(b) Service delivery plans and implementation steps achieved.

(c) Reorganization plans and implementation steps achieved.

(d) Plans to integrate Michigan rehabilitative services programs into other services provided by the department.

(e) Quarterly expenditures by major spending category.

(f) Employment and job retention rates from both Michigan rehabilitation services and its nonprofit partners.

(g) Success rate of each district in achieving the program goals.

Sec. 804. From the funds appropriated in part 1 for Michigan rehabilitation services, the department shall allocate $50,000.00 along with available federal match to support the provision of vocational rehabilitation services to eligible agricultural workers with disabilities. Authorized services shall assist agricultural workers with disabilities in acquiring or maintaining quality employment and independence.

Sec. 805. It is the intent of the legislature that Michigan rehabilitation services shall not implement an order of selection for vocational and rehabilitative services. If the department is at risk of entering into an order of selection for services, the department shall notify the chairs of the senate and house

subcommittees on the department budget and the senate and house fiscal agencies and policy offices within 2 weeks of receiving notification.

Sec. 806. From the funds appropriated in part 1 for Michigan rehabilitation services, the department shall allocate $6,100,300.00, including federal matching funds, to service authorizations with community-based rehabilitation organizations for an array of needed services throughout the rehabilitation process.

Sec. 807. From the funds appropriated in part 1 for Elder Law of Michigan MiCAFE contract, the department shall allocate not less than $350,000.00 to the Elder Law of Michigan MiCAFE to assist this state's elderly population in participating in the food assistance program. Of the $350,000.00 allocated under this section, the department shall use $175,000.00, which are general fund/general purpose funds, as state matching funds for not less than $175,000.00 in United States Department of Agriculture funding to provide outreach program activities, such as eligibility screening and information services, as part of a statewide food assistance hotline.

Sec. 825. From the funds appropriated in part 1, the department shall provide individuals not more than $500.00 for vehicle repairs, including any repairs done in the previous 12 months. However, the department may in its discretion pay for repairs up to $900.00. Payments under this section shall include the combined total of payments made by the department and work participation program.

Sec. 850. (1) The department shall maintain out-stationed eligibility specialists in community-based organizations, community mental health agencies, nursing homes, adult placement and independent living settings, federally qualified health centers, and hospitals unless a community-based organization, community mental health agency, nursing home, adult placement and independent living setting, federally qualified health centers, or hospital requests that the program be discontinued at its facility.

(2) From the funds appropriated in part 1 for donated funds positions, the department shall enter into contracts with agencies that are able and eligible under federal law to provide the required matching funds for federal funding, as determined by federal statute and regulations.

(3) A contract for an assistance payments donated funds position must include, but not be limited to, the following performance metrics:

(a) Meeting a standard of promptness for processing applications for Medicaid and other public assistance programs under state law.

(b) Meeting required standards for error rates in determining programmatic eligibility as determined by the department.

(4) The department shall only fill additional donated funds positions after a new contract has been signed. That position shall also be abolished when the contract expires or is terminated.

(5) The department shall classify as limited-term FTEs any new employees who are hired to fulfill the donated funds position contracts or are hired to fill any vacancies from employees who

transferred to a donated funds position.

(6) By March 1 of the current fiscal year, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget office detailing information on the donated funds positions, including the total number of occupied positions, the total private contribution of the positions, and the total cost to the state for any nonsalary expenditure for the donated funds position employees.

Sec. 851. From the funds appropriated in part 1 for adult services field staff, the department shall improve staffing ratios in adult protective services programs with the goal of reducing the number of older adults who are victims of crime and fraud. The purpose of the staffing enhancement is to increase standard of promptness by 90% or above in every county, as measured by commencing an investigation within 24 hours, establishing face-to-face contact with the client within 72 hours, and completing the investigation within 30 days.

Sec. 852. The 29 additional FTE authorizations in part 1 added to the public assistance field staff line item in the current fiscal year shall be allocated to support the pathways to potential program to provide additional staff in schools.

BEHAVIORAL HEALTH SERVICES

Sec. 901. Funds appropriated in part 1 are intended to support a system of comprehensive community mental health services under the full authority and responsibility of local CMHSPs or PIHPs in

accordance with the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, the Medicaid provider manual, federal Medicaid waivers, and all other applicable federal and state laws.

Sec. 902. (1) From funds appropriated in part 1, final authorizations to CMHSPs or PIHPs shall be made upon the execution of contracts between the department and CMHSPs or PIHPs. The contracts shall contain an approved plan and budget as well as policies and procedures governing the obligations and responsibilities of both parties to the contracts. Each contract with a CMHSP or PIHP that the department is authorized to enter into under this subsection shall include a provision that the contract is not valid unless the total dollar obligation for all of the contracts between the department and the CMHSPs or PIHPs entered into under this subsection for the current fiscal year does not exceed the amount of money appropriated in part 1 for the contracts authorized under this subsection.

(2) The department shall immediately report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget director if either of the following occurs:

(a) Any new contracts the department has entered into with CMHSPs or PIHPs that would affect rates or expenditures.

(b) Any amendments to contracts the department has entered into with CMHSPs or PIHPs that would affect rates or expenditures.

(3) The report required by subsection (2) shall include information about the changes and their effects on rates and expenditures.

Sec. 904. (1) Not later than May 31 of the current fiscal year, the department shall provide a report on the CMHSPs, PIHPs, regional entities designated by the department as PIHPs, and managing entities for substance use disorders to the members of the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget director that includes the information required by this section.

(2) The report shall contain information for each CMHSP, PIHP, regional entity designated by the department as a PIHP, and managing entity for substance use disorders and a statewide summary, each of which shall include at least the following information:

(a) A demographic description of service recipients that, minimally, shall include reimbursement eligibility, client population, age, ethnicity, housing arrangements, and diagnosis.

(b) Per capita expenditures in total and by client population group and ethnic groups of the services area, including the deaf and hard of hearing population.

(c) Expenditures stratified by department-designated community mental health entity, by central diagnosis and referral agency, by fund source, by subcontractor, by population served, and by service type. Additionally, data on administrative expenditures by department-designated community mental health entity shall be reported.

(d) Expenditures per state client, with data on the distribution of expenditures reported using a histogram approach.

(e) Number of services provided by central diagnosis and

referral agency, by subcontractor, and by service type. Additionally, data on length of stay, referral source, and participation in other state programs.

(f) Collections from other first- or third-party payers, private donations, or other state or local programs, by department-designated community mental health entity, by subcontractor, by population served, and by service type.

(g) Data describing service outcomes that include, but are not limited to, an evaluation of consumer satisfaction, consumer choice, and quality of life concerns including, but not limited to, housing and employment.

(h) Information about access to CMHSPs that includes, but is not limited to, the following:

(*i*) The number of people receiving requested services.

(*ii*) The number of people who requested services but did not receive services.

(*iii*) The number of second opinions requested under the code and the determination of any appeals.

(i) Lapses and carryforwards during the immediately preceding fiscal year for CMHSPs, PIHPs, regional entities designated by the department as PIHPs, and managing entities for substance use disorders.

(j) Performance indicator information required to be submitted to the department in the contracts with CMHSPs, PIHPs, regional entities designated by the department as PIHPs, and managing entities for substance use disorders.

(k) Administrative expenditures of each CMHSP, PIHP, regional

entity designated by the department as a PIHP, and managing entity for substance use disorders that includes a breakout of the salary, benefits, and pension of each executive level staff and shall include the director, chief executive, and chief operating officers and other members identified as executive staff.

(3) The department shall include data reporting requirements listed in subsection (2) in the annual contract with each individual CMHSP, PIHP, regional entity designated by the department as a PIHP, and managing entity for substance use disorders.

(4) The department shall take all reasonable actions to ensure that the data required are complete and consistent among all CMHSPs, PIHPs, regional entities designated by the department as PIHPs, and managing entities for substance use disorders.

Sec. 905. (1) From the funds appropriated in part 1 for behavioral health program administration, the department shall maintain a psychiatric transitional unit and children's behavioral action team. These services will augment the continuum of behavioral health services for high-need youth and provide additional continuity of care and transition into supportive community-based services.

(2) Outcomes and performance measures for this initiative include, but are not limited to, the following:

(a) The rate of rehospitalization for youth served through the program at 30 and 180 days.

(b) Measured change in the Child and Adolescent Functional Assessment Scale for children served through the program.

Sec. 906. (1) The funds appropriated in part 1 for the state disability assistance substance use disorder services program shall be used to support per diem room and board payments in substance use disorder residential facilities. Eligibility of clients for the state disability assistance substance use disorder services program shall include needy persons 18 years of age or older, or emancipated minors, who reside in a substance use disorder treatment center.

(2) The department shall reimburse all licensed substance use disorder programs eligible to participate in the program at a rate equivalent to that paid by the department to adult foster care providers. Programs accredited by department-approved accrediting organizations shall be reimbursed at the personal care rate, while all other eligible programs shall be reimbursed at the domiciliary care rate.

Sec. 907. (1) The amount appropriated in part 1 for substance use disorder prevention, education, and treatment grants shall be expended to coordinate care and services provided to individuals with severe and persistent mental illness and substance use disorder diagnoses.

(2) The department shall approve managing entity fee schedules for providing substance use disorder services and charge participants in accordance with their ability to pay.

(3) The managing entity shall continue current efforts to collaborate on the delivery of services to those clients with mental illness and substance use disorder diagnoses with the goal of providing services in an administratively efficient manner.

Sec. 909. From the funds appropriated in part 1 for community substance use disorder prevention, education, and treatment, the department shall use available revenue from the marihuana regulatory fund established in section 604 of the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27604, to improve physical health; expand access to substance use disorder prevention and treatment services; and strengthen the existing prevention, treatment, and recovery systems.

Sec. 910. The department shall ensure that substance use disorder treatment is provided to applicants and recipients of public assistance through the department who are required to obtain substance use disorder treatment as a condition of eligibility for public assistance.

Sec. 911. (1) The department shall ensure that each contract with a CMHSP or PIHP requires the CMHSP or PIHP to implement programs to encourage diversion of individuals with serious mental illness, serious emotional disturbance, or developmental disability from possible jail incarceration when appropriate.

(2) Each CMHSP or PIHP shall have jail diversion services and shall work toward establishing working relationships with representative staff of local law enforcement agencies, including county prosecutors' offices, county sheriffs' offices, county jails, municipal police agencies, municipal detention facilities, and the courts. Written interagency agreements describing what services each participating agency is prepared to commit to the local jail diversion effort and the procedures to be used by local law enforcement agencies to access mental health jail diversion

services are strongly encouraged.

Sec. 912. The department shall contract directly with the Salvation Army harbor light program to provide non-Medicaid substance use disorder services if the local coordinating agency or the department confirms the Salvation Army harbor light program meets the standard of care. The standard of care shall include, but is not limited to, utilization of the medication assisted treatment option.

Sec. 918. On or before the twenty-fifth of each month, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget director on the amount of funding paid to PIHPs to support the Medicaid managed mental health care program in the preceding month. The information shall include the total paid to each PIHP, per capita rate paid for each eligibility group for each PIHP, and number of cases in each eligibility group for each PIHP, and year-to-date summary of eligibles and expenditures for the Medicaid managed mental health care program.

Sec. 920. As part of the Medicaid rate-setting process for behavioral health services, the department shall work with PIHP network providers and actuaries to include any state and federal wage and compensation increases that directly impact staff who provide Medicaid-funded community living supports, personal care services, respite services, skill-building services, and other similar supports and services as part of the Medicaid rate.

Sec. 928. (1) Each PIHP shall provide, from internal resources, local funds to be used as a part of the state match

required under the Medicaid program in order to increase capitation rates for PIHPs. These funds shall not include either state funds received by a CMHSP for services provided to non-Medicaid recipients or the state matching portion of the Medicaid capitation payments made to a PIHP.

(2) It is the intent of the legislature that any funds that lapse from the funds appropriated in part 1 for Medicaid mental health services shall be redistributed to individual CMHSPs as a reimbursement of local funds on a proportional basis to those CMHSPs whose local funds were used as state Medicaid match. By April 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the lapse by PIHP from the previous fiscal year and the projected lapse by PIHP in the current fiscal year.

Sec. 935. A county required under the provisions of the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide matching funds to a CMHSP for mental health services rendered to residents in its jurisdiction shall pay the matching funds in equal installments on not less than a quarterly basis throughout the fiscal year, with the first payment being made by October 1 of the current fiscal year.

Sec. 940. (1) According to section 236 of the mental health code, 1974 PA 258, MCL 330.1236, the department shall do both of the following:

(a) Review expenditures for each CMHSP to identify CMHSPs with

projected allocation surpluses and to identify CMHSPs with projected allocation shortfalls. The department shall encourage the board of a CMHSP with a projected allocation surplus to concur with the department's recommendation to reallocate those funds to CMHSPs with projected allocation shortfalls.

(b) Withdraw unspent funds that have been allocated to a CMHSP if other reallocated funds were expended in a manner not provided for in the approved contract, including expending funds on services and programs provided to individuals residing outside of the CMHSP's geographic region.

(2) A CMHSP that has its funding allocation transferred out or withdrawn during the current fiscal year as described in subsection (1) is not eligible for any additional funding reallocations during the remainder of the current fiscal year, unless that CMHSP is responding to a public health emergency as determined by the department.

(3) CMHSPs shall report to the department on any proposed reallocations described in this section at least 30 days before any reallocations take effect.

(4) The department shall notify the chairs of the appropriation subcommittees on the department budget when a request is made and when the department grants approval for reallocation or withdraw as described in subsection (1). By September 30 of the current fiscal year, the department shall provide a report on the amount of funding reallocated or withdrawn to the senate and house appropriation subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and

the state budget office.

Sec. 942. A CMHSP shall provide at least 30 days' notice before reducing, terminating, or suspending services provided by a CMHSP to CMHSP clients, with the exception of services authorized by a physician that no longer meet established criteria for medical necessity.

Sec. 958. Medicaid services shall include treatment for autism spectrum disorders as defined in the federally approved Medicaid state plan. These services may be coordinated with the Medicaid health plans and the Michigan Association of Health Plans.

Sec. 994. (1) By January 1 of the current fiscal year, the department shall seek federal approval through either a waiver request or state plan amendment to allow a CMHSP, PIHP, or subcontracting provider agency that is reviewed and accredited by a national accrediting entity for behavioral health care services to be considered in compliance with state program review and audit requirements that are addressed and reviewed by that national accrediting entity.

(2) By April 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office all of the following:

(a) The status of the federal approval process required in subsection (1).

(b) A list of each CMHSP, PIHP, and subcontracting provider agency that is considered to be in compliance with state program review and audit requirements under subsection (1).

(c) For each CMHSP, PIHP, or subcontracting provider agency described in subdivision (b), both of the following:

(*i*) The state program review and audit requirements that the CMHSP, PIHP, or subcontracting provider agency is considered to be in compliance with.

(*ii*) The national accrediting entity that reviewed and accredited the CMHSP, PIHP, or subcontracting provider agency.

(3) The department shall continue to comply with state and federal law and shall not initiate an action that negatively impacts beneficiary safety. Any cost savings attributed to this action shall be reinvested back into services.

(4) As used in this section, "national accrediting entity" means the Joint Commission, formerly known as the Joint Commission on Accreditation of Healthcare Organizations, the Commission on Accreditation of Rehabilitation Facilities, the Council on Accreditation, the URAC, formerly known as the Utilization Review Accreditation Commission, the National Committee for Quality Assurance, or another appropriate entity, as approved by the department.

Sec. 995. From the funds appropriated in part 1 for behavioral health program administration, $4,350,000.00 is intended to address the recommendations of the mental health diversion council.

Sec. 998. For distribution of state general funds to CMHSPs, if the department decides to use census data, the department shall use the most recent federal census data available.

Sec. 1003. The department shall notify the Michigan Association of Community Mental Health Boards when developing

policies and procedures that will impact PIHPs or CMHSPs.

Sec. 1004. The department shall provide the senate and house appropriations subcommittee on the department budget, the senate and house fiscal agencies, and the state budget office any rebased formula changes to either Medicaid behavioral health services or non-Medicaid mental health services 90 days before implementation. The notification shall include a table showing the changes in funding allocation by PIHP for Medicaid behavioral health services or by CMHSP for non-Medicaid mental health services.

Sec. 1005. For the purposes of special projects involving high-need children or adults, including the not guilty by reason of insanity population, the department may contract directly with providers of services to these identified populations.

Sec. 1008. The PIHP and CMHSPs shall do all of the following:

(a) Work to reduce administration costs by ensuring that PIHP responsible functions are efficient to allow optimal transition of dollars to direct services. This process must include limiting duplicate layers of administration and minimizing PIHP-delegated services that may result in higher costs or inconsistent service delivery, or both.

(b) Take an active role in managing mental health care by ensuring consistent and high-quality service delivery throughout its network and promote a conflict-free care management environment.

(c) Ensure that direct service rate variances are related to the level of need or other quantifiable measures to ensure that the most money possible reaches direct services.

(d) Whenever possible, promote fair and adequate direct care reimbursement, including fair wages for direct service workers.

Sec. 1009. From the funds appropriated in part 1 for Medicaid mental health services and Healthy Michigan plan - behavioral health, the department shall allocate up to $22,500,000.00 to increase hourly wages by $0.25 for direct care workers providing Medicaid behavioral health supports and services. The department shall contractually mandate these funds be fully passed through to agencies directly responsible for paying the direct care workers' wages and shall contractually mandate that the agencies provide the department with ending wages at the end of the previous fiscal year and the new increased wages provided in the current fiscal year. The purpose of this allocation is to increase access to direct care services as reported in CMHSP sub-element cost reports, to reduce the turnover rate among direct care workers, and to improve the quality of direct care workers providing Medicaid behavioral health supports and services.

Sec. 1010. From the funds appropriated in part 1 for behavioral health program administration, up to $2,000,000.00 shall be allocated to address the implementation of court-ordered assisted outpatient treatment as provided under chapter 4 of the mental health code, 1974 PA 258, MCL 330.1400 to 330.1491.

Sec. 1012. By September 30 of the current fiscal year, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office addressing the challenge of meeting monthly

deductible requirements in the Medicaid program and establish policy recommendations. The report shall include, but not be limited to, all of the following items:

(a) The average number of individuals who do not meet their monthly Medicaid deductibles in this state each year.

(b) How the reduction in general fund investment to CMHSPs for non-Medicaid services has played a role in the inability of many individuals to meet their spenddown.

(c) What currently counts as the protected income level and how that compares to other states.

(d) An action plan for implementation of any proposed changes.

(e) An estimate of the costs that may be incurred from adoption of recommendations included in the report.

STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES

Sec. 1051. The department shall continue a revenue recapture project to generate additional revenues from third parties related to cases that have been closed or are inactive. A portion of revenues collected through project efforts may be used for departmental costs and contractual fees associated with these retroactive collections and to improve ongoing departmental reimbursement management functions.

Sec. 1052. The purpose of gifts and bequests for patient living and treatment environments is to use additional private funds to provide specific enhancements for individuals residing at state-operated facilities. Use of the gifts and bequests shall be consistent with the stipulation of the donor. The expected

completion date for the use of gifts and bequests donations is within 3 years unless otherwise stipulated by the donor.

Sec. 1055. (1) The department shall not implement any closures or consolidations of state hospitals, centers, or agencies until CMHSPs or PIHPs have programs and services in place for those individuals currently in those facilities and a plan for service provision for those individuals who would have been admitted to those facilities.

(2) All closures or consolidations are dependent upon adequate department-approved CMHSP and PIHP plans that include a discharge and aftercare plan for each individual currently in the facility. A discharge and aftercare plan shall address the individual's housing needs. A homeless shelter or similar temporary shelter arrangements are inadequate to meet the individual's housing needs.

(3) Four months after the certification of closure required in section 19(6) of the state employees' retirement act, 1943 PA 240, MCL 38.19, the department shall provide a closure plan to the house and senate appropriations subcommittees on the department budget and the state budget director.

(4) Upon the closure of state-run operations and after transitional costs have been paid, the remaining balances of funds appropriated for that operation shall be transferred to CMHSPs or PIHPs responsible for providing services for individuals previously served by the operations.

Sec. 1056. The department may collect revenue for patient reimbursement from first- and third-party payers, including Medicaid and local county CMHSP payers, to cover the cost of

placement in state hospitals and centers. The department is authorized to adjust financing sources for patient reimbursement based on actual revenues earned. If the revenue collected exceeds current year expenditures, the revenue may be carried forward with approval of the state budget director. The revenue carried forward shall be used as a first source of funds in the subsequent year.

Sec. 1057. The department shall work with the department of technology, management, and budget to evaluate the condition of the Hawthorn Center, the cost-effectiveness of improvements and investments and make recommendations to improve the quality of the facility needed by the patients.

Sec. 1058. Effective October 1 of the current fiscal year, the department, in consultation with the department of technology, management, and budget, may maintain a bid process to identify 1 or more private contractors to provide food service and custodial services for the administrative areas at any state hospital identified by the department as capable of generating savings through the outsourcing of such services.

Sec. 1059. The department shall identify specific outcomes and performance measures for the center for forensic psychiatry, including, but not limited to, the following:

(a) The average wait time for persons ruled incompetent to stand trial before admission to the center for forensic psychiatry.

(b) The average wait time for persons ruled incompetent to stand trial before admission to other state-operated psychiatric facilities.

(c) The number of persons waiting to receive services at the

center for forensic psychiatry.

(d) The number of persons waiting to receive services at other state-operated hospitals and centers.

Sec. 1060. (1) The department shall convene a workgroup in collaboration with labor union representation, civil service, and any other appropriate parties to recommend solutions to address mandatory overtime, staff turnover, and staff retention at the state psychiatric hospitals and centers, including, but not limited to, permitting retired workers to return and permitting hiring of part-time workers.

(2) By March 1 of the current fiscal year, the department shall provide the workgroup's recommendations to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office.

HEALTH POLICY

Sec. 1140. From the funds appropriated in part 1 for primary care services, $250,000.00 shall be allocated to free health clinics operating in the state. The department shall distribute the funds equally to each free health clinic. For the purpose of this appropriation, "free health clinics" means nonprofit organizations that use volunteer health professionals to provide care to uninsured individuals.

Sec. 1142. The department shall continue to seek means to increase retention of Michigan medical school students for completion of their primary care residency requirements within this state and ultimately, for some period of time, to remain in this

state and serve as primary care physicians. The department is encouraged to work with Michigan institutions of higher education.

Sec. 1144. (1) From the funds appropriated in part 1 for health policy administration, the department shall allocate the federal state innovation model grant funding that supports implementation of the health delivery system innovations detailed in this state's "Reinventing Michigan's Health Care System: Blueprint for Health Innovation" document. This initiative will test new payment methodologies, support improved population health outcomes, and support improved infrastructure for technology and data sharing and reporting. The funds will be used to provide financial support directly to regions participating in the model test and to support statewide stakeholder guidance and technical support.

(2) Outcomes and performance measures for the initiative under subsection (1) include, but are not limited to, the following:

(a) Increasing the number of physician practices fulfilling patient-centered medical home functions.

(b) Reducing inappropriate health utilization, specifically reducing preventable emergency department visits, reducing the proportion of hospitalizations for ambulatory sensitive conditions, and reducing this state's 30-day hospital readmission rate.

(3) By March 1 and September 1 of the current fiscal year, the department shall submit a written report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on the status of the program and progress made since the prior report.

(4) From the funds appropriated in part 1 for health policy administration, any data aggregator created as part of the allocation of the federal state innovation model grant funds must meet the following standards:

(a) The primary purpose of the data aggregator must be to increase the quality of health care delivered in this state, while reducing costs.

(b) The data aggregator must be governed by a nonprofit entity.

(c) All decisions regarding the establishment, administration, and modification of the database must be made by an advisory board. The membership of the advisory board must include the director of the department or a designee of the director and representatives of health carriers, consumers, and purchasers.

(d) The data aggregator must receive health care claims information from, without limitation, commercial health carriers, nonprofit health care corporations, health maintenance organizations, and third party administrators that process claims under a service contract.

(e) The data aggregator must use existing data sources and technological infrastructure, to the extent possible.

Sec. 1145. The department will take steps necessary to work with Indian Health Service, Tribal or Urban Indian Health Program facilities that provide services under a contract with a Medicaid managed care entity to ensure that those facilities receive the maximum amount allowable under federal law for Medicaid services.

Sec. 1147. (1) From the funds appropriated in part 1 for

primary care services, $1,000,000.00 shall be appropriated for the first year of a 6-year early primary care pilot program to facilitate the placement of physicians in medically underserved areas of this state. The early primary care pilot program format includes all of the following:

(a) Recruitment of interested physicians before completion of first year of residency.

(b) To participate in the pilot program, a physician must do all of the following:

(*i*) Complete 1 year of post-graduate education.

(*ii*) Complete and pass all 3 parts of a national licensing board examination.

(*iii*) Obtain an unrestricted license to engage in the practice of osteopathic medicine and surgery or an unrestricted license to engage in the practice of medicine in this state.

(c) A participating physician shall enter into a contract to work with an employer for no less than 2 years in a federally underserved rural or urban area in this state, beginning the year following completion of 1 year of post-graduate education.

(d) The employer shall employ the physician at a competitive salary. A contractual employer may include, but is not limited to, a private practice physician or physician group, a hospital or hospital system, a community clinic, or a federally qualified health center.

(e) Assistance with repayment of medical education loans of the participating physician shall be provided through local, state, federal, or other sources during the employment period, with a

target assistance amount of $50,000.00 over 2 years.

(f) Upon completion of the 2-year employment period, participating physicians may reenter and complete a post-graduate residency program.

(2) The department shall seek philanthropic support for the early primary care pilot program to achieve increased participation and may use state funds to match philanthropic contributions.

(3) A portion of the funds appropriated for the early primary care pilot program shall be allocated to the Michigan Health Council to partner with the department in the administration of the early primary care pilot program.

(4) Use of funds for administration of the early primary care pilot program is limited to no more than 10% of the total of all sources of funding.

(5) The department shall prepare a report on the status of the early primary care pilot program that shall include, but is not limited to, the number of physicians placed, location of placement, type of employer, average student loan burden of the participating physicians, and average loan relief provided under the program. By April 1 of the current fiscal year, the department shall provide the report described in this subsection to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies and policy offices, and the state budget office.

(6) Unexpended and unencumbered funds up to a maximum of $1,000,000.00 general fund/general purpose revenue in part 1 for primary care services are designated as work project

appropriations, and any unencumbered or unalloted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for the early primary care pilot program under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to fund the cost of an early primary care program as provided by this section.

(b) The work project will be accomplished by administering the partnering of participating physicians with qualifying employers and coordinating the negotiation of medical school loan repayment assistance for the participating physician.

(c) The total estimated cost of the work project is $1,000,000.00 of general fund/general purpose revenue.

(d) The tentative completion date of the work project is September 30, 2022.

DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY

Sec. 1180. From the funds appropriated in part 1 for epidemiology administration and for childhood lead program, the department shall reestablish a public health drinking water unit and enhance current efforts to monitor child blood lead levels. The public health drinking water unit shall ensure that appropriate investigations of potential health hazards occur for all community and noncommunity drinking water supplies where chemical exceedances of action levels, health advisory levels, or maximum contaminant limits are identified. With the fiscal year 2017-2018 increase in

funding, the childhood lead program shall improve the timeliness and quality of care provided to children with lead exposure, to achieve a long-term reduction in the percentage of children in this state with elevated blood lead levels.

Sec. 1181. From the funds appropriated in part 1 for epidemiology administration, the department shall establish and maintain a vapor intrusion response unit. The vapor intrusion response unit shall assess risks to public health at vapor intrusion sites and respond to vapor intrusion risks where appropriate. The goals of the vapor intrusion response unit shall include reducing the number of residents of this state exposed to toxic substances through vapor intrusion and improving health outcomes for individuals that are identified as having been exposed to vapor intrusion.

Sec. 1182. (1) From the funds appropriated in part 1 for the healthy homes program, no less than $1,750,000.00 of general fund/general purpose funds and $25,230,000.00 of federal funds shall be allocated for lead abatement of homes.

(2) By January 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on the expenditures and activities undertaken by the lead abatement program in the previous fiscal year from the funds appropriated in part 1 for the healthy homes program. The report shall include, but is not limited to, a funding allocation schedule, expenditures by category of expenditure and by subcontractor, revenues received, description of

program elements, and description of program accomplishments and progress.

LOCAL HEALTH AND ADMINISTRATIVE SERVICES

Sec. 1220. The amount appropriated in part 1 for implementation of the 1993 additions of or amendments to sections 9161, 16221, 16226, 17014, 17015, and 17515 of the public health code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014, 333.17015, and 333.17515, shall be used to reimburse local health departments for costs incurred related to implementation of section 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

Sec. 1221. If a county that has participated in a district health department or an associated arrangement with other local health departments takes action to cease to participate in such an arrangement after October 1 of the current fiscal year, the department shall have the authority to assess a penalty from the local health department's operational accounts in an amount equal to no more than 6.25% of the local health department's essential local public health services funding. This penalty shall only be assessed to the local county that requests the dissolution of the health department.

Sec. 1222. (1) Funds appropriated in part 1 for essential local public health services shall be prospectively allocated to local health departments to support immunizations, infectious disease control, sexually transmitted disease control and prevention, hearing screening, vision services, food protection, public water supply, private groundwater supply, and on-site sewage

management. Food protection shall be provided in consultation with the department of agriculture and rural development. Public water supply, private groundwater supply, and on-site sewage management shall be provided in consultation with the department of environmental quality.

(2) Local public health departments shall be held to contractual standards for the services in subsection (1).

(3) Distributions in subsection (1) shall be made only to counties that maintain local spending in the current fiscal year of at least the amount expended in fiscal year 1992-1993 for the services described in subsection (1).

(4) By December 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget director on the planned allocation of the funds appropriated for essential local public health services.

Sec. 1223. (1) From the funds appropriated in part 1 for dental programs, $150,000.00 shall be allocated to the Michigan Dental Association for the administration of a volunteer dental program that provides dental services to the uninsured.

(2) Not later than December 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on health policy, the senate and house fiscal agencies, and the state budget office the number of individual patients treated, number of procedures performed, and approximate

total market value of those procedures from the immediately preceding fiscal year.

Sec. 1224. The department shall use revenue from mobile dentistry facility permit fees received under section 21605 of the public health code, 1978 PA 368, MCL 333.21605, to offset the cost of the permit program.

Sec. 1226. From the funds appropriated in part 1 for health and wellness initiatives, $1,000,000.00 shall be allocated for a school children's healthy exercise program to promote and advance physical health for school children in kindergarten through grade 8. The department shall recommend model programs for sites to implement that incorporate evidence-based best practices. The department shall grant no less than 1/2 of the funds appropriated in part 1 for before- and after-school programs. The department shall establish guidelines for program sites, which may include schools, community-based organizations, private facilities, recreation centers, or other similar sites. The program format shall encourage local determination of site activities and shall encourage local inclusion of youth in the decision-making regarding site activities. Program goals shall include children experiencing improved physical health and access to physical activity opportunities, the reduction of obesity, providing a safe place to play and exercise, and nutrition education. To be eligible to participate, program sites shall provide a 20% match to the state funding, which may be provided in full, or in part, by a corporation, foundation, or private partner. The department shall seek financial support from corporate, foundation, or other private

partners for the program or for individual program sites.

Sec. 1227. The department shall establish criteria for all funds allocated under part 1 for health and wellness initiatives. The criteria must include a requirement that all programs funded be evidence-based and supported by research, include interventions that have been shown to demonstrate outcomes that lower cost and improve quality, and be designed for statewide impact. Preference must be given to programs that utilize the funding as match for additional resources including, but not limited to, federal sources.

Sec. 1228. From the funds appropriated in part 1 for injury control intervention project, $1,000,000.00 shall be allocated for implementation of evidence-based, real-time, quality assurance decision support software in the treatment of pediatric traumatic brain injury and for protocols that are to be available to all hospitals providing those trauma services. The funds shall be used to purchase statewide licenses for pediatric traumatic brain injury treatment software and related software services and to offset hospital software integration costs. The department shall seek federal matching funds that may be available for implementation of this section.

Sec. 1230. The department shall develop and implement a school-based pilot program for children up to grade 7 that may include, but is not limited to, oral health assessments, primary dental services, and referrals. The department shall consult with the department of education in the development of the school-based pilot program, and seek partnerships with local entities, and

dental and philanthropic organizations to carry out the program. The school-based pilot program shall track the number of children offered and receiving services at the school sites. Program goals shall include improving oral and physical health outcomes for children, improving rates of children receiving dental sealants, and reduction of rates of childhood tooth decay.

FAMILY, MATERNAL, AND CHILD HEALTH

Sec. 1301. (1) Before April 1 of the current fiscal year, the department shall submit a report to the house and senate fiscal agencies and the state budget director on planned allocations from the amounts appropriated in part 1 for local MCH services, prenatal care outreach and service delivery support, family planning local agreements, and pregnancy prevention programs. Using applicable federal definitions, the report shall include information on all of the following:

(a) Funding allocations.

(b) Actual number of women, children, and adolescents served and amounts expended for each group for the immediately preceding fiscal year.

(c) A breakdown of the expenditure of these funds between urban and rural communities.

(2) The department shall ensure that the distribution of funds through the programs described in subsection (1) takes into account the needs of rural communities.

(3) For the purposes of this section, "rural" means a county, city, village, or township with a population of 30,000 or less,

including those entities if located within a metropolitan statistical area.

Sec. 1302. Each family planning program receiving federal title X family planning funds under 42 USC 300 to 300a-8 shall be in compliance with all performance and quality assurance indicators that the office of population affairs within the United States Department of Health and Human Services specifies in the program guidelines for project grants for family planning services. An agency not in compliance with the indicators shall not receive supplemental or reallocated funds.

Sec. 1303. The department shall not contract with an organization that provides elective abortions, abortion counseling, or abortion referrals, for services that are to be funded with state restricted or state general fund/general purpose funds appropriated in part 1 for family planning local agreements. An organization under contract with the department shall not subcontract with an organization that provides elective abortions, abortion counseling, or abortion referrals, for services that are to be funded with state restricted or state general fund/general purpose funds appropriated in part 1 for family planning local agreements.

Sec. 1304. The department shall not use state restricted funds or state general funds appropriated in part 1 in the pregnancy prevention program or family planning local agreements appropriation line items for abortion counseling, referrals, or services.

Sec. 1307. From the funds appropriated in part 1 for prenatal

care outreach and service delivery support, $400,000.00 of TANF revenue shall be allocated for a pregnancy and parenting support services program, which program must promote childbirth, alternatives to abortion, and grief counseling. The department shall establish a program with a qualified contractor that will contract with qualified service providers to provide free counseling, support, and referral services to eligible women during pregnancy through 12 months after birth. As appropriate, the goals for client outcomes shall include an increase in client support, an increase in childbirth choice, an increase in adoption knowledge, an improvement in parenting skills, and improved reproductive health through abstinence education. The contractor of the program shall provide for program training, client educational material, program marketing, and annual service provider site monitoring. The department shall submit a report to the house and senate appropriations subcommittees on the department budget and the house and senate fiscal agencies by April 1 of the current fiscal year on the number of clients served.

Sec. 1308. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, not less than $500,000.00 of funding shall be allocated for evidence-based programs to reduce infant mortality including nurse family partnership programs. The funds shall be used for enhanced support and education to nursing teams or other teams of qualified health professionals, client recruitment in areas designated as underserved for obstetrical and gynecological services and other high-need communities, strategic planning to expand and sustain

programs, and marketing and communications of programs to raise awareness, engage stakeholders, and recruit nurses.

Sec. 1309. The department shall allocate funds appropriated in section 117 of part 1 for family, maternal, and child health according to section 1 of 2002 PA 360, MCL 333.1091.

Sec. 1310. The department shall continue to work jointly with the Michigan state housing development authority and the joint task force established under article IV of 2014 PA 252 to review housing rehabilitation, energy and weatherization, and hazard abatement program policies and to make recommendations for integrating and coordinating project delivery with the goals of serving more families and achieving better outcomes by maximizing state and federal resources. The joint task force may provide recommendations to the department. Recommendations of the joint task force must give consideration to best practices and cost effectiveness.

Sec. 1311. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, equal consideration shall be given to all eligible evidence-based providers in all regions in contracting for rural home visitation services.

Sec. 1313. (1) The department shall continue developing an outreach program on fetal alcohol syndrome services, targeting health promotion, prevention, and intervention as described in the Michigan fetal alcohol spectrum disorders 5-year plan 2015-2020.

(2) The department shall explore federal grant funding to address prevention services for fetal alcohol syndrome and reduce alcohol consumption among pregnant women.

Sec. 1314. The department shall enhance education and outreach

efforts that encourage women of childbearing age to seek confirmation at the earliest indication of possible pregnancy and initiate continuous and routine prenatal care upon confirmation of pregnancy. The department shall ensure that department programs, policies, and practices promote prenatal and obstetrical care by doing the following:

(a) Supporting access to care.

(b) Reducing and eliminating barriers to care.

(c) Supporting recommendations for best practices.

(d) Encouraging optimal prenatal habits such as prenatal medical visits, use of prenatal vitamins, and cessation of use of tobacco, alcohol, or drugs.

(e) Tracking of birth outcomes to study improvements in prevalence of fetal drug addiction, fetal alcohol syndrome, and other preventable neonatal disease.

(f) Tracking of maternal increase in healthy behaviors following childbirth.

CHILDREN'S SPECIAL HEALTH CARE SERVICES

Sec. 1360. The department may do 1 or more of the following:

(a) Provide special formula for eligible clients with specified metabolic and allergic disorders.

(b) Provide medical care and treatment to eligible patients with cystic fibrosis who are 21 years of age or older.

(c) Provide medical care and treatment to eligible patients with hereditary coagulation defects, commonly known as hemophilia, who are 21 years of age or older.

(d) Provide human growth hormone to eligible patients.

Sec. 1361. From the funds appropriated in part 1 for medical care and treatment, the department is authorized to spend those funds for the continued development and expansion of telemedicine capacity to allow families with children in the children's special health care services program to access specialty providers more readily and in a more timely manner.

AGING AND ADULT SERVICES AGENCY

Sec. 1402. The department may encourage the Food Bank Council of Michigan to collaborate directly with each area agency on aging and any other organizations that provide senior nutrition services to secure the food access of vulnerable seniors.

Sec. 1403. (1) By February 1 of the current fiscal year, the aging and adult services agency shall require each region to report to the aging and adult services agency and to the legislature home-delivered meals waiting lists based upon standard criteria. Determining criteria shall include all of the following:

(a) The recipient's degree of frailty.

(b) The recipient's inability to prepare his or her own meals safely.

(c) Whether the recipient has another care provider available.

(d) Any other qualifications normally necessary for the recipient to receive home-delivered meals.

(2) Data required in subsection (1) shall be recorded only for individuals who have applied for participation in the home-delivered meals program and who are initially determined as likely

to be eligible for home-delivered meals.

Sec. 1417. The department shall provide to the senate and house appropriations subcommittees on the department budget, senate and house fiscal agencies, and state budget director a report by March 30 of the current fiscal year that contains all of the following:

(a) The total allocation of state resources made to each area agency on aging by individual program and administration.

(b) Detail expenditure by each area agency on aging by individual program and administration including both state-funded resources and locally-funded resources.

Sec. 1421. From the funds appropriated in part 1 for community services, $1,100,000.00 shall be allocated to area agencies on aging for locally determined needs.

Sec. 1422. (1) From the funds appropriated in part 1 for aging and adult services administration, not less than $300,000.00 shall be allocated for the department to contract with the Prosecuting Attorneys Association of Michigan to provide the support and services necessary to increase the capability of the state's prosecutors, adult protective service system, and criminal justice system to effectively identify, investigate, and prosecute elder abuse and financial exploitation.

(2) By March 1 of the current fiscal year, the Prosecuting Attorneys Association of Michigan shall provide a report on the efficacy of the contract to the state budget office, the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy

offices.

Sec. 1424. From the funds appropriated in part 1 for community services, $100.00 is appropriated for Alzheimer's disease services and shall be remitted to the Alzheimer's Association-Michigan chapters for the purpose of continuation of a pilot project in Macomb, Monroe, and St. Joseph Counties. The fiduciary for the funds is the Alzheimer's Association-greater Michigan chapter. The Alzheimer's Association shall provide enhanced services, including 24/7 helpline, continued care consultation, and support groups, to individuals with Alzheimer's disease or dementia and their families in the 3 counties, and partner with a Michigan public university to study whether provision of such in-home support services significantly delays the need for residential long-term care services for individuals with Alzheimer's disease or dementia. The study must also consider potential cost savings related to the delay of long-term care services, if a delay is shown.

Sec. 1425. The department shall coordinate with the department of licensing and regulatory affairs to ensure that, upon receipt of the order of suspension of a licensed adult foster care home, home for the aged, or nursing home, the department of licensing and regulatory affairs shall provide notice to the department, to the house and senate appropriations subcommittees on the department budget, and to the members of the house and senate that represent the legislative districts of the county in which the facility lies.

MEDICAL SERVICES ADMINISTRATION

Sec. 1501. The unexpended funds appropriated in part 1 for the

electronic health records incentive program are considered work project appropriations, and any unencumbered or unallotted funds are carried forward into the following 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 project to be carried forward is to implement the Medicaid electronic health record program that provides financial incentive payments to Medicaid health care providers to encourage the adoption and meaningful use of electronic health records to improve quality, increase efficiency, and promote safety.

(b) The projects will be accomplished according to the approved federal advanced planning document.

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

(d) The tentative completion date for the work project is September 30, 2021.

Sec. 1502. The department shall spend available work project revenue and any associated federal match to create and develop a transparency database website. This funding is contingent upon enactment of enabling legislation.

Sec. 1503. From the funds appropriated in part 1 for Healthy Michigan plan administration, the department shall maintain an accounting structure within the statewide integrated governmental management applications that will allow expenditures associated with the administration of the Healthy Michigan plan to be identified.

Sec. 1505. By March 1 and September 1 of the current fiscal year, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office including both of the following:

(a) The department's projected annual increase in reimbursement savings and cost offsets that will result from the funds appropriated in part 1 for the office of inspector general and third party liability efforts.

(b) The actual increase in reimbursement savings and cost offsets that have resulted from the funds appropriated in part 1 for the office of inspector general and third party liability efforts.

Sec. 1506. The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a quarterly report on the implementation status of the public assistance call center that includes all of the following information:

(a) Call volume during the prior quarter.

(b) Percentage of calls resolved through the public assistance call center.

(c) Percentage of calls transferred to a local department office or other office for resolution.

(d) Number of Medicaid applications completed by the public assistance call center staff and submitted on behalf of clients.

Sec. 1507. (1) From the funds appropriated in part 1 for

technology supporting integrated service delivery, the department shall establish new information technology tools and enhance existing systems to improve the eligibility and enrollment process for citizens accessing department administered programs. This information technology system will consolidate beneficiary information, support department caseworker efforts in building a success plan for beneficiaries, and better support department staff in supporting enrollees in assistance programs.

(2) Outcomes and performance measures for the initiative under subsection (1) include, but are not limited to, the following:

(a) Successful consolidation of data warehouses maintained by the department.

(b) The amount of time a department caseworker devotes to data entry when initiating an enrollee application.

(c) A reduction in wait times for persons enrolled in assistance programs to speak with department staff and get necessary changes made.

(d) A reduction in department caseworker workload.

MEDICAL SERVICES

Sec. 1601. The cost of remedial services incurred by residents of licensed adult foster care homes and licensed homes for the aged shall be used in determining financial eligibility for the medically needy. Remedial services include basic self-care and rehabilitation training for a resident.

Sec. 1603. (1) The department may establish a program for individuals to purchase medical coverage at a rate determined by

the department.

(2) The department may receive and expend premiums for the buy-in of medical coverage in addition to the amounts appropriated in part 1.

(3) The premiums described in this section shall be classified as private funds.

Sec. 1605. The protected income level for Medicaid coverage determined pursuant to section 106(1)(b)(*iii*) of the social welfare act, 1939 PA 280, MCL 400.106, shall be 100% of the related public assistance standard.

Sec. 1606. For the purpose of guardian and conservator charges, the department may deduct up to $83.01 per month as an allowable expense against a recipient's income when determining medical services eligibility and patient pay amounts.

Sec. 1607. (1) An applicant for Medicaid, whose qualifying condition is pregnancy, shall immediately be presumed to be eligible for Medicaid coverage unless the preponderance of evidence in her application indicates otherwise. The applicant who is qualified as described in this subsection shall be allowed to select or remain with the Medicaid participating obstetrician of her choice.

(2) An applicant qualified as described in subsection (1) shall be given a letter of authorization to receive Medicaid covered services related to her pregnancy. All qualifying applicants shall be entitled to receive all medically necessary obstetrical and prenatal care without preauthorization from a health plan. All claims submitted for payment for obstetrical and

prenatal care shall be paid at the Medicaid fee-for-service rate in the event a contract does not exist between the Medicaid participating obstetrical or prenatal care provider and the managed care plan. The applicant shall receive a listing of Medicaid physicians and managed care plans in the immediate vicinity of the applicant's residence.

(3) In the event that an applicant, presumed to be eligible pursuant to subsection (1), is subsequently found to be ineligible, a Medicaid physician or managed care plan that has been providing pregnancy services to an applicant under this section is entitled to reimbursement for those services until such time as they are notified by the department that the applicant was found to be ineligible for Medicaid.

(4) If the preponderance of evidence in an application indicates that the applicant is not eligible for Medicaid, the department shall refer that applicant to the nearest public health clinic or similar entity as a potential source for receiving pregnancy-related services.

(5) The department shall develop an enrollment process for pregnant women covered under this section that facilitates the selection of a managed care plan at the time of application.

(6) The department shall mandate enrollment of women, whose qualifying condition is pregnancy, into Medicaid managed care plans.

(7) The department shall encourage physicians to provide women, whose qualifying condition for Medicaid is pregnancy, with a referral to a Medicaid participating dentist at the first

pregnancy-related appointment.

Sec. 1611. (1) For care provided to medical services recipients with other third-party sources of payment, medical services reimbursement shall not exceed, in combination with such other resources, including Medicare, those amounts established for medical services-only patients. The medical services payment rate shall be accepted as payment in full. Other than an approved medical services co-payment, no portion of a provider's charge shall be billed to the recipient or any person acting on behalf of the recipient. Nothing in this section shall be considered to affect the level of payment from a third-party source other than the medical services program. The department shall require a nonenrolled provider to accept medical services payments as payment in full.

(2) Notwithstanding subsection (1), medical services reimbursement for hospital services provided to dual Medicare/medical services recipients with Medicare part B coverage only shall equal, when combined with payments for Medicare and other third-party resources, if any, those amounts established for medical services-only patients, including capital payments.

Sec. 1620. (1) According to the federal covered outpatient drug final rule with comment (CMS-2345-FC), the department shall establish a professional pharmaceutical dispensing fee for pharmacy benefits that are reimbursed on a fee-for-service basis. In establishing this fee, the department shall comply with federal law while taking into consideration the state's long-term financial exposure and Medicaid beneficiaries' access to care. The

established fee shall not be lower than the amount in effect on October 1, 2015.

(2) The department shall require a prescription co-payment for Medicaid recipients not enrolled in the Healthy Michigan plan or with an income less than 100% of the federal poverty level of $1.00 for a generic drug and $3.00 for a brand-name drug, except as prohibited by federal or state law or regulation.

(3) The department shall require a prescription co-payment for Medicaid recipients enrolled in the Healthy Michigan plan with an income of at least 100% of the federal poverty level of $4.00 for a generic drug and $8.00 for a brand-name drug, except as prohibited by federal or state law or regulation.

Sec. 1621. The department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on strategies the department is using to minimize the state cost of specialty drugs. Also, the department may take additional measures in order to further reduce state costs, while also ensuring that appropriate clinical care is being utilized. The report shall also include information on savings generated as a result of these additional measures that may include additional cost sharing, step therapy, and prior authorization.

Sec. 1629. The department shall utilize maximum allowable cost pricing for generic drugs that is based on wholesaler pricing to providers that is available from at least 2 wholesalers who deliver in this state.

Sec. 1631. (1) The department shall require co-payments on

dental, podiatric, and vision services provided to Medicaid recipients, except as prohibited by federal or state law or regulation.

(2) Except as otherwise prohibited by federal or state law or regulation, the department shall require Medicaid recipients not enrolled in the Healthy Michigan plan or with an income less than 100% of the federal poverty level to pay not less than the following co-payments:

(a) Two dollars for a physician office visit.

(b) Three dollars for a hospital emergency room visit.

(c) Fifty dollars for the first day of an inpatient hospital stay.

(d) One dollar for an outpatient hospital visit.

(3) Except as otherwise prohibited by federal or state law or regulation, the department shall require Medicaid recipients enrolled in the Healthy Michigan plan with an income of at least 100% of the federal poverty level to pay the following co-payments:

(a) Four dollars for a physician office visit.

(b) Eight dollars for a hospital emergency room visit.

(c) One hundred dollars for the first day of an inpatient hospital stay.

(d) Four dollars for an outpatient hospital visit or any other medical provider visit to the extent allowed by federal or state law or regulation.

Sec. 1641. An institutional provider that is required to submit a cost report under the medical services program shall submit cost reports completed in full within 5 months after the end

of its fiscal year.

Sec. 1645. The department shall consider using the most recent 3 years of actual days of care provided, as reported in the annual cost reports, for the purpose of establishing the nursing facility quality assurance assessment fee. For any year in which the estimated days of care compared to the actual days of care provided by each nursing home and hospital long-term care unit creates an aggregate overpayment of $1,000,000.00 or more as a result of the nursing facility quality assurance assessment fee, the department shall report the excess assessed amount to the senate and house appropriation subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office. By April 1 of the current fiscal year, the department shall report on feasibility of creating a more accurate formula for next year's assessment and a recommendation if a refund can or cannot be made to the senate and house appropriation subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office.

Sec. 1646. From the funds appropriated in part 1 for long-term care services, the department shall implement a nursing facility quality initiative. The initiative shall be financed through an increase of the nursing facility quality assurance assessment, and shall provide quality incentive payments intended to reward and support improvement in outcomes for nursing facility patients and residents.

Sec. 1657. (1) Reimbursement for medical services to screen and stabilize a Medicaid recipient, including stabilization of a

psychiatric crisis, in a hospital emergency room shall not be made contingent on obtaining prior authorization from the recipient's HMO. If the recipient is discharged from the emergency room, the hospital shall notify the recipient's HMO within 24 hours of the diagnosis and treatment received.

(2) If the treating hospital determines that the recipient will require further medical service or hospitalization beyond the point of stabilization, that hospital shall receive authorization from the recipient's HMO prior to admitting the recipient.

(3) Subsections (1) and (2) do not require an alteration to an existing agreement between an HMO and its contracting hospitals and do not require an HMO to reimburse for services that are not considered to be medically necessary.

Sec. 1659. The following sections of this part are the only ones that shall apply to the following Medicaid managed care programs, including the comprehensive plan, MIChoice long-term care plan, and the mental health, substance use disorder, and developmentally disabled services program: 904, 911, 918, 920, 928, 942, 994, 1008, 1009, 1607, 1657, 1662, 1699, 1700, 1702, 1764, 1809, 1810, 1850, 1875, 1882, and 1888.

Sec. 1662. (1) The department shall ensure that an external quality review of each contracting HMO is performed that results in an analysis and evaluation of aggregated information on quality, timeliness, and access to health care services that the HMO or its contractors furnish to Medicaid beneficiaries.

(2) The department shall require Medicaid HMOs to provide EPSDT utilization data through the encounter data system, and HEDIS

well child health measures in accordance with the National Committee for Quality Assurance prescribed methodology.

(3) The department shall provide a copy of the analysis of the Medicaid HMO annual audited HEDIS reports and the annual external quality review report to the senate and house of representatives appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget director, within 30 days of the department's receipt of the final reports from the contractors.

Sec. 1670. (1) The appropriation in part 1 for the MIChild program is to be used to provide comprehensive health care to all children under age 19 who reside in families with income at or below 212% of the federal poverty level, who are uninsured and have not had coverage by other comprehensive health insurance within 6 months of making application for MIChild benefits, and who are residents of this state. The department shall develop detailed eligibility criteria through the medical services administration public concurrence process, consistent with the provisions of this part and part 1.

(2) The department may provide up to 1 year of continuous eligibility to children eligible for the MIChild program unless the family fails to pay the monthly premium, a child reaches age 19, or the status of the children's family changes and its members no longer meet the eligibility criteria as specified in the state plan.

(3) The department may make payments on behalf of children enrolled in the MIChild program as described in the MIChild state

plan approved by the United States Department of Health and Human Services, or from other medical services.

Sec. 1673. The department may establish premiums for MIChild eligible individuals in families with income at or below 212% of the federal poverty level. The monthly premiums shall be $10.00 per month.

Sec. 1677. The MIChild program shall provide, at a minimum, all benefits available under the Michigan benchmark plan that are delivered through contracted providers and consistent with federal law, including, but not limited to, the following medically necessary services:

(a) Inpatient mental health services, other than substance use disorder treatment services, including services furnished in a state-operated mental hospital and residential or other 24-hour therapeutically planned structured services.

(b) Outpatient mental health services, other than substance use disorder services, including services furnished in a state-operated mental hospital and community-based services.

(c) Durable medical equipment and prosthetic and orthotic devices.

(d) Dental services as outlined in the approved MIChild state plan.

(e) Substance use disorder treatment services that may include inpatient, outpatient, and residential substance use disorder treatment services.

(f) Care management services for mental health diagnoses.

(g) Physical therapy, occupational therapy, and services for

individuals with speech, hearing, and language disorders.

(h) Emergency ambulance services.

Sec. 1682. (1) In addition to the appropriations in part 1, the department is authorized to receive and spend penalty money received as the result of noncompliance with medical services certification regulations. Penalty money, characterized as private funds, received by the department shall increase authorizations and allotments in the long-term care accounts.

(2) Any unexpended penalty money, at the end of the year, shall carry forward to the following year.

Sec. 1692. (1) The department is authorized to pursue reimbursement for eligible services provided in Michigan schools from the federal Medicaid program. The department and the state budget director are authorized to negotiate and enter into agreements, together with the department of education, with local and intermediate school districts regarding the sharing of federal Medicaid services funds received for these services. The department is authorized to receive and disburse funds to participating school districts pursuant to such agreements and state and federal law.

(2) From the funds appropriated in part 1 for medical services school-based services payments, the department is authorized to do all of the following:

(a) Finance activities within the medical services administration related to this project.

(b) Reimburse participating school districts pursuant to the fund-sharing ratios negotiated in the state-local agreements authorized in subsection (1).

(c) Offset general fund costs associated with the medical services program.

Sec. 1693. The special Medicaid reimbursement appropriation in part 1 may be increased if the department submits a medical services state plan amendment pertaining to this line item at a level higher than the appropriation. The department is authorized to appropriately adjust financing sources in accordance with the increased appropriation.

Sec. 1694. From the funds appropriated in part 1 for special Medicaid reimbursement, $386,700.00 of general fund/general purpose revenue and any associated federal match shall be distributed for poison control services to an academic health care system that includes a children's hospital that has a high indigent care volume.

Sec. 1699. (1) The department may make separate payments in the amount of $45,000,000.00 directly to qualifying hospitals serving a disproportionate share of indigent patients and to hospitals providing GME training programs. If direct payment for GME and DSH is made to qualifying hospitals for services to Medicaid recipients, hospitals shall not include GME costs or DSH payments in their contracts with HMOs.

(2) The department shall allocate $40,500,000.00 in DSH funding using the distribution methodology used in fiscal year 2003-2004. This allocation is reduced from the previous fiscal year allocation in compliance with section 105d(8) of the social welfare act, 1939 PA 280, MCL 400.105d.

Sec. 1700. (1) By December 1 of the current fiscal year, the

department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on the distribution of funding provided, and the net benefit if the special hospital payment is not financed with general fund/general purpose revenue, to each eligible hospital during the previous fiscal year from the following special hospital payments:

(a) DSH, separated out by unique DSH pool.

(b) GME.

(c) Special rural hospital payments provided under section 1866.

(d) Lump-sum payments to rural hospitals for obstetrical care provided under section 1802.

(2) By May 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on the projected distribution of funding, and the projected net benefit if the special hospital payment is not financed with general fund/general purpose revenue, to each eligible hospital from the following special hospital payments:

(a) DSH, separated out by unique DSH pool.

(b) GME.

(c) Special rural hospital payments provided under section 1866.

(d) Lump-sum payments to rural hospitals for obstetrical care provided under section 1802.

Sec. 1702. From the funds appropriated in part 1, the

department shall maintain the 15% rate increase provided during the fiscal year ending September 30, 2017 for private duty nursing services for Medicaid beneficiaries under the age of 21. These additional funds must be used to attract and retain highly qualified registered nurses and licensed practical nurses to provide private duty nursing services so that medically frail children can be cared for in the most homelike setting possible.

Sec. 1724. The department shall allow licensed pharmacies to purchase injectable drugs for the treatment of respiratory syncytial virus for shipment to physicians' offices to be administered to specific patients. If the affected patients are Medicaid eligible, the department shall reimburse pharmacies for the dispensing of the injectable drugs and reimburse physicians for the administration of the injectable drugs.

Sec. 1730. The department shall continue to maintain enhanced assessment tools established in collaboration with the department of education that promote literacy development of pregnant women and new mothers in the maternal infant health program. When possible, the department shall include new fathers of the infants in the literacy promotion efforts that are included in the assessment tools and in the subsequent services provided. The assessment tools shall expand the assessment of maternal and parental literacy and provide support and referrals to resources to enable program participants to achieve an increase in literacy that may contribute to improvements in family health, economic, and life outcomes.

Sec. 1757. The department shall obtain proof from all Medicaid

recipients that they are legal United States citizens or otherwise legally residing in this country and that they are residents of this state before approving Medicaid eligibility.

Sec. 1764. The department shall annually certify whether rates paid to Medicaid health plans and specialty PIHPs are actuarially sound in accordance with federal requirements and shall provide a copy of the rate certification and approval of rates paid to Medicaid health plans and specialty PIHPs within 5 business days after certification or approval to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office. When calculating the annual actuarial soundness adjustment, the department shall take into account all Medicaid policy bulletins affecting Medicaid health plans or specialty PIHPs issued after the most recent actuarial soundness process concluded.

Sec. 1775. (1) By March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on progress in implementing the waiver to implement managed care for individuals who are eligible for both Medicare and Medicaid, known as MI Health Link, including, but not limited to, a description of how the department intends to ensure that service delivery is integrated, how key components of the proposal are implemented effectively, and any problems and potential solutions as identified by the ombudsman described in subsection (2).

(2) The department shall ensure the existence of an ombudsman

program that is not associated with any project service manager or provider to assist MI Health Link beneficiaries with navigating complaint and dispute resolution mechanisms and to identify problems in the demonstrations and in the complaint and dispute resolution mechanisms.

Sec. 1790. Any restricted funds provided for ambulance provider reimbursements must come from an ambulance provider quality assurance assessment with a base narrowly tailored to ambulance services that does not include other municipal services.

Sec. 1791. From the funds appropriated in part 1 for physician services, the department shall increase Medicaid reimbursement rates for neonatal services.

Sec. 1800. For the distribution of each of the pools within the $85,000,000.00 outpatient disproportionate share hospital payment, the department shall maintain a formula for the distribution of each pool based on the quality of care, cost, traditional disproportionate share hospital factors such as Medicaid utilization and uncompensated care, and any other factor that the department determines should be considered.

Sec. 1801. (1) From the funds appropriated in part 1 for physician services and health plan services, the department shall continue the increase to Medicaid rates for primary care services provided only by primary care providers. For the purpose of this section, a primary care provider is a physician, or a practitioner working under the personal supervision of a physician, who is either licensed under part 170 or part 175 of the public health code, 1978 PA 368, MCL 333.17001 to 333.17084 and 333.17501 to

333.17556, and working as a primary care provider in general practice or board-eligible or certified with a specialty designation of family medicine, general internal medicine, or pediatric medicine, or a provider who provides the department with documentation of equivalency. Providers performing a service and whose primary practice is as a non-primary-care subspecialty is not eligible for the increase. The department shall establish policies that most effectively limit the increase to primary care providers for primary care services only.

(2) The department shall report by March 1 of the current fiscal year to the senate and house subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office the following:

(a) A list of medical specialties and licensed providers that were paid enhanced primary care rates in the fiscal year ending September 30, 2016.

(b) Information on the geographic distribution of specialists who received enhanced rates in the fiscal year ending September 30, 2016.

Sec. 1802. From the funds appropriated in part 1, a lump-sum payment shall be made to hospitals that qualified for rural hospital access payments in fiscal year 2013-2014 and that provide obstetrical care in the current fiscal year. The payment shall be calculated as $830.00 for each obstetrical care case payment and each newborn care case payment for all such cases billed by the qualified hospitals for fiscal year 2012-2013 and shall be paid through the Medicaid health plan hospital rate adjustment process

by January 1 of the current fiscal year.

Sec. 1804. The department, in cooperation with the department of military and veterans affairs, shall work with the federal public assistance reporting information system to identify Medicaid recipients who are veterans and who may be eligible for federal veterans health care benefits or other benefits.

Sec. 1805. Hospitals receiving medical services payments for graduate medical education shall submit fully completed quality data to a nonprofit organization with extensive experience in collecting and reporting hospital quality data on a public website. The reporting must utilize consensus-based nationally endorsed standards that meet National Quality Forum-endorsed safe practices. The organization collecting the data must be an organization that uses severity-adjusted risk models and measures that will help patients and payers identify hospital campuses likely to have superior outcomes. The public website shall provide information to allow consumers to compare safe practices by hospital campus, including, but not limited to, perinatal care, hospital-acquired infection, and serious reportable events. Hospitals receiving medical services payments for graduate medical education shall also make their fully completed quality data available on the hospital's website. The department shall withhold 25% of a hospital's graduate medical education payment if the hospital does not submit the data to a qualifying nonprofit organization described in this section by July 1 of the current fiscal year.

Sec. 1806. The department shall monitor the progress of implementing the Medicaid health plan common formulary. As part of

the monitoring process, by March 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on the following:

(a) The progress of implementing the Medicaid health plan common formulary.

(b) The participation by the Medicaid health plans in the Medicaid health plan common formulary.

(c) The timeliness of prior authorization approvals or disapprovals.

(d) Any areas of inconsistency across the Medicaid health plans' implementation of the Medicaid health plan common formulary.

Sec. 1809. The department shall establish separate contract performance standards for Medicaid health plans that adhere to the requirements of section 105d of the social welfare act, 1939 PA 280, MCL 400.105d, associated with the 0.75% and 0.25% capitation withhold. The determination of the performance of the 0.75% capitation withhold is at the discretion of the department but must include recognized concepts such as 1-year continuous enrollment and the HEDIS audited data. The determination of the performance of the 0.25% capitation withhold is at the discretion of the department but must include the utilization of high-value services and discouraging the utilization of low-value services.

Sec. 1810. The department shall enhance encounter data reporting processes and develop rules that would make each health plan's encounter data as complete as possible, provide a fair

measure of acuity for each health plan's enrolled population for risk adjustment purposes, capitation rate setting, diagnosis-related group rate setting, and research and analysis of program efficiencies while minimizing health plan administrative expense.

Sec. 1812. By June 1 of the current fiscal year, and using the most recent available cost reports, the department shall complete a report of all direct and indirect costs associated with residency training programs for each hospital that receives funds appropriated in part 1 for graduate medical education. The report shall be submitted to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office.

Sec. 1837. The department shall continue, and expand where appropriate, utilization of telemedicine and telepsychiatry as strategies to increase access to services for Medicaid recipients in medically underserved areas.

Sec. 1846. From the funds appropriated in part 1 for graduate medical education, the department shall distribute the funds with an emphasis on the following health care workforce goals:

(a) The encouragement of the training of physicians in specialties, including primary care, that are necessary to meet the future needs of residents of this state.

(b) The training of physicians in settings that include ambulatory sites and rural locations.

Sec. 1850. The department may allow Medicaid health plans to assist with the redetermination process through outreach activities to ensure continuation of Medicaid eligibility and enrollment in

managed care. This may include mailings, telephone contact, or face-to-face contact with beneficiaries enrolled in the individual Medicaid health plan. Health plans may offer assistance in completing paperwork for beneficiaries enrolled in their plan.

Sec. 1861. From the funds appropriated in part 1 for transportation, the department shall increase the number of counties in which a local public transportation entity is the primary administrator of the Medicaid nonemergency transportation benefit. The purpose of this expansion is to improve Medicaid beneficiary access to care, reduce the number of missed physician appointments by Medicaid beneficiaries, and reduce time spent by caseworkers facilitating nonemergency transportation for Medicaid beneficiaries. Performance goals include an increase in utilization of local public transportation, a reduction in the rate of trips reported as missed to no more than 0.5%, and the successful collection of data on program utilization, access, and beneficiary satisfaction.

Sec. 1862. From the funds appropriated in part 1, the department shall maintain payment rates for Medicaid obstetrical services at 95% of Medicare levels effective October 1, 2014.

Sec. 1866. (1) From the funds appropriated in part 1 for hospital services and therapy and health plan services, $12,000,000.00 in general fund/general purpose revenue and any associated federal match shall be awarded to hospitals that meet criteria established by the department for services to low-income rural residents. One of the reimbursement components of the distribution formula shall be assistance with labor and delivery

services.

(2) No hospital or hospital system shall receive more than 10.0% of the total funding referenced in subsection (1).

(3) To allow hospitals to understand their rural payment amounts under this section, the department shall provide hospitals with the methodology for distribution under this section and provide each hospital with its applicable data that are used to determine the payment amounts by August 1 of the current fiscal year. The department shall publish the distribution of payments for the current fiscal year and the immediately preceding fiscal year.

Sec. 1867. (1) The department shall convene a workgroup that includes psychiatrists, other relevant prescribers, and pharmacists to identify best practices and to develop a protocol for psychotropic medications. Any changes proposed by the workgroup shall protect a Medicaid beneficiary's current psychotropic pharmaceutical treatment regimen by not requiring a physician currently prescribing any treatment to alter or adjust that treatment.

(2) By March 1 of the current fiscal year, the department shall provide the workgroup's recommendations to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office.

Sec. 1873. From the funds appropriated in part 1 for long-term care services, the department may allocate up to $3,700,000.00 for the purpose of outreach and education to nursing home residents and the coordination of housing in order to move out of the facility. In addition, any funds appropriated shall be used for other quality

improvement activities of the program. The department shall consider working with the Area Agencies on Aging Association of Michigan, the non-Area Agencies on Aging waivers, and the Disability Network/Michigan to develop a plan for the ongoing sustainability of the nursing facility transition initiative.

Sec. 1874. (1) The department shall ensure, in counties where program of all-inclusive care for the elderly or PACE services are available, that the program of all-inclusive care for the elderly (PACE) is included as an option in all options counseling and enrollment brokering for aging services and managed care programs, including, but not limited to, Area Agencies on Aging, centers for independent living, and the MiChoice home and community-based waiver. Such options counseling must include approved marketing and discussion materials.

(2) The department shall establish a workgroup that consists of the independent waiver agents, the medical services administration, and PACE providers, to address PACE program issues as identified within the state contract with PACE providers. The workgroup shall, at a minimum, address the following concerns:

(a) Timely eligibility processing.

(b) Barriers to new enrollment.

(c) Future expansion criteria.

(3) The department shall report by February 1 of the current fiscal year to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on the findings of the workgroup.

Sec. 1875. (1) The department and its contractual agents may

not subject Medicaid prescriptions to prior authorization procedures during the current fiscal year if that drug is carved out or is not subject to prior authorization procedures as of May 9, 2016, and is generally recognized in a standard medical reference or the American Psychiatric Association's Diagnostic and Statistical Manual for the Treatment of a Psychiatric Disorder.

(2) The department and its contractual agents may not subject Medicaid prescriptions to prior authorization procedures during the current fiscal year if that drug is carved out or is not subject to prior authorization procedures as of May 9, 2016 and is a prescription drug that is generally recognized in a standard medical reference for the treatment of epilepsy or seizure disorder or organ replacement therapy.

(3) As used in this section, "prior authorization" means a process implemented by the department or its contractual agents that conditions, delays, or denies delivery or particular pharmacy services to Medicaid beneficiaries upon application of predetermined criteria by the department or its contractual agents to those pharmacy services. The process of prior authorization often requires that a prescriber do 1 or both of the following:

(a) Obtain preapproval from the department or its contractual agents before prescribing a given drug.

(b) Verify to the department or its contractual agents that the use of a drug prescribed for an individual meets predetermined criteria from the department or its contractual agents for a prescription drug that is otherwise available under the Medicaid program in this state.

Sec. 1877. By March 1 of the current fiscal year, the department shall evaluate and report to the house and senate appropriations subcommittees on the department budget on how the Healthy Michigan plan has contributed to assisting individuals in utilizing high-value services, minimized the use of low-value services, and how individuals' lives may be improving as a result of their access to services provided through the Healthy Michigan plan.

Sec. 1878. Not later than March 1 of the current fiscal year, the department shall provide a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on hepatitis C tracking data. At a minimum, the report shall include information on the following for individuals treated with Harvoni or any other treatment used to cure hepatitis C during the current fiscal year or a previous fiscal year:

(a) The total number of people treated broken down by those treated through traditional Medicaid and those treated through the Healthy Michigan plan.

(b) The total cost of treatment.

(c) The total cost of treatment broken down by those treated through traditional Medicaid and those treated through the Healthy Michigan plan.

(d) The cure rate broken down by Metavir Score, genotype, Medicaid match rate, and drug used during treatment.

(e) The reinfection rate broken down by Metavir Score,

genotype, Medicaid match rate, and drug used during treatment.

Sec. 1882. By December 31 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office, documentation of the expenses incurred during the immediate preceding fiscal year by Medicaid health plans and PIHPs for the purpose of meeting the contractual requirements to join the Michigan Health Information Network Shared Services and incentivizing providers to become members of the Health Information Exchange Qualified Organization. The report should also include an estimation of the expenses to be incurred in the current fiscal year by Medicaid health plans and PIHPs for the same purpose of meeting their contractual obligations.

Sec. 1888. The department shall establish contract performance standards associated with the capitation withhold provisions for Medicaid health plans in advance of the implementation of those standards. The determination of whether performance standards have been met shall be based primarily on recognized concepts such as 1-year continuous enrollment and the healthcare effectiveness data and information set, HEDIS, audited data.

Sec. 1890. From the funds appropriated in part 1 for pharmaceutical services, the department shall ensure Medicaid recipients' access to breast pumps to support and encourage breastfeeding. The department shall adjust Medicaid policy to, at a minimum, provide an individual double electric style pump to a breastfeeding mother when a physician prescribes such a device

based on diagnosis of mother or infant. If the distribution method for pumps or other equipment is a department contract with durable medical equipment providers, the department shall guarantee providers stock and rent to Medicaid recipients without delay or undue restriction.

Sec. 1894. (1) By July 1 of the current fiscal year, the department shall provide a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on outcomes and performance measures of the Healthy Kids Dental program.

(2) Outcomes and performance measures for the Healthy Kids Dental program include, but are not limited to, the following:

(a) The number of children enrolled in the Healthy Kids Dental program who visited the dentist during the previous fiscal year.

(b) The number of dentists who will accept payment from the Healthy Kids Dental program.

(c) The annual change in dental utilization of children enrolled in the Healthy Kids Dental program.

Sec. 1899. (1) The funds appropriated in part 1 for hospice services shall be expended to provide room and board for Medicaid beneficiaries who meet hospice eligibility requirements and receive services at Medicaid-enrolled hospice residences in this state. The qualifying hospice residences must have been licensed as a hospice residence as of October 1, 2014. These funds shall be distributed on a per-bed basis divided equally among the hospice residence beds that apply for the funds. These funds shall be paid on a lump-sum quarterly basis.

(2) The qualifying hospice residences that receive funds under this section shall provide a report to the department by September 15 of the current fiscal year that includes the number of individuals served, number of days served, and cost of serving those individuals.

(3) If the funds appropriated in this section do not cover the need, the qualifying hospice residences shall report to the department the number of individuals who did not receive care. If the funds appropriated in this section are more than the cost to cover the need, the qualifying hospice residences shall return the funds to the state.

INFORMATION TECHNOLOGY

Sec. 1901. (1) By December 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office all of the following information:

(a) The process used to define requests for proposals for each expansion of information technology projects, including timelines, project milestones, and intended outcomes.

(b) If the department decides not to contract the services out to design and implement each element of the information technology expansion, the department shall submit its own project plan, which includes, at a minimum, the requirements in subdivision (a).

(c) A recommended project management plan with milestones and time frames.

(d) The proposed benefits from implementing the information technology expansion, including customer service improvement, form reductions, potential time savings, caseload reduction, and return on investment.

(2) Once an award for an expansion of information technology is made, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a projected cost of the expansion broken down by use and type of expense.

Sec. 1902. From the funds appropriated in part 1 for the Michigan Medicaid information system (MMIS) line item, private revenue may be received from and allocated for other states interested in participating as part of the broader MMIS initiative. By March 1 of the current fiscal year, the department shall provide a report on the use of MMIS by other states for the previous fiscal year, including a list of states, type of use, and revenue and expenditures related to the agreements with the other states to use the MMIS. The report shall be provided to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office.

Sec. 1903. (1) The department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by November 1 of the current fiscal year an implementation plan regarding the appropriation in part 1 to implement the MiSACWIS. The plan shall include, but not

be limited to, efforts to bring the system in compliance with the settlement and other federal guidelines set forth by the United States Department of Health and Human Services Administration for Children and Families.

(2) The department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by November 1 of the current fiscal year a status report on the planning, implementation, and operation, regardless of the current operational status, regarding the appropriation in part 1 to implement the MiSACWIS. The report shall provide details on the planning, implementation, and operation of the system, including, but not limited to, all of the following:

(a) Areas where implementation went as planned.

(b) The number of known issues.

(c) The average number of help tickets submitted per day.

(d) Any additional overtime or other staffing costs to address known issues and volume of help tickets.

(e) Any contract revisions to address known issues and volume of help tickets.

(f) Other strategies undertaken to improve implementation.

(g) Progress developing cross-system trusted data exchange with MiSACWIS.

(h) Progress in moving away from a statewide/tribal automated child welfare information system (SACWIS/TACWIS) to a comprehensive child welfare information system (CCWIS).

(i) Progress developing and implementing a program to monitor

data quality.

(j) Progress developing and implementing custom integrated systems for private agencies and tribal governments.

ONE-TIME BASIS ONLY APPROPRIATIONS

Sec. 1905. 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) Nutrition assistance, nutritional and community education, food bank resources, and food inspections.

(b) Epidemiological analysis and case management of individuals at risk of elevated blood lead levels.

(c) Support for child and adolescent health centers, children's healthcare access program, and pathways to potential programming.

(d) Nursing services, breastfeeding education, evidence-based home visiting programs, intensive services, and outreach for children exposed to lead coordinated through local community mental health organizations.

(e) Department field operations costs.

(f) Lead poisoning surveillance, treatment, and lead abatement.

Sec. 1906. (1) From the funds appropriated in part 1 for university autism programs, the department shall continue a grant

process for autism programs. These grants are intended to increase the number of applied behavioral analysts, increase the number of autism diagnostic services provided, or increase employment of individuals who are diagnosed with autism spectrum disorder.

(2) As a condition of accepting the grants described in subsection (1), each university shall track and report back to the department where the individuals who have completed the applied behavioral analysis training are initially employed and the location of the initial employment.

(3) Outcomes and performance measures related to this initiative include, but are not limited to, the following:

(a) An increase in applied behavioral analysts certified from university autism programs.

(b) The number of autism diagnostic services provided.

(c) The employment rate of employment program participants.

(d) The employment rate of applied behavioral analysts trained through the university autism programs.

Sec. 1907. From the funds appropriated in part 1 for child lead poisoning elimination board, the department shall implement recommendations of the board offered in the board's report of November 2016. The recommendations implemented by the department under this section shall be based in science and best practices, and the department shall give priority to the implementation of the recommendations that are most in agreement with recommendations of nationally recognized organizations and authorities.

Sec. 1913. (1) The department shall apply to the Centers for Medicare and Medicaid Services for a waiver to allow the department

to contract directly with direct primary care providers for Medicaid services. After the department receives a response from the Centers for Medicare and Medicaid Services regarding the waiver, the department shall do 1 of the following:

(a) If the Centers for Medicare and Medicaid Services approves the waiver, from the funds appropriated in part 1 for direct primary care pilot program, the department shall expend $710,000.00 general fund/general purpose plus associated federal match for this program as part of a work project to fund the program for a 3-year period.

(b) If the Centers for Medicare and Medicaid Services does not approve the waiver, from the funds appropriated in part 1 for direct primary care pilot program, the department shall expend $2,016,000.00 general fund/general purpose to fund a direct primary care pilot program for a 1-year period.

(2) The department shall implement a direct primary care pilot program for Medicaid recipients in Wayne, Oakland, Kent, Genesee, and Livingston Counties that shall run from October 1, 2017 to September 30, 2018. The pilot program shall include 400 recipients from each of the following Medicaid eligibility categories:

(a) Childless adults.

(b) Children ages 0-6 years.

(c) Children ages 7-18 years.

(d) Parents.

(e) Elderly individuals.

(f) Disabled individuals.

(3) For the purposes of the pilot program, each recipient

shall be enrolled in a single, eligible direct primary care service provider plan. The department shall maintain and publicly share a list of eligible direct primary care service providers with potential pilot program enrollees.

(4) An eligible direct primary care service provider must meet the following requirements:

(a) The direct primary care service provider must be a licensed physician in a primary care specialty.

(b) The monthly direct primary care enrollment fee shall not exceed a weighted average of $70.00 per month across all eligibility categories. The average shall be weighted by the population makeup of the pilot program.

(c) The direct primary care service provider must not accept any third-party payments for health care services, other than retainer fees from the managed care provider with which they have contracted.

(d) The direct primary care service provider must only provide primary care services.

(e) The direct primary care service provider plan must include, but is not limited to, access to telemedicine, and same or next business day appointments.

(5) Managed care organizations contracted by the state to provide Medicaid services within the county where the pilot program enrollee lives shall authorize direct primary care service providers participating in the pilot program to serve as "gateway" service providers able to refer pilot program enrollees to nonprimary care services within the managed care organization's

provider network. The managed care provider is not liable for increased costs resulting from implementation of the pilot program.

(6) The department shall have access to the patient records of each enrollee in the pilot program for the sole purpose of aggregate data collection.

(7) On a quarterly basis, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the implementation of the direct primary care pilot program. The report shall include, but is not limited to, the following performance metrics:

(a) The number of enrollees in the pilot program by eligibility category.

(b) The per member per month rate paid in the current fiscal year per eligibility category.

(c) The number of claims paid in the current fiscal year per eligibility category.

(d) The number of claims per category weighted to reflect 400 enrollees.

(e) The dollar value of all claims per eligibility category.

(f) The per member per month actual cost, which is the direct primary care service provider plan costs and any managed care costs not covered through the direct primary care service provider plan, including managed care provider overhead costs.

(g) The average direct primary care cost per enrollee per eligibility category.

(h) The average number of actual claims per eligibility

category.

(i) The average actual dollar value of claims per eligibility category.

(j) The number of enrollees in the pilot program during the previous quarter who are no longer eligible for Medicaid in the current quarter, broken down by eligibility category.

(k) The category savings subtotal, which is the per member per month rate paid in the current fiscal year minus the per member per month actual cost, multiplied by the number of enrollees in the eligibility category.

(*l*) The total savings, which is the per member per month rate paid in the current fiscal year minus the per member per month actual cost, multiplied by the total number of enrollees in the pilot program.

(8) Unexpended and unencumbered funds up to a maximum of $2,016,000.00 general fund/general purpose revenue plus any associated federal match remaining in accounts appropriated in part 1 for direct primary care pilot program are designated as work project appropriations, and any unencumbered or unalloted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for the direct primary care pilot program for Medicaid recipients in Wayne, Oakland, Kent, Genesee, and Livingston Counties under this section until the work projects have been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the pilot program is to fund the cost of a

direct primary care pilot program as provided by this section.

(b) The project will be accomplished by contracting with a managed care organization under contract with the department to provide Medicaid services.

(c) The total estimated cost of the project is $2,016,000.00 of general fund/general purpose revenue plus any associated federal match.

(d) The tentative completion date is September 30, 2020.

(9) The department may take out a stop-loss policy to mitigate the potential cost impact if pilot program per member per month costs exceed per member per month costs for the program the enrollee would have been in had he or she not participated in the pilot program. The cost of the stop-loss policy shall not be used in the assessment of the success of the pilot program.

Sec. 1914. From the funds appropriated in part 1 for primary care and dental health services, $300,000.00 shall be allocated for primary care clinic and dental health clinic services for indigent individuals to be provided in clinic locations in the city of Detroit and Wayne County by a public nonprofit organization that is pursuing certification as a federally qualified health center and is expected to be certified within 2 years.

ARTICLE XI

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of insurance and financial services for the fiscal year ending September 30, 2018, from the following funds:

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	336.5	
GROSS APPROPRIATION		$ 66,741,400
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		707,600
ADJUSTED GROSS APPROPRIATION		$ 66,033,800
Federal revenues:		
Total federal revenues		2,014,700
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total state restricted revenues		63,869,100
State general fund/general purpose		$ 150,000

Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	22.5	
Unclassified salaries--6.0 FTE positions		$ 769,100
Administrative hearings		182,500
Department services--19.0 FTE positions		3,752,200
Executive director programs--3.5 FTE positions		1,066,400
Property management		1,244,200

Worker's compensation			4,700
GROSS APPROPRIATION		$	7,019,100
Appropriated from:			
Special revenue funds:			
Bank fees			615,100
Captive insurance regulatory and supervision fund			4,100
Consumer finance fees			271,400
Credit union fees			810,500
Deferred presentment service transaction fees			368,200
Insurance bureau fund			2,232,200
Insurance continuing education fees			69,600
Insurance licensing and regulation fees			1,860,300
MBLSLA fund			636,400
Multiple employer welfare arrangement			1,300
State general fund/general purpose		$	150,000

Sec. 103. INSURANCE AND FINANCIAL SERVICES REGULATION

Full-time equated classified positions	314.0		
Consumer services and protection--64.0 FTE positions		$	8,660,800
Financial institutions evaluation--132.0 FTE positions			24,354,400
Insurance evaluation--118.0 FTE positions			24,480,500
GROSS APPROPRIATION		$	57,495,700
Appropriated from:			
Interdepartmental grant revenues:			
IDG-LARA, for debt management			707,600
Federal revenues:			
Federal funds			2,014,700

	Special revenue funds:		
	Bank fees		6,059,600
	Captive insurance regulatory and supervision fund		285,100
	Consumer finance fees		3,073,200
	Credit union fees		8,023,300
	Deferred presentment service transaction fees		3,306,500
	Insurance bureau fund		21,242,800
	Insurance continuing education fees		998,900
	Insurance licensing and regulation fees		5,928,700
	MBLSLA fund		5,572,900
	Multiple employer welfare arrangement		282,400
	State general fund/general purpose	$	0
	Sec. 104. INFORMATION TECHNOLOGY		
	Information technology services and projects	$	2,226,600
	GROSS APPROPRIATION	$	2,226,600
	Appropriated from:		
	Special revenue funds:		
	Bank fees		197,900
	Consumer finance fees		90,100
	Credit union fees		261,800
	Deferred presentment service transaction fees		108,000
	Insurance bureau fund		634,200
	Insurance continuing education fees		22,500
	Insurance licensing and regulation fees		716,900
	MBLSLA fund		195,200
	State general fund/general purpose	$	0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2017-2018 is $64,019,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 is $0.

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

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

(a) "Department" means the department of insurance and financial services.

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

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

(d) "IDG" means interdepartmental grant.

(e) "LARA" means the department of licensing and regulatory affairs.

(f) "MBLSLA fund" means the restricted account established under section 8 of the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1658.

(g) "Subcommittees" means the subcommittees of the house of representatives and senate appropriations committees with jurisdiction over the budget for the department.

Sec. 204. The departments and agencies receiving

appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

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

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

Sec. 207. (1) Out-of-state travel shall be limited to situations where the travel is approved by a departmental employee's immediate supervisor and in which 1 or more of the following conditions apply:

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

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

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

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

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

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

(2) The department shall not approve the travel of more than 1 departmental employee to a specific professional development conference or training seminar that is located outside of this state unless a professional development conference or training seminar is funded by a federal or private funding source and requires more than 1 person from a department to attend, or the conference or training seminar includes multiple issues in which 1 employee from the department does not have expertise.

(3) Not later than January 1, the department shall prepare a travel report listing all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The department shall submit the report to the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state

budget director. The report shall include the following information:

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

(b) The destination of each travel occurrence.

(c) The dates of each travel occurrence.

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

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

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

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

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

shall be transmitted to the chairpersons of the senate and house of representatives appropriations standing committees and the senate and house fiscal agencies.

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

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

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

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house of representatives appropriations committee chairs, the subcommittee chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the immediately preceding and current fiscal years.

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

Sec. 214. Total authorized appropriations from all sources in part 1 for legacy costs for the fiscal year ending September 30, 2018 are estimated at $9,551,300.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $4,915,200.00. Total agency appropriations for retiree health care legacy costs are estimated at $4,636,100.00.

Sec. 215. Unless prohibited by law, the department may accept credit card or other electronic means of payment for licenses, fees, or permits.

Sec. 217. The department shall receive and retain copies of all reports funded from appropriations in part 1. The department shall follow federal and state guidelines for short-term and long-term retention of records. The department may electronically retain copies or reports unless otherwise required by federal and state

guidelines.

Sec. 218. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 219. The department shall not develop or produce any television or radio productions.

Sec. 220. The department, in conjunction with the department of health and human services, shall maintain an accounting structure within this state's accounting system that will allow expenditures associated with the administration of the Healthy Michigan plan to be identified.

Sec. 221. The amount appropriated from the general fund in part 1 for executive director programs may only be expended to comply with reporting requirements regarding the Healthy Michigan plan under section 105d(9) of the social welfare act, 1939 PA 280, MCL 400.105d.

INSURANCE AND FINANCIAL SERVICES REGULATION

Sec. 301. The department shall provide a report to the subcommittees, the senate and house fiscal agencies, and the state budget director by September 30 based on the annual rate filings from health insurance issuers that includes all of the following:

(a) The number that are approved by the department.

(b) The number that are denied by the department.

(c) The percentage of rate filings processed within the applicable statutory time frames.

(d) The average number of calendar days to process rate

filings.

Sec. 302. In addition to the funds appropriated in part 1, the funds collected by the department in connection with a conservatorship under section 32 of the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1682, and funds collected by the department from corporations being liquidated under the insurance code of 1956, 1956 PA 218, MCL 500.100 to 500.8302, shall be appropriated for all expenses necessary to provide for the required services. Funds are available for expenditure when they are received by the department of treasury and shall not lapse to the general fund at the end of the fiscal year.

Sec. 303. The department may make available to interested entities customized listings of nonconfidential information in its possession. The department may establish and collect a reasonable charge to provide this service. The revenue from this service is appropriated when received and shall be used to offset expenses to provide the service. Any balance of this revenue collected and unexpended at the end of the fiscal year shall lapse to the appropriate restricted fund.

ARTICLE XII

JUDICIARY

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the judiciary for the

fiscal year ending September 30, 2018, from the following funds:

JUDICIARY

APPROPRIATION SUMMARY

Full-time equated exempted positions	501.0	
GROSS APPROPRIATION	$	299,373,700
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		1,550,600
ADJUSTED GROSS APPROPRIATION	$	297,823,100
Federal revenues:		
Total federal revenues		6,464,100
Special revenue funds:		
Total local revenues		5,955,300
Total private revenues		969,600
Total other state restricted revenues		92,529,000
State general fund/general purpose	$	191,905,100

Sec. 102. SUPREME COURT

Full-time equated exempted positions	248.0	
Community dispute resolution--3.0 FTE positions	$	2,384,000
Direct trial court automation support--44.0 FTE positions		5,955,300
Drug treatment courts		11,833,000
Foster care review board--10.0 FTE positions		1,317,100
Judicial information systems--22.0 FTE positions		4,379,100
Judicial institute--13.0 FTE positions		1,819,400
Mental health courts and diversion services--1.0 FTE position		5,464,000

Next generation Michigan court system			4,116,000
Other federal grants			275,100
State court administrative office--63.0 FTE positions			12,612,100
Supreme court administration--92.0 FTE positions			13,765,800
Swift and sure sanctions program			3,500,000
Veterans courts			936,400
GROSS APPROPRIATION		$	68,357,300
Appropriated from:			
Interdepartmental grant revenues:			
IDG from department of corrections			50,600
IDG from department of state police			1,500,000
Federal revenues:			
DOJ, drug court training and evaluation			300,000
DOT, National Highway Traffic Safety Administration			2,214,400
HHS, access and visitation grant			622,900
HHS, children's justice grant			236,100
HHS, court improvement project			1,320,600
HHS, title IV-D child support program			1,031,800
HHS, title IV-E foster care program			395,900
Other federal grant revenues			275,100
Special revenue funds:			
Local - user fees			5,955,300
Private			193,400
Private - interest on lawyers trust accounts			266,100
Private - state justice institute			425,300
Community dispute resolution fund			2,384,000
Court of appeals filing/motion fees			1,641,800

Drug court fund			1,920,500
Justice system fund			581,000
Law exam fees			657,000
Miscellaneous revenue			275,700
State court fund			388,000
State general fund/general purpose		$	45,721,800

Sec. 103. COURT OF APPEALS

Full-time equated exempted positions 175.0

Court of appeals operations--175.0 FTE positions		$	23,446,900
GROSS APPROPRIATION		$	23,446,900
Appropriated from:			
State general fund/general purpose		$	23,446,900

Sec. 104. BRANCHWIDE APPROPRIATIONS

Full-time equated exempted positions 4.0

Branchwide appropriations--4.0 FTE positions		$	9,123,100
GROSS APPROPRIATION		$	9,123,100
Appropriated from:			
State general fund/general purpose		$	9,123,100

Sec. 105. JUSTICES' AND JUDGES' COMPENSATION

Full-time judges positions 588.0

Supreme court justices' salaries--7.0 justices		$	1,152,300
Circuit court judges' state base salaries--214.0 judges			21,364,800
Circuit court judicial salary standardization			9,785,000
Court of appeals judges' salaries--27.0 judges			4,252,700
District court judges' state base salaries--237.0 judges			23,254,600

District court judicial salary standardization			10,836,700
Probate court judges' state base salaries--103.0 judges.....			10,203,000
Probate court judicial salary standardization			4,669,600
Judges' retirement system defined contributions			4,761,200
OASI, social security			5,954,100
GROSS APPROPRIATION	$		96,234,000
Appropriated from:			
Special revenue funds:			
Court fee fund			2,702,100
State general fund/general purpose	$		93,531,900

Sec. 106. JUDICIAL AGENCIES

Full-time equated exempted positions 7.0			
Judicial tenure commission--7.0 FTE positions	$		1,149,700
GROSS APPROPRIATION	$		1,149,700
Appropriated from:			
State general fund/general purpose	$		1,149,700

Sec. 107. INDIGENT DEFENSE - CRIMINAL

Full-time equated exempted positions 51.0			
Appellate public defender program--51.0 FTE positions	$		7,795,000
GROSS APPROPRIATION	$		7,795,000
Appropriated from:			
Federal revenues:			
Other federal grant revenues			67,300
Special revenue funds:			
Private - interest on lawyers trust accounts			84,800
Miscellaneous revenue			136,900

State general fund/general purpose	.....	$	7,506,000
Sec. 108. INDIGENT CIVIL LEGAL ASSISTANCE			
Indigent civil legal assistance	.....	$	7,937,000
GROSS APPROPRIATION	.....	$	7,937,000
Appropriated from:			
Special revenue funds:			
State court fund	.....		7,937,000
State general fund/general purpose	.....	$	0
Sec. 109. TRIAL COURT OPERATIONS			
Full-time equated exempted positions	..... 5.0		
Court equity fund reimbursements	.....	$	60,815,700
Drug case-flow program	.....		250,000
Drunk driving case-flow program	.....		3,300,000
Judicial technology improvement fund	.....		4,815,000
Juror compensation reimbursement	.....		6,600,000
Statewide e-file system--5.0 FTE positions	.....		8,500,000
GROSS APPROPRIATION	.....	$	84,280,700
Appropriated from:			
Special revenue funds:			
Court equity fund	.....		50,440,000
Drug fund	.....		250,000
Drunk driving fund	.....		3,300,000
Electronic filing fee fund	.....		8,500,000
Judicial technology improvement fund	.....		4,815,000
Juror compensation fund	.....		6,600,000
State general fund/general purpose	.....	$	10,375,700
Sec. 110. ONE-TIME APPROPRIATIONS			

Full-time equated exempted positions	11.0	
Compliance with Montgomery v Louisiana--11.0 FTE positions	$	750,000
Pretrial risk assessment		300,000
GROSS APPROPRIATION	$	1,050,000
Appropriated from:		
State general fund/general purpose	$	1,050,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2017-2018 is $284,434,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 is $146,730,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

JUDICIARY

SUPREME COURT

State court administrative office	$	300,000
Drug treatment courts		11,833,000
Mental health courts and diversion services		5,331,400
Veterans courts		936,400
Swift and sure sanctions program		3,400,000

Next generation Michigan court system		4,116,000
TRIAL COURT OPERATIONS		
Court equity fund reimbursements	$	60,815,700
Judicial technology improvement fund		4,815,000
Drunk driving case-flow program		3,300,000
Drug case-flow program		250,000
Juror compensation reimbursement		6,600,000
Statewide e-file system		8,500,000
JUSTICES' AND JUDGES' COMPENSATION		
District court judicial salary standardization	$	10,836,700
Probate court judges' state base salaries		10,203,000
Probate court judicial salary standardization		4,669,600
Circuit court judicial salary standardization		9,785,000
Grant to OASI contribution fund, employer's share, social security.....		1,038,600
TOTAL	$	146,730,400

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

(2) Funds appropriated in part 1 to an entity within the judicial branch shall not be expended or transferred to another account without written approval of the authorized agent of the judicial entity. If the authorized agent of the judicial entity notifies the state budget director of its approval of an expenditure or transfer, the state budget director shall immediately make the expenditure or transfer. The authorized judicial entity agent shall be designated by the chief justice of

the supreme court.

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

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

(b) "DOT" means the United States Department of Transportation.

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

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

(e) "IDG" means interdepartmental grant.

(f) "OASI" means old age survivor's insurance.

(g) "SADO" means the state appellate defender office created under the appellate defender act, 1978 PA 620, MCL 780.711 to 780.719.

(h) "Title IV-D" means the part of the federal social security act, 42 USC 301 to 1397mm, pertaining to the child support enforcement program.

(i) "Title IV-E" means the part of the federal social security act, 42 USC 301 to 1397mm, pertaining to the foster care program.

Sec. 204. The reporting requirements of this part shall be completed with the approval of, and at the direction of, the supreme court, except as otherwise provided in this part. The judicial branch shall use the internet to fulfill the reporting requirements of this part. This may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

Sec. 205. Funds appropriated in part 1 shall not be used for

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

Sec. 207. Not later than January 1 of each year, the state court administrative office shall prepare a report on out-of-state travel listing all travel by judicial branch employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the budget for the judicial branch. The report shall be submitted to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

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

Sec. 209. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the

close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees and the senate and house fiscal agencies.

Sec. 211. From the funds appropriated in part 1, the judicial branch shall maintain a searchable website accessible by the public at no cost that includes all expenditures made by the judicial branch within a fiscal year. The posting shall include the purpose for which each expenditure is made. The judicial branch shall not provide financial information on its website under this section if doing so would violate a federal or state law, rule, regulation, or guideline that establishes privacy or security standards applicable to that financial information.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the judicial branch shall cooperate with the state budget office to provide the senate and house appropriations committee chairs, the senate and house appropriations subcommittee chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2017 and September 30, 2018.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2018 are estimated at $13,963,100.00. From this amount, total judiciary appropriations for pension-related legacy costs are estimated at $7,185,500.00. Total judiciary appropriations for retiree health care legacy costs are estimated at $6,777,600.00.

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

Sec. 216. It is the intent of the legislature that judges who are presiding over a hearing on a foster care case shall publicly acknowledge and request the input of the foster parent or foster parents during the hearing.

Sec. 217. If the judicial branch makes any changes to a foster care family service plan before its finalization, it is the intent of the legislature that the presiding judge provide an explanation for any changes to that plan in the court record.

Sec. 218. The judicial branch shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The judicial branch may electronically retain copies of reports unless otherwise required by federal and state guidelines.

JUDICIAL BRANCH

Sec. 301. From the funds appropriated in part 1, the direct trial court automation support program of the state court

administrative office shall recover direct and overhead costs from trial courts by charging for services rendered. The fee shall cover the actual costs incurred to the direct trial court automation support program in providing the service, including development of future versions of case management systems.

Sec. 302. Funds appropriated within the judicial branch shall not be expended by any component within the judicial branch without the approval of the supreme court.

Sec. 303. Of the amount appropriated in part 1 for the judicial branch, $711,900.00 is allocated for circuit court reimbursement under section 3 of 1978 PA 16, MCL 800.453, and for costs associated with the court of claims.

Sec. 306. By February 1, the state court administrative office shall produce a statistical report, categorized by county, regarding both the collected and uncollected amounts of restitution payments, court fees, and any other applicable judgments placed upon persons within the county, reported for the year 2016.

Sec. 307. From the funds appropriated in part 1 for mental health courts and diversion services, $1,730,000.00 is intended to address the recommendations of the mental health diversion council.

Sec. 308. If sufficient funds are not available from the court fee fund to pay judges' compensation, the difference between the appropriated amount from that fund for judges' compensation and the actual amount available after the amount appropriated for trial court reimbursement is made shall be appropriated from the state general fund for judges' compensation. If an appropriation is made under this section, the state court administrative office shall

notify, within 14 days of the appropriation, the senate and house standing committees on appropriations, the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget office.

Sec. 309. By April 1, the state court administrative office shall provide a report on drug treatment, mental health, and veterans court programs in this state. The report shall include information on the number of each type of program that has been established, the number of program participants in each jurisdiction, and the impact of the programs on offender criminal involvement and recidivism. The report shall be submitted to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget director.

Sec. 311. (1) The funds appropriated in part 1 for drug treatment courts as that term is defined in section 1060 of the revised judicature act of 1961, 1961 PA 236, MCL 600.1060, shall be administered by the state court administrative office to operate drug treatment court programs. A drug treatment court shall be responsible for handling cases involving substance abusing nonviolent offenders through comprehensive supervision, testing, treatment services, and immediate sanctions and incentives. A drug treatment court shall use all available county and state personnel involved in the disposition of cases including, but not limited to, parole and probation agents, prosecuting attorneys, defense attorneys, and community corrections providers. The funds may be used in connection with other federal, state, and local funding sources.

(2) From the funds appropriated in part 1, the chief justice shall allocate sufficient funds for the Michigan judicial institute to provide in-state training for those identified in subsection (1), including training for new drug treatment court judges.

(3) For drug treatment court grants, consideration for priority may be given to those courts where higher instances of substance abuse cases are filed.

(4) The judiciary shall receive $1,500,000.00 in Byrne formula grant funding as an interdepartmental grant from the department of state police to be used for expansion of drug treatment courts, to assist in avoiding prison bed space growth for nonviolent offenders in collaboration with the department of corrections.

Sec. 312. From the funds appropriated in part 1, the state court administrator shall produce a statistical report regarding the implementation of the parental rights restoration act, 1990 PA 211, MCL 722.901 to 722.908, as it pertains to minors seeking court-issued waivers of parental consent. The state court administrative office shall report the total number of petitions filed and the total number of petitions granted under that act.

Sec. 313. From the funds appropriated in part 1 for the medication-assisted treatment program, the judiciary shall establish a medication-assisted treatment program to provide treatment for opioid-addicted and alcohol-addicted individuals who are referred to and voluntarily participate in the medication-assisted treatment program.

Sec. 316. (1) From the funds appropriated in part 1 for pretrial risk assessment, the state court administrative office

shall pilot a pretrial risk assessment tool in an effort to provide relevant information to judges so they can make evidence-based bond decisions that will increase public safety and reduce costs associated with unnecessary pretrial detention.

(2) The state court administrative office shall submit a status report by February 1 to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget director that outlines plans for piloting the tool and an implementation timeline.

(3) The state court administrative office shall submit a report by October 30 to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget director on costs associated with piloting the pretrial risk assessment tool.

Sec. 317. Funds appropriated in part 1 shall not be used for the permanent assignment of state-owned vehicles to justices or judges or any other judicial branch employee. This section does not preclude the use of state-owned motor pool vehicles for state business in accordance with approved guidelines.

Sec. 320. (1) From the funds appropriated in part 1 for the swift and sure sanctions program, created under section 3 of chapter XIA of the code of criminal procedure, 1927 PA 175, MCL 771A.3, the state court administrative office shall administer a program to distribute grants to qualifying courts in accordance with the objectives and requirements of the probation swift and sure sanctions act, chapter XIA of the code of criminal procedure, 1927 PA 175, MCL 771A.1 to 771A.8. Of the $3,500,000.00 designated

for the program, not more than $100,000.00 shall be available to the state court administrative office to pay for employee costs associated with the administration of the program funds. Of the funds designated for the program, $500,000.00 is reserved for programs in counties that had more than 325 individuals sentenced to prison in the previous calendar year. Courts interested in participating in the swift and sure sanctions program may apply to the state court administrative office for a portion of the funds appropriated in part 1 under this section.

(2) By April 1, the state court administrative office, in cooperation with the Michigan department of corrections, shall provide a report on the courts that receive funding under the swift and sure sanctions program described in subsection (1) to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget director. The report shall include all of the following:

(a) The number of offenders who participate in the program.

(b) The criminal history of offenders who participate in the program.

(c) The recidivism rate of offenders who participate in the program, including the rate of return to jail, prison, or both.

(d) A detailed description of the establishment and parameters of the program.

(3) As used in this section, "program" means a swift and sure sanctions program described in subsection (1).

Sec. 321. From the funds appropriated in part 1, the judicial branch shall support a statewide legal self-help internet website

and local nonprofit self-help centers that use the statewide website to provide assistance to individuals representing themselves in civil legal proceedings. The state court administrative office shall summarize the costs of maintaining the website, provide statistics on the number of people visiting the website, and provide information on content usage, form completion, and user feedback. By March 1, the state court administrative office shall report this information for the preceding fiscal year to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget director.

Sec. 322. If Byrne formula grant funding is awarded to the state appellate defender, the state appellate defender office may receive and expend Byrne formula grant funds in an amount not to exceed $250,000.00 as an interdepartmental grant from the department of state police. If the appellate defender appointed under section 3 of the appellate defender act, 1978 PA 620, MCL 780.713, receives federal grant funding from the United States Department of Justice in excess of the amount appropriated in part 1, the office of appellate defender may receive and expend grant funds in an amount not to exceed $300,000.00 as other federal grants.

ONE-TIME APPROPRIATIONS

Sec. 401. (1) The state appellate defender office attorneys and support staff shall increase to ensure Michigan compliance with Montgomery v Louisiana, 577 US _____ (2016). The purpose of the

program expansion is to ensure competent, resourced, and supervised counsel in cases involving the resentencing of juvenile lifers. The representation by SADO counsel will create opportunities for release, saving prison costs for the state.

(2) From the funds appropriated in part 1, the state appellate defender office shall submit a report by September 30 to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget director on the number of juvenile lifer cases investigated and prepared by the state appellate defender office. The report shall include a calculation of hours spent and focus on incremental costs associated with investigating and conducting a robust examination of each case, with particular emphasis on those costs that may be avoided after the cases have been disposed.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2019 for the line items listed in part 1. The fiscal year 2018-2019 appropriations are anticipated to be the same as those for fiscal year 2017-2018, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be

determined after the January 2018 consensus revenue estimating conference.

ARTICLE XIII

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of licensing and regulatory affairs for the fiscal year ending September 30, 2018, from the following funds:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

APPROPRIATION SUMMARY

Full-time equated unclassified positions	57.5	
Full-time equated classified positions	2,302.3	
GROSS APPROPRIATION		$ 440,465,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		47,835,100
ADJUSTED GROSS APPROPRIATION		$ 392,629,900
Federal revenues:		
Total federal revenues		65,020,900
Special revenue funds:		
Total local revenues		250,000
Total private revenues		111,800
Total state restricted revenues		283,230,600
State general fund/general purpose		$ 44,016,600

Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions 57.5		
Full-time equated classified positions 108.0		
Unclassified salaries--57.5 FTE positions	$	5,007,500
Administrative services--77.0 FTE positions		8,692,300
Executive director programs--24.0 FTE positions		3,216,500
FOIA coordination--2.0 FTE positions		309,700
Local community stabilization authority--1.0 FTE position.....		150,000
Office for new Americans--4.0 FTE positions		467,300
Property management		11,778,400
Worker's compensation		381,800
GROSS APPROPRIATION	$	30,003,500
Appropriated from:		
Interdepartmental grant revenues:		
IDG-DIFS, accounting services		150,000
IDG-TED, unemployment hearings		588,000
Federal revenues:		
DED-vocational rehabilitation and independent living .		905,600
DOE-heating oil and propane		25,000
DOL-occupational safety and health		725,000
EPA-underground storage tanks		29,100
HHS-Medicaid, certification of health care providers and suppliers.....		403,400
HHS-Medicare, certification of health care providers and suppliers.....		587,800
Special revenue funds:		

1	Local stabilization authority contract	150,000
2	Aboveground storage tank fees	92,300
3	Accountancy enforcement fund	54,300
4	Asbestos abatement fund	140,700
5	Boiler inspection fund	264,600
6	Builder enforcement fund	99,600
7	Construction code fund	922,700
8	Corporation fees	5,004,400
9	Elevator fees	272,200
10	Fire alarm fees	7,000
11	Fire safety standard and enforcement fund	2,100
12	Fire service fees	483,000
13	Fireworks safety fund	59,300
14	Health professions regulatory fund	1,572,200
15	Health systems fees	225,500
16	Licensing and regulation fund	908,100
17	Liquor license revenue	300,000
18	Liquor purchase revolving fund	4,328,600
19	Marihuana registry fund	636,400
20	Michigan unarmed combat fund	5,900
21	Mobile home code fund	314,900
22	Nurse professional fund	36,300
23	PMECSEMA fund	44,100
24	Private occupational school license fees	55,200
25	Property development fees	7,300
26	Public utility assessments	2,536,400
27	Radiological health fees	217,700

Real estate appraiser education fund			2,600
Real estate education fund			7,000
Real estate enforcement fund			10,800
Refined petroleum fund			185,800
Restructuring mechanism assessments			12,100
Retired engineers technical assistance program fund ..			7,000
Safety education and training fund			780,400
Second injury fund			244,700
Securities fees			3,724,300
Securities investor education and training fund			9,200
Security business fund			4,000
Self-insurers security fund			128,800
Silicosis and dust disease fund			110,800
Survey and remonumentation fund			94,300
Tax tribunal fund			1,160,000
Utility consumer representation fund			54,000
Worker's compensation administrative revolving fund ..			102,700
State general fund/general purpose		$	1,210,300
Sec. 103. ENERGY AND UTILITY PROGRAMS			
Full-time equated classified positions 208.0			
Michigan agency for energy--58.0 FTE positions		$	12,624,800
Public service commission--150.0 FTE positions			25,895,300
GROSS APPROPRIATION		$	38,520,100
Appropriated from:			
Federal revenues:			
DOE-heating oil and propane			3,781,700
DOT-gas pipeline safety			2,190,300

	Special revenue funds:		
	Public utility assessments		30,892,700
	Restructuring mechanism assessments		609,600
	Retired engineers technical assistance program fund ..		488,000
	State general fund/general purpose	$	557,800
	Sec. 104. LIQUOR CONTROL COMMISSION		
	Full-time equated classified positions 143.0		
	Liquor licensing and enforcement--115.0 FTE positions	$	15,435,800
	Management support services--28.0 FTE positions		4,455,900
	GROSS APPROPRIATION	$	19,891,700
	Appropriated from:		
	Special revenue funds:		
	Direct shipper enforcement revolving fund		127,800
	Liquor license fee enhancement fund		76,400
	Liquor license revenue		7,471,800
	Liquor purchase revolving fund		12,215,700
	State general fund/general purpose	$	0
	Sec. 105. OCCUPATIONAL REGULATION		
	Full-time equated classified positions 1,123.9		
	Bureau of community and health systems--433.9 FTE positions.....	$	62,226,900
	Bureau of construction codes--171.0 FTE positions		21,122,900
	Bureau of fire services--78.0 FTE positions		11,013,600
	Bureau of professional licensing--210.0 FTE positions		40,580,600
	Corporations, securities, and commercial licensing bureau--118.0 FTE positions		15,411,400
	Medical marihuana facilities licensing and tracking--		

1	88.0 FTE positions		16,540,300
2	Medical marihuana program--25.0 FTE positions		4,949,100
3	GROSS APPROPRIATION	$	171,844,800
4	Appropriated from:		
5	Interdepartmental grant revenues:		
6	IDG-MDE, child care licensing		17,522,700
7	Federal revenues:		
8	DHS-fire training systems		28,000
9	DOT-hazardous materials training and planning		60,000
10	EPA-underground storage tanks		804,400
11	HHS-Medicaid, certification of health care providers		
12	and suppliers		9,258,700
13	HHS-Medicare, certification of health care providers		
14	and suppliers		12,438,200
15	Special revenue funds:		
16	Aboveground storage tank fees		203,100
17	Accountancy enforcement fund		688,300
18	Boiler inspection fund		3,352,300
19	Builder enforcement fund		643,600
20	Construction code fund		7,789,500
21	Corporation fees		7,061,000
22	Distance education fund		301,100
23	Elevator fees		4,296,700
24	Fire alarm fees		127,600
25	Fire safety standard and enforcement fund		40,100
26	Fire service fees		2,511,700
27	Fireworks safety fund		698,600

Health professions regulatory fund			23,913,500
Health systems fees			3,730,900
Licensing and regulation fund			11,376,800
Liquor purchase revolving fund			143,200
Marihuana registry fund			4,949,100
Marihuana regulatory fund			16,540,300
Michigan unarmed combat fund			146,000
Mobile home code fund			3,031,600
Nurse professional fund			1,963,800
Nursing home administrative penalties			100,000
PMECSEMA fund			1,851,500
Private occupational school license fees			522,900
Property development fees			318,100
Real estate appraiser education fund			64,000
Real estate education fund			344,400
Real estate enforcement fund			704,400
Refined petroleum fund			2,643,400
Securities fees			5,014,600
Securities investor education and training fund			501,200
Security business fund			340,100
Survey and remonumentation fund			856,200
State general fund/general purpose		$	24,963,200

Sec. 106. EMPLOYMENT SERVICES

Full-time equated classified positions 464.4

Bureau of employment relations--22.0 FTE positions	$	4,236,100
Bureau of services for blind persons--113.0 FTE positions		24,766,800

Compensation supplement fund			1,820,000
First responder presumed coverage claims			1,780,000
Insurance funds administration--23.0 FTE positions			5,265,600
Michigan occupational safety and health administration--197.0 FTE positions			29,022,400
Radiation safety section--21.4 FTE positions			3,259,700
Wage and hour program--32.0 FTE positions			3,763,800
Workers' compensation agency--56.0 FTE positions			8,077,300
GROSS APPROPRIATION		$	81,991,700
Appropriated from:			
Federal revenues:			
DED-vocational rehabilitation and independent living			18,538,800
DOL-occupational safety and health			11,866,500
HHS-mammography quality standards			513,300
Special revenue funds:			
Local revenues - blind services			100,000
Private revenues - blind services			111,800
Asbestos abatement fund			806,800
Corporation fees			9,491,100
First responder presumed coverage fund			1,980,000
Michigan business enterprise program fund			400,000
Radiological health fees			2,746,400
Safety education and training fund			9,800,000
Second injury fund			2,602,200
Securities fees			8,701,100
Self-insurers security fund			1,571,500
Silicosis and dust disease fund			1,091,900

1	Worker's compensation administrative revolving fund ..		1,662,600
2	State general fund/general purpose	$	10,007,700
3	**Sec. 107. MICHIGAN ADMINISTRATIVE HEARING SYSTEM**		
4	Full-time equated classified positions 236.0		
5	Michigan administrative hearing system--218.0 FTE		
6	positions.....	$	38,147,000
7	Michigan compensation appellate commission--18.0 FTE		
8	positions.....		4,622,200
9	GROSS APPROPRIATION	$	42,769,200
10	Appropriated from:		
11	Interdepartmental grant revenues:		
12	IDG revenues - administrative hearings and rules		25,290,300
13	IDG-TED, unemployment hearings		4,284,100
14	Federal revenues:		
15	DOL-occupational safety and health		153,900
16	Special revenue funds:		
17	Construction code fund		25,600
18	Corporation fees		3,066,300
19	Health professions regulatory fund		386,000
20	Health systems fees		153,900
21	Licensing and regulation fund		834,600
22	Liquor purchase revolving fund		950,300
23	Public utility assessments		2,503,700
24	Safety education and training fund		61,500
25	Securities fees		2,370,400
26	Tax tribunal fund		1,859,200
27	Worker's compensation administrative revolving fund ..		135,200

State general fund/general purpose		$	694,200
Sec. 108. COMMISSIONS			
Full-time equated classified positions	19.0		
Asian Pacific American affairs commission--1.0 FTE position		$	132,400
Commission on Middle Eastern American affairs--1.0 FTE position			135,000
Hispanic/Latino commission of Michigan--1.0 FTE position			281,000
Michigan indigent defense commission--16.0 FTE positions			2,386,800
GROSS APPROPRIATION		$	2,935,200
Appropriated from:			
Special revenue funds:			
State general fund/general purpose		$	2,935,200
Sec. 109. DEPARTMENT GRANTS			
Fire protection grants		$	9,273,900
Firefighter training grants			2,000,000
Liquor law enforcement grants			7,200,000
Medical marihuana operation and oversight grants			3,000,000
Remonumentation grants			7,300,000
Subregional libraries state aid			451,800
Utility consumer representation			750,000
GROSS APPROPRIATION		$	29,975,700
Appropriated from:			
Special revenue funds:			
Fire protection fund			8,500,000

Fireworks safety fund			2,000,000
Liquor license revenue			7,200,000
Marihuana registry fund			3,000,000
Survey and remonumentation fund			7,300,000
Utility consumer representation fund			750,000
State general fund/general purpose		$	1,225,700

Sec. 110. INFORMATION TECHNOLOGY

Information technology services and projects	$	21,533,100
GROSS APPROPRIATION	$	21,533,100
Appropriated from:		
DED-vocational rehabilitation and independent living		1,229,800
DOE-heating oil and propane		24,000
DOL-occupational safety and health		364,500
DOT-gas pipeline safety		45,000
EPA-underground storage tanks		100,200
HHS-Medicaid, certification of health care providers and suppliers		325,900
HHS-Medicare, certification of health care providers and suppliers		621,800
Special revenue funds:		
Aboveground storage tank fees		54,600
Accountancy enforcement fund		1,100
Asbestos abatement fund		52,500
Boiler inspection fund		383,100
Construction code fund		1,047,500
Corporation fees		3,495,700
Distance education fund		6,000

Elevator fees	431,100
Fire safety standard and enforcement fund	3,000
Fire service fees	199,200
Fireworks safety fund	35,200
Health professions regulatory fund	1,230,700
Health systems fees	228,200
Licensing and regulation fund	1,830,500
Liquor purchase revolving fund	2,895,900
Marihuana registry fund	298,900
Michigan unarmed combat fund	6,800
Mobile home code fund	305,800
PMECSEMA fund	178,600
Private occupational school license fees	21,900
Public utility assessments	1,494,900
Radiological health fees	143,300
Real estate appraiser education fund	1,000
Real estate education fund	4,900
Refined petroleum fund	170,800
Restructuring mechanism assessments	40,100
Retired engineers technical assistance program fund	5,000
Safety education and training fund	392,800
Second injury fund	465,600
Securities fees	1,094,600
Securities investor education and training fund	1,000
Self-insurers security fund	343,100
Silicosis and dust disease fund	138,400
Survey and remonumentation fund	74,100

Tax tribunal fund		323,500
State general fund/general purpose	$	1,422,500

Sec. 111. ONE-TIME BASIS ONLY

Fire protection grants enhancement - one-time	$	1,000,000
GROSS APPROPRIATION	$	1,000,000
Appropriated from:		
Special revenue funds:		
State general fund/general purpose	$	1,000,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2017-2018 is $327,247,200.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 is $30,225,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

Fire protection grants.....	$	9,273,900
Firefighter training grants.....		2,000,000
Liquor law enforcement grants		7,200,000
Medical marihuana operation and oversight grants		3,000,000
Remonumentation grants		7,300,000

Subregional libraries state aid		451,800
Fire protection grants enhancement one-time		1,000,000
Total department of licensing and regulatory affairs.....	$	30,225,700

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

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

(a) "DED" means the United States Department of Education.

(b) "Department" means the department of licensing and regulatory affairs.

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

(d) "DHS" means the United States Department of Homeland Security.

(e) "DIFS" means the department of insurance and financial services.

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

(g) "DOE" means the United States Department of Energy.

(h) "DOL" means the United States Department of Labor.

(i) "DOT" means the United States Department of Transportation.

(j) "EPA" means the United States Environmental Protection Agency.

(k) "FOIA" means the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(*l*) "FTE" means full-time equated.

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

(n) "IDG" means interdepartmental grant.

(o) "IT" means information technology.

(p) "MDE" means the Michigan department of education.

(q) "PMECSEMA" means pain management education and controlled substances electronic monitoring and antidiversion.

(r) "Subcommittees" means the subcommittees of the house and senate appropriations committees with jurisdiction over the budget for the department.

(s) "TED" means the Michigan department of talent and economic development.

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

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

competitively priced and of comparable quality.

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

Sec. 207. (1) Out-of-state travel shall be limited to situations where travel is approved by a departmental employee's immediate supervisor and in which 1 or more of the following conditions apply:

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

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

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

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

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

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

(2) The department shall not approve the travel of more than 1 departmental employee to a specific professional development

conference or training seminar that is located outside of this state unless a professional development conference or training seminar is funded by a federal or private funding source and requires more than 1 person from a department to attend, or the conference or training seminar includes multiple issues in which 1 employee from the department does not have expertise.

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

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

(b) The destination of each travel occurrence.

(c) The dates of each travel occurrence.

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

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

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

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

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

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

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

(3) In addition to the funds appropriated in part 1, there is

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

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

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

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations committee chairs, the senate and house appropriations subcommittee

chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the preceding and current fiscal years.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2018 are estimated at $56,364,700.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $29,005,600.00. Total agency appropriations for retiree health care legacy costs are estimated at $27,359,100.00.

Sec. 215. Unless prohibited by law, the department may accept credit card or other electronic means of payment for licenses, fees, or permits.

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

Sec. 218. The department shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 219. The department shall not develop or produce any television or radio productions.

Sec. 220. The department, in conjunction with the department of health and human services, shall maintain an accounting structure within the state's accounting system that will allow expenditures associated with the administration of the Healthy Michigan plan to be identified.

Sec. 221. The department may carry into the succeeding fiscal year unexpended federal pass-through funds to local institutions and governments that do not require additional state matching funds. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 and that do not require additional state matching funds are appropriated for the purposes intended. Within 14 days after the receipt of federal pass-through funds, the department shall notify the house and senate chairpersons of the subcommittees, the senate and house fiscal agencies, and the state budget director of pass-through funds appropriated under this section.

Sec. 222. (1) Grants supported with private revenues received by the department are appropriated upon receipt and are available for expenditure by the department, subject to subsection (3), for purposes specified within the grant agreement and as permitted under state and federal law.

(2) Within 10 days after the receipt of a private grant appropriated in subsection (1), the department shall notify the house and senate chairpersons of the subcommittees, the senate and house fiscal agencies, and the state budget director of the receipt of the grant, including the fund source, purpose, and amount of the

grant.

(3) The amount appropriated under subsection (1) shall not exceed $1,500,000.00.

Sec. 223. (1) The department may charge registration fees to attendees of informational, training, or special events sponsored by the department.

(2) These fees shall reflect the costs for the department to sponsor the informational, training, or special events.

(3) Revenue generated by the registration fees is appropriated upon receipt and available for expenditure to cover the department's costs of sponsoring informational, training, or special events.

(4) Revenue generated by registration fees in excess of the department's costs of sponsoring informational, training, or special events shall carry forward to the subsequent fiscal year and not lapse to the general fund.

(5) The amount appropriated under subsection (3) shall not exceed $500,000.00.

Sec. 224. The department may make available to interested entities otherwise unavailable customized listings of nonconfidential information in its possession, such as names and addresses of licensees. The department may establish and collect a reasonable charge to provide this service. The revenue received from this service is appropriated when received and shall be used to offset expenses to provide the service. Any balance of this revenue collected and unexpended at the end of the fiscal year shall lapse to the appropriate restricted fund.

Sec. 225. (1) The department shall sell documents at a price not to exceed the cost of production and distribution. Money received from the sale of these documents shall revert to the department. In addition to the funds appropriated in part 1, these funds are available for expenditure when they are received by the department of treasury. This subsection applies only for the following documents:

(a) Corporation and securities division documents, reports, and papers required or permitted by law pursuant to section 1060(5) of the business corporation act, 1972 PA 284, MCL 450.2060.

(b) The Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1101 to 436.2303.

(c) The mobile home commission act, 1987 PA 96, MCL 125.2301 to 125.2350; the business corporation act, 1972 PA 284, MCL 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162, MCL 450.2101 to 450.3192; and the uniform securities act (2002), 2008 PA 551, MCL 451.2101 to 451.2703.

(d) Worker's compensation health care services rules.

(e) Construction code manuals.

(f) Copies of transcripts from administrative law hearings.

(2) In addition to the funds appropriated in part 1, funds appropriated for the department under sections 55, 57, 58, and 59 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.255, 24.257, 24.258, and 24.259, and section 203 of the legislative council act, 1986 PA 268, MCL 4.1203, are appropriated for all expenses necessary to provide for the cost of publication and distribution.

(3) Unexpended funds at the end of the fiscal year shall carry forward to the subsequent fiscal year and not lapse to the general fund.

Sec. 226. (1) No later than March 1, the department shall submit a report to the subcommittees and the senate and house fiscal agencies pertaining to licensing and regulatory programs during the previous fiscal year for the following agencies:

(a) Public service commission.

(b) Liquor control commission.

(c) Bureau of fire services.

(d) Bureau of construction codes.

(e) Corporations, securities, and commercial licensing bureau.

(f) Bureau of professional licensing.

(g) Bureau of community and health systems.

(h) Michigan occupational safety and health administration.

(2) The report shall be in a format that is consistent between the agencies listed in subsection (1) and shall provide, but is not limited to, the following information, as applicable, for each agency in subsection (1):

(a) Revenue generated by and expenditures disbursed for each regulatory product.

(b) Number of applications, both initial and renewal, for each regulatory product.

(c) Number of applications, both initial and renewal, approved for each regulatory product.

(d) Number of applications, both initial and renewal, denied for each regulatory product.

(e) Average amount of time, both tolled and untolled, to approve or deny applications, both initial and renewal, for each regulatory product.

(f) Number of examinations proctored for initial applications for each regulatory product.

(g) Number of complaints received pertaining to each regulated activity.

(h) Number of investigations opened pertaining to each regulated activity.

(i) Number of investigations closed pertaining to each regulated activity.

(j) Average amount of time to close investigations pertaining to each regulated activity.

(k) Number of enforcement actions pertaining to each regulated activity.

(*l*) Number of administrative hearings pertaining to each regulated activity.

(m) Number of administrative hearing adjudications pertaining to each regulated activity.

(n) The type and amount of each fee charged to support each regulated activity.

(3) As used in subsection (2), "regulatory product" means licensure, certification, registration, inspection, review, permitting, approval, or any other regulatory service provided by the agencies specified in subsection (1) for each regulated activity. As used in this subsection and subsection (2), "regulated activity" means the particular activities, entities, facilities,

and industries regulated by the agencies specified in subsection (1).

ENERGY AND UTILITY PROGRAMS

Sec. 301. The Michigan Agency for Energy administers the low-income energy assistance grant program on behalf of DHHS via an interagency agreement. Funds supporting the grant program are appropriated in the department upon awarding of grants and may be expended for grant payments and administrative related expenses incurred in the operation of the program.

LIQUOR CONTROL COMMISSION

Sec. 402. The liquor control commission shall expend the funds as required under section 203(11) of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1203, to investigate and audit unlawful direct shipments of wine by unlicensed wineries and retailers. The liquor control commission shall provide a report to the senate and house subcommittee chairs and the senate and house fiscal agencies detailing the commission's activities to investigate and audit the illegal shipping of wine and the results of these activities. The report shall also include the estimated loss of sales, excise, and use tax revenue for the state of Michigan as a result of illegal shipments of wine. The report shall be submitted by February 1.

OCCUPATIONAL REGULATION

Sec. 501. Money appropriated under this part and part 1 for

the bureau of fire services shall not be expended unless, in accordance with section 2c of the fire prevention code, 1941 PA 207, MCL 29.2c, inspection and plan review fees will be charged according to the following schedule:

Operation and maintenance inspection fee

Facility type	Facility size	Fee
Hospitals	Any	$8.00 per bed

Plan review and construction inspection fees for hospitals and schools

Project cost range	Fee
$101,000.00 or less	minimum fee of $155.00
$101,001.00 to $1,500,000.00	$1.60 per $1,000.00
$1,500,001.00 to $10,000,000.00	$1.30 per $1,000.00
$10,000,001.00 or more	$1.10 per $1,000.00 or a maximum fee of $60,000.00.

Sec. 502. The funds collected by the department for licenses, permits, and other elevator regulation fees set forth in the Michigan Administrative Code and as determined under section 8 of 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL 408.816, that are unexpended at the end of the fiscal year shall carry forward to the subsequent fiscal year.

Sec. 503. No later than February 15, the department shall submit a report to the subcommittees, the senate and house fiscal agencies, and the state budget director providing the following information:

(a) The number of honorably discharged veterans, individually or if a majority interest of a corporation or limited liability

company, that were exempted from paying licensure, registration, filing, or any other fees collected under each licensure or regulatory program administered by the bureau of construction codes and the corporations, securities, and commercial licensing bureau during the preceding fiscal year.

(b) The specific fees and total amount of revenue exempted under each licensure or regulatory program administered by the bureau of construction codes and the corporations, securities, and commercial licensing bureau during the preceding fiscal year.

(c) The actual costs of providing licensing and other regulatory services to veterans exempted from paying licensure, registration, filing, or any other fees during the preceding fiscal year and a description of how these costs were calculated.

(d) The estimated amount of revenue that will be exempted under each licensure or regulatory program administered by the bureau of construction codes and the corporations, securities, and commercial licensing bureau in both the current and subsequent fiscal years and a description of how the exempted revenue was estimated.

Sec. 505. Funds remaining in the homeowner construction lien recovery fund are appropriated to the department for payment of court-ordered homeowner construction lien recovery fund judgments entered before August 23, 2010. Pursuant to available funds, the payment of final judgments shall be made in the order in which the final judgments were entered and began accruing interest.

Sec. 507. The department shall submit by January 31 to the standing committees on appropriations of the senate and house, the

senate and house fiscal agencies, and the state budget director a report that includes all of the following information for the prior fiscal year regarding the medical marihuana program under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430:

(a) The number of initial applications received.

(b) The number of initial applications approved and the number of initial applications denied.

(c) The average amount of time, from receipt to approval or denial, to process an initial application.

(d) The number of renewal applications received.

(e) The number of renewal applications approved and the number of renewal applications denied.

(f) The average amount of time, from receipt to approval or denial, to process a renewal application.

(g) The percentage of initial applications not approved or denied within the time requirements established in section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

(h) The percentage of renewal applications not approved or denied within the time requirements established in section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

(i) The percentage of registry identification cards for approved initial applications not issued within the time requirements established in section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

(j) The percentage of registry identification cards for approved renewal applications not issued within the time

requirements established in section 6 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426.

(k) The number of registry identification cards issued to or renewed for patients residing in each county as of September 30 of the preceding fiscal year under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430.

(*l*) The amount collected from the medical marihuana program application and renewal fees authorized in section 5 of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26425.

(m) The costs of administering the medical marihuana program under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430.

Sec. 508. If the revenue collected by the department for health systems administration or radiological health administration and projects from fees and collections exceeds the amount appropriated in part 1, the revenue may be carried forward into the subsequent fiscal year. The revenue carried forward under this section shall be used as the first source of funds in the subsequent fiscal year.

Sec. 511. No later than February 1, the department shall submit a report to the subcommittees, the senate and house fiscal agencies, and the state budget director providing the following information:

(a) The total amount of reimbursements made to local units of government for delegated inspections of fireworks retail locations pursuant to section 11 of the Michigan fireworks safety act, 2011 PA 256, MCL 28.461, from the funds appropriated in part 1 for the

bureau of fire services during the preceding fiscal year.

(b) The amount of reimbursement for delegated inspections of fireworks retail locations for each local unit of government that received reimbursement from the funds appropriated in part 1 for the bureau of fire services during the preceding fiscal year.

Sec. 513. (1) Beginning October 1, for the purpose of defraying the costs associated with responding to false final inspection appointments and to discourage the practice of calling for final inspections when the project is incomplete or noncompliant with a plan of correction previously provided by the bureau of fire services, the bureau of fire services may assess a fee not to exceed $200.00 for responding to a second or subsequent confirmed false inspection appointment. Fees collected under this section shall be deposited into the restricted account referenced by section 2c(2) of the fire prevention code, 1941 PA 207, MCL 29.2c, and explicitly identified within the Michigan administrative information network.

(2) Not later than September 30, the department shall prepare a report that provides the amount of the fee assessed under subsection (1), the number of fees assessed and issued per region, the cost allocation for the work performed and reduced as a result of this section, and any recommendations for consideration by the legislature. The department shall submit this information to the state budget director, the subcommittees, and the senate and house fiscal agencies.

Sec. 515. (1) The department shall assess and collect fees in the licensing and regulation of child care organizations, as

described in 1973 PA 116, MCL 722.111 to 722.128, and adult foster care facilities, as described in the adult foster care facility licensing act, 1979 PA 218, MCL 400.701 to 400.737.

(2) The department shall report the total amount of fees assessed and collected under subsection (1) during the preceding fiscal year to the senate and house fiscal agencies no later than December 1 and shall provide information requested by the senate and house fiscal agencies as they consider necessary to shift authorization equivalent to that amount from the general fund/general purpose to a state restricted fund within the department's budget for fiscal year 2018-2019.

Sec. 517. The department shall submit a report on the Michigan automated prescription system to the senate and house appropriations committees and the senate and house fiscal agencies by November 30. The report shall include, but is not limited to, the following:

(a) Total number of licensed health professionals registered to the Michigan automated prescription system.

(b) Total number of dispensers registered to the Michigan automated prescription system.

(c) Total number of prescribers using the Michigan automated prescription system.

(d) Total number of dispensers using the Michigan automated prescription system.

(e) Number of cases related to overprescribing, overdispensing, and drug diversion where the department took administrative action as a result of information and data generated

from the Michigan automated prescription system.

(f) The number of integrations from the electronic health record systems used by prescribers and dispensers with the Michigan automated prescription system.

Sec. 518. From the amount appropriated in part 1 for the bureau of community and health systems, upon receipt of the order of suspension of a licensed adult foster care home, home for the aged, or nursing home, the department shall serve the facility and provide contemporaneous notice to the offices of legislators representing a district where the licensed facility is situated.

Sec. 519. The department shall submit a report regarding the medical marihuana facilities licensing and tracking program to the standing committees on appropriations of the senate and house, the senate and house fiscal agencies, and the state budget director by March 1. The report shall include, but is not limited to, the following:

(a) The number of initial license applications received for each license category.

(b) The number of initial applications approved and the number of initial license applications denied.

(c) The average amount of time, from receipt to approval or denial, to process an initial application.

(d) The total number of license applications approved by license category and by county.

(e) The total amount collected from application fees.

(f) The total amount collected from any established regulatory assessment.

(g) The costs of administering the medical marihuana facilities licensing and tracking program.

EMPLOYMENT SERVICES

Sec. 704. (1) The appropriation in part 1 for the bureau of services for blind persons includes funds for case services. These funds may be used for tuition payments for blind clients.

(2) Revenue collected by the bureau of services for blind persons and from private and local sources that is unexpended at the end of the fiscal year may carry forward to the subsequent fiscal year.

Sec. 705. The bureau of services for blind persons shall work collaboratively with service organizations and government entities to identify qualified match dollars to maximize use of available federal vocational rehabilitation funds.

Sec. 707. The bureau of services for blind persons may provide and enter into agreements to provide general services, training, meetings, information, special equipment, software, facility use, and technical consulting services to other principal executive departments, state agencies, local units of government, the judicial branch of government, other organizations, and patrons of department facilities. The department shall charge fees for these services that are reasonably related to the cost of providing the services. In addition to the funds appropriated in part 1, funds collected by the department for these services are appropriated for all expenses necessary. The funds appropriated under this section are allotted for expenditure when they are received by the

department of treasury.

Sec. 708. Funds received in excess of the appropriation in part 1 for first responder presumed coverage claims from the first responder presumed coverage fund are appropriated in an amount sufficient to pay approved claims due in the current fiscal year pursuant to section 405 of the worker's disability compensation act of 1969, 1969 PA 317, MCL 418.405.

COMMISSIONS

Sec. 800. If Byrne formula grant funding is awarded to the Michigan indigent defense commission, the Michigan indigent defense commission may receive and expend Byrne formula grant funds in an amount not to exceed $250,000.00 as an interdepartmental grant from the department of state police. The Michigan indigent defense commission, created under section 5 of the Michigan indigent defense commission act, 2013 PA 93, MCL 780.985, may receive and expend federal grant funding from the United States Department of Justice in an amount not to exceed $300,000.00 as other federal grants.

Sec. 801. From the funds appropriated in part 1, the Michigan indigent defense commission shall submit a report by September 30 to the senate and house appropriations subcommittees on judiciary, the subcommittees, the senate and house fiscal agencies, and the state budget director on the incremental costs associated with the standard development process, the compliance plan process, and the collection of data from all indigent defense systems and attorneys providing indigent defense. Particular emphasis shall be placed on

those costs that may be avoided after standards are developed and compliance plans are in place.

Sec. 802. The Michigan office for new Americans is to coordinate with the Asian Pacific American affairs commission, the Commission on Middle Eastern American affairs, and the Hispanic/Latino commission of Michigan to produce a report by March 1 that is to be transmitted to the senate and house subcommittee chairpersons and the senate and house fiscal agencies. The report shall include, but is not limited to, the following:

(a) Total number of people with whom each commission directly interacts through programming.

(b) Total number of public events that each commission conducted.

(c) Description of the activities that the commissions initiated to promote cooperation between the commissions.

(d) Total number of meetings that each commission held with foreign diplomats.

(e) Programmatic costs of each commission.

DEPARTMENT GRANTS

Sec. 901. The appropriation in part 1 for fire protection grants shall be appropriated to cities, villages, and townships with state-owned facilities for fire services, instead of taxes, in accordance with 1977 PA 289, MCL 141.951 to 141.956.

Sec. 902. (1) The department shall expend the funds appropriated in part 1 for medical marihuana operation and oversight grants for grants to county law enforcement offices for

the operation and oversight of the Michigan medical marihuana program pursuant to section 6(*l*) of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426. These grants shall be distributed proportionately based on the number of registry identification cards issued to or renewed for the residents of each county whose county law enforcement office applied for a grant under subsection (2). For the purposes of this subsection, operation and oversight grants are for education, communication, and enforcement of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430.

(2) No later than December 1, the department shall post a listing of potential grant money available to each county law enforcement agency on its website. In addition, the department shall work collaboratively with county law enforcement agencies, the Michigan Sheriff's Association, and other representative law enforcement organizations regarding the availability of these grant funds. A county law enforcement agency requesting a grant shall apply on a form developed by the department and available on the website. The form shall contain the county law enforcement agency's specific projected plan for use of the money and its agreement to maintain all records and to submit documentation to the department to support the use of the grant money.

(3) In order to be eligible to receive a grant under subsection (1), a county law enforcement agency shall apply no later than January 1 and agree to report how the grant was expended and provide that report to the department no later than September 15. The department shall submit a report no later than October 15

of the subsequent fiscal year to the state budget director, the subcommittees, and the senate and house fiscal agencies detailing the grant amounts by recipient and the reported uses of the grants in the preceding fiscal year.

(4) County law enforcement agencies may distribute discretionary grants made under subsection (1) to municipal law enforcement agencies for the operation and oversight of the Michigan medical marihuana program pursuant to section 6(*l*) of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426. If a county law enforcement agency distributes a discretionary grant in this manner, that county law enforcement agency shall require the receiving municipal law enforcement agency to provide a report on how that grant was spent. Reports from municipal law enforcement agencies shall be included as part of the report submitted to the department as required in subsection (3).

(5) The fiscal year ending September 30, 2018 is anticipated to be the final year that medical marihuana enforcement grants will be disbursed to local units of government due to the implementation of the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27101 to 333.27801, that provides local units of government with disbursements from the medical marihuana excise tax collections.

Sec. 903. (1) The amount appropriated in part 1 for firefighter training grants shall only be expended for payments to counties to reimburse organized fire departments for firefighter training and other activities required under the firefighters training council act, 1966 PA 291, MCL 29.361 to 29.377.

(2) If the amount appropriated in part 1 for firefighter training grants is expended by the firefighter training council, established in section 3 of the firefighters training council act, 1966 PA 291, MCL 29.363, for payments to counties under section 14 of the firefighters training council act, 1966 PA 291, MCL 29.374, it is the intent of the legislature that:

(a) The amount appropriated in part 1 for firefighter training grants shall be allocated pursuant to section 14(2) of the firefighters training council act, 1966 PA 291, MCL 29.374.

(b) If the amount allocated to any county under subdivision (a) is less than $5,000.00, the amounts disbursed to each county under subdivision (a) shall be adjusted to provide for a minimum payment of $5,000.00 to each county.

(3) No later than February 1, the department shall submit a financial report to the subcommittees, the senate and house fiscal agencies, and the state budget director identifying the following information for the preceding fiscal year:

(a) The amount of the payments that would be made to each county if the distribution formula described by the first sentence of section 14(2) of the firefighters training council act, 1966 PA 291, MCL 29.374, would have been utilized to allocate the total amount appropriated in part 1 for firefighter training grants.

(b) The amount of the payments approved by the firefighter training council for allocation to each county.

(c) The amount of the payments actually expended or encumbered within each county.

(d) A description of any other payments or expenditures made

under the authority of the firefighter training council.

(e) The amount of payments approved for allocations to counties that was not expended or encumbered and lapsed back to the fireworks safety fund.

Sec. 904. (1) The funds appropriated in part 1 for a regional or subregional library shall not be released until a budget for that regional or subregional library has been approved by the department for expenditures for library services directly serving the blind and persons with disabilities.

(2) In order to receive subregional state aid as appropriated in part 1, a regional or subregional library's fiscal agency shall agree to maintain local funding support at the same level in the current fiscal year as in the fiscal agency's preceding fiscal year. If a reduction in expenditures equally affects all agencies in a local unit of government that is the regional or subregional library's fiscal agency, that reduction shall not be interpreted as a reduction in local support and shall not disqualify a regional or subregional library from receiving state aid under part 1. If a reduction in income affects a library cooperative or district library that is a regional or subregional library's fiscal agency or a reduction in expenditures for the regional or subregional library's fiscal agency, a reduction in expenditures for the regional or subregional library shall not be interpreted as a reduction in local support and shall not disqualify a regional or subregional library from receiving state aid under part 1.

ARTICLE XIV

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of military and veterans affairs for the fiscal year ending September 30, 2018, from the following funds:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

APPROPRIATION SUMMARY

Full-time equated unclassified positions	9.0	
Full-time equated classified positions	904.5	
GROSS APPROPRIATION		$ 179,004,400
Interdepartmental grant and intradepartmental transfer revenues:		
Total interdepartmental grants and intradepartmental transfers		101,800
ADJUSTED GROSS APPROPRIATION		$ 178,902,600
Federal revenues:		
Total federal revenues		92,334,100
Special revenue funds:		
Total local revenues		1,528,400
Total private revenues		640,000
Total other state restricted revenues		22,332,600
State general fund/general purpose		$ 62,067,500
State general fund/general purpose schedule:		
Ongoing state general fund/general purpose	59,567,500	

	One-time state general fund/general	
	purpose 2,500,000	
	Sec. 102. MILITARY	
	Full-time equated unclassified positions 9.0	
	Full-time equated classified positions 333.0	
	Unclassified salaries--9.0 FTE positions	$ 1,468,300
	Departmentwide	1,853,100
	Headquarters and armories--88.0 FTE positions	17,317,800
	Michigan youth challeNGe academy--50.0 FTE positions .	5,259,100
	Military family relief fund	600,000
	Military training sites and support facilities--195.0	
	FTE positions	33,956,100
	National Guard operations	398,200
	National Guard tuition assistance fund	3,507,000
	Starbase grant	2,322,000
	GROSS APPROPRIATION	$ 66,681,600
	Appropriated from:	
	Interdepartmental grant and intradepartmental	
	transfer revenues:	
	Total interdepartmental grants and intradepartmental	
	transfers	101,800
	Federal revenues:	
	Total federal revenues	47,200,100
	Special revenue funds:	
	Total local revenues	1,528,400
	Total private revenues	100,000
	Total other state restricted revenues	2,567,800

State general fund/general purpose		$	15,183,500
Sec. 103. MICHIGAN VETERANS AFFAIRS AGENCY			
Full-time equated classified positions	224.5		
Board of managers (veterans' homes)		$	940,000
D.J. Jacobetti home for veterans--179.5 FTE positions			22,275,500
Michigan veterans affairs agency administration--39.0 FTE positions			7,133,200
Michigan veterans facility authority			1,000,000
Targeted grants			200,000
Veterans service grants			3,763,500
Veterans' trust fund administration--6.0 FTE positions			1,468,900
Veterans' trust fund grants			3,746,500
GROSS APPROPRIATION		$	40,527,600
Appropriated from:			
Federal revenues:			
Total federal revenues			8,396,100
Special revenue funds:			
Total private revenues			540,000
Total other state restricted revenues			10,730,100
State general fund/general purpose		$	20,861,400
Sec. 104. GRAND RAPIDS HOME FOR VETERANS			
Full-time equated classified positions	347.0		
Veterans' home operations		$	9,007,800
Purchased services			10,342,700
Salaries, wages, and fringe benefits--347.0 FTE positions			31,054,000
GROSS APPROPRIATION		$	50,404,500

Appropriated from:			
Federal revenues:			
Total federal revenues			21,165,600
Special revenue funds:			
Total other state restricted revenues			6,620,200
State general fund/general purpose		$	22,618,700
Sec. 105. CAPITAL OUTLAY			
Land and acquisitions		$	2,000,000
Special maintenance - National Guard			15,000,000
Special maintenance – veterans' homes			500,000
GROSS APPROPRIATION		$	17,500,000
Appropriated from:			
Federal revenues:			
Total federal revenues			15,000,000
Special revenue funds:			
Total other state restricted revenues			2,000,000
State general fund/general purpose		$	500,000
Sec. 106. INFORMATION TECHNOLOGY			
Information technology services and projects		$	1,390,700
GROSS APPROPRIATION		$	1,390,700
Appropriated from:			
Federal revenues:			
Total federal revenues			572,300
Special revenue funds:			
Total other state restricted revenues			414,500
State general fund/general purpose		$	403,900
Sec. 107. ONE-TIME APPROPRIATIONS			

Armory maintenance	$	2,500,000
GROSS APPROPRIATION	$	2,500,000
Appropriated from:		
State general fund/general purpose	$	2,500,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2017-2018 is $84,400,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 is $142,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

Michigan veterans affairs agency administration	$	90,000
Military training sites and support facilities	$	52,400
TOTAL	$	142,400

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

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

(a) "Core services" means that phrase as defined in section 373 of the management and budget act, 1984 PA 431, MCL 18.1373.

(b) "Department" means the department of military and veterans affairs.

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

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

(e) "HVAC" means heating, ventilation, and air conditioning.

(f) "IDG" means interdepartmental grant.

(g) "Michigan veterans' facility authority" means the authority created under section 3 of the Michigan veterans' facility authority act, 2016 PA 560, MCL 36.103.

(h) "MVAA" means the Michigan veterans affairs agency.

(i) "Subcommittees" means the subcommittees of the senate and house appropriations committees with jurisdiction over the budget of the department.

(j) "Support services" means an activity, such as information technology, accounting, human resources, legal, and other support functions that are required to support the ongoing delivery of core services.

(k) "USDVA" means the United States Department of Veterans Affairs.

(*l*) "USDVA-VHA" means the USDVA Veterans Health Administration.

(m) "VSO" means veterans service organization.

(n) "Work project" means that term as defined in section 404 of the management and budget act, 1984 PA 431, MCL 18.1404, and that meets the criteria in section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a.

Sec. 204. The department and agencies receiving appropriations

in part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include placement of reports on an internet or intranet site.

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

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

Sec. 207. The department and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report must be a listing of all travel by classified and unclassified employees outside this state in the fiscal year ending September 30, 2017 that was funded in whole or in part with funds appropriated in the

department's budget. The department and agencies shall submit the report to the senate and house appropriations committees, the house and senate fiscal agencies, and the state budget director. The report must include the following information:

(a) The dates of each travel occurrence.

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

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

Sec. 209. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the fiscal year ending September 30, 2017. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees, the subcommittees, and the senate and house fiscal agencies.

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $10,000,000.00 for

federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

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

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

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

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

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

(e) Job specifications and wage rates.

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

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2018 are estimated at $17,075,800.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $8,787,300.00. Total agency appropriations for retiree health care legacy costs are estimated at $8,288,500.00.

Sec. 215. The department shall not take disciplinary action

against an employee for communicating with a member of the legislature or his or her staff.

Sec. 216. The department shall provide quarterly reports to the subcommittees, the senate and house fiscal agencies, and the state budget office, which shall provide the following data:

(a) A list of all major work projects, including a status report of each project.

(b) The department's financial status, featuring a report of budgeted versus actual expenditures by part 1 line item including a year-end projection of budget requirements. If projected department budget requirements exceed the allocated budget, the report shall include a plan to reduce overall expenses while still satisfying specified service level requirements.

(c) A report on the status of performance metrics cited in this part and information required to be reported in this part.

(d) The number of active employees at the close of the fiscal quarter by job classification and program.

(e) Evidence of efficiencies and management of funds within established appropriations.

Sec. 217. The appropriations in part 1 are for the core services, support services, and work projects of the department, including, but not limited to, the following core services:

(a) Armories and joint force readiness.

(b) National Guard training facilities and air bases.

(c) Michigan youth challeNGe academy.

(d) Military family relief fund.

(e) Starbase grant.

(f) National Guard tuition assistance program.

(g) Michigan veterans affairs agency administration.

(h) Veterans service grants.

(i) Veterans' trust fund administration.

(j) Veterans' trust fund grants.

(k) Board of managers (veterans homes).

(*l*) Grand Rapids home for veterans.

(m) D.J. Jacobetti home for veterans.

(n) Michigan veterans' facility authority.

Sec. 218. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

Sec. 219. Sixty days prior to the public announcement of the intention to sell any department real property, the department shall submit notification of that intent to the subcommittees and the senate and house fiscal agencies.

MILITARY

Sec. 301. (1) From the funds appropriated in part 1, there is funding to support unclassified employee positions as authorized by section 5 of article XI of the state constitution of 1963. These positions include the following: department director - the adjutant general for Michigan; assistant adjutant general - army; assistant adjutant general - installations; assistant adjutant general - air; senior policy executive - Michigan veterans affairs agency; senior deputy director – state operations; director - strategy and policy;

chief executive officer for the veteran health system; and director - Michigan veterans affairs agency.

(2) Not less than 30 days prior to the department submitting a request for an additional unclassified employee position from the civil service commission, or for any substantive change to the duties of an existing unclassified employee position, the department shall notify the subcommittees and the senate and house fiscal agencies.

Sec. 302. (1) From the funds appropriated in part 1 for military operations, effective and efficient executive direction and administrative leadership shall be provided to the department.

(2) The department shall operate and maintain National Guard armories.

(3) The department shall evaluate armories and submit a quarterly report on the status of the armories.

(4) The department shall maintain a system to measure the condition and adequacy of the armories.

(5) The Michigan Army National Guard and Air National Guard shall work to provide a culture that is free of sexual assault, through an environment of prevention, education and training, response capability, victim support, reporting procedures, and appropriate accountability that enhances the safety and well-being of all guard members.

(6) By December 1, the department shall report the following information to the subcommittees, the senate and house fiscal agencies, and the state budget office:

(a) An assessment of the grounds and facilities of each armory

to objectively measure and determine the current facility condition and capability to support authorized manpower, unit training, and operations.

(b) Recommendations for the placement of new armories, the relocation or consolidation of existing armories, or a change in the mission of units assigned to armories to ideally position the National Guard in current or projected population centers.

(c) Recommendations for the enhanced use of armories to facilitate family support programs during deployments.

(d) An analysis of the feasibility, potential costs, and benefits of use of armories shared with other local, state, or federal agencies to improve responses to local emergencies as well as the community support provided to armories.

(e) An investment strategy and proposed funding amounts in a prioritized project list to correct the most critical facility shortfalls across the inventory of armories in this state.

Sec. 303. (1) The department shall maintain the Michigan youth challeNGe academy to provide values, skills, education, and self-discipline instruction for at-risk youth as provided under 32 USC 509.

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

(3) The department shall partner with the department of health and human services to identify youth who may be eligible for the challeNGe program from those youth served by department of health and human services programs. These eligible youth shall be given

priority for enrollment in the program.

(4) The department shall maintain the staffing and resources necessary to train at least 144 cadets simultaneously at the Michigan youth challeNGe academy.

(5) The department shall ensure that the average grade level increase for Michigan youth challeNGe academy graduates is 2 years as measured with the tests of adult basic education (TABE) metrics.

(6) Any unexpended private donations to support the Michigan youth challeNGe academy at the close of the fiscal year ending September 30, 2018 shall not lapse to the general fund but shall be carried forward to the subsequent fiscal year.

Sec. 304. (1) The department shall provide grants for disbursement from the military family relief fund, as provided under the military family relief fund act, 2004 PA 363, MCL 35.1211 to 35.1216, and R 200.5 to R 200.95 of the Michigan Administrative Code.

(2) The department shall provide information on the revenues, expenditures for advertising and assistance grants, and fund balance of the Michigan military family relief fund, as provided under section 216.

(3) The department shall provide sufficient staffing and other resources to provide outreach to the Michigan families of members of the reserve component of the Armed Forces of the United States called into active duty and to support the processing and approval of grant applications for the fiscal year ending September 30, 2018 under the Michigan military relief fund and report those applications as provided in section 216.

Sec. 305. (1) The department shall provide Army and Air National Guard forces, when directed, for state and local emergencies and in support of national military requirements.

(2) The department shall operate and maintain Army National Guard training facilities, including Fort Custer and Camp Grayling.

(3) The department shall maintain a system that measures the condition and adequacy of air facilities using both quality and functionality criteria.

(4) The department shall operate and maintain Air National Guard air bases, including Selfridge Air National Guard base, Battle Creek Air National Guard base, and Alpena combat readiness training center.

(5) The department shall provide the following information as provided under section 216:

(a) The apportioned and assigned strength of the Michigan Army National Guard.

(b) The apportioned and assigned strength of the Michigan Air National Guard.

(c) Recruiting, retention, and attrition data, including measurement against stated performance goals, for the Michigan Army National Guard.

(d) Recruiting, retention, and attrition data, including measurement against stated performance goals, for the Michigan Air National Guard.

Sec. 306. There is created and established under the jurisdiction and control of the department a revolving account to be known as the billeting fund account. All of the fees and other

revenues generated from the operation of the chargeable transient quarters program must be deposited in the billeting fund account. Appropriations will be made from the account for the support of program operations and the maintenance and operations of the chargeable transient quarters program and will not exceed the estimated revenues for the fiscal year in which they are made, together with unexpended balances from prior years. The department shall submit an annual report of operations and expenditures regarding the billeting fund account to the appropriations committees of the senate and house of representatives, the house and senate fiscal agencies, and the state budget office at the end of the fiscal year.

Sec. 307. (1) The department shall maintain a National Guard tuition assistance program for members of the Michigan Air and Army National Guard.

(2) The objective of the National Guard tuition assistance program is to bolster military readiness by increasing recruitment and retention of Michigan Air and Army National Guard service members, to fill federally authorized strength levels for the state, to improve the Michigan Air and Army National Guard's competitive draw from other military enlistment options in the state, to enhance the ability of the Michigan Air and Army National Guard to compete for members and federal dollars with surrounding states, and to increase the pool of eligible candidates within the Michigan Air and Army National Guard to become commissioned officers.

(3) The department shall make efforts to increase the number

of Michigan Air and Army National Guard members participating in the program to 1,100 during the fourth year of the program's existence. To evaluate the effectiveness of the program, the department shall monitor the number of new recruits and new reenlistments and the percentage of those who become participants in the program to determine whether the percentage of authorized Michigan Air and Army National Guard strength obtained and retained is competitive in comparison with the neighboring air and army national guards from Illinois, Indiana, Ohio, and Wisconsin.

(4) The general fund/general purpose funds appropriated in part 1 for the National Guard tuition assistance fund shall be deposited to the restricted Michigan National Guard tuition assistance fund created in section 4 of the Michigan National Guard tuition assistance act, 2014 PA 259, MCL 32.434. All funds in the restricted Michigan National Guard tuition assistance fund are appropriated and available for expenditure to support the Michigan National Guard tuition assistance program.

Sec. 308. The department shall maintain the starbase program at Air National Guard facilities, as provided under 10 USC 2193b, to improve the knowledge, skills, and interest of students, primarily in the fifth grade, in math, science, and technology. The starbase program is to specifically target minority and at-risk students for participation.

MICHIGAN VETERANS AFFAIRS AGENCY

Sec. 401. The board of managers and Michigan veterans' facility authority shall exercise certain regulatory and governance

authority regarding admission and member affairs at the Grand Rapids and D.J. Jacobetti homes for veterans. The board of managers shall also work to represent the interest of the veterans' community in both advisory and advocacy roles.

Sec. 402. (1) The MVAA, the board of managers, and the Michigan veterans' facility authority shall provide compassionate and quality nursing and domiciliary care services at the Grand Rapids and D.J. Jacobetti homes for veterans so that members can achieve their highest potential of wellness, independence, self-worth, and dignity.

(2) The department shall provide resources necessary to provide nursing care services to veterans in accordance with federal standards and provide the results of the annual USDVA survey and certification as proof of compliance.

(3) Appropriations in part 1 for the Grand Rapids and the D.J. Jacobetti homes for veterans shall not be used for any purpose other than for veterans and veterans' families.

(4) Any contractor providing competency evaluated nursing assistants (CENA) to the Grand Rapids home for veterans shall ensure that each CENA has at least 8 hours of training on information provided by the home.

(5) Any contractor providing competency evaluated nursing assistants to the Grand Rapids home for veterans shall ensure that each CENA has at least 1 eight-hour shift of shadowing at the veterans' home.

(6) Any contractor providing competency evaluated nursing assistants to the Grand Rapids home for veterans shall ensure that

each CENA is competent in the basic skills needed to perform his or her assigned duties at the home.

(7) The Grand Rapids home for veterans shall provide each CENA at least 12 hours of in-service training once that individual has been assigned to the home.

(8) All complaints of abusive or neglectful care at the Grand Rapids and the D.J. Jacobetti homes for veterans by a resident member, a resident member's family or legal guardian, or staff of the veterans' homes received by a supervisor must be referred to the director of nursing or his or her designee upon receipt of the complaint. The director of nursing or his or her designee shall report on not less than a monthly basis, except that the board of managers may specify a more frequent reporting period to the home administrator, board of managers, agency, subcommittees, senate and house fiscal agencies, and state budget office the following information:

(a) A description of the process by which resident members and others may file complaints of alleged abuse or neglect at the Grand Rapids and the D.J. Jacobetti homes for veterans.

(b) Summary statistics on the number and general nature of complaints of abuse or neglect.

(c) Summary statistics on the final disposition of complaints of abuse or neglect received.

(9) The Grand Rapids and D.J. Jacobetti homes for veterans shall provide an on-site, board-certified psychiatrist for all resident members with mental health disorders in order to ensure that those resident members receive needed services in a

professional and timely manner. The Grand Rapids and D.J. Jacobetti homes for veterans shall provide all members and staff a safe and secure environment.

(10) The Grand Rapids and D.J. Jacobetti homes for veterans shall ensure that they effectively develop, execute, and monitor all comprehensive care plans in accordance with federal regulations and their internal policies, with a goal that a comprehensive care plan is fully developed for all resident members.

(11) The Grand Rapids and D.J. Jacobetti homes for veterans shall implement controls over their food, maintenance supplies, pharmaceuticals, and medical supplies inventories.

(12) The Grand Rapids and D.J. Jacobetti homes for veterans shall establish sufficient controls for calculating resident member maintenance assessments in order to accurately calculate resident member maintenance assessments for each billing cycle. The Grand Rapids and D.J. Jacobetti homes for veterans shall establish sufficient controls to ensure that all past due resident member maintenance assessments are addressed within 30 days.

(13) The Grand Rapids and D.J. Jacobetti homes for veterans shall establish sufficient controls over monetary donations and donated goods.

(14) The Grand Rapids and D.J. Jacobetti homes for veterans shall implement sufficient controls over the handling of resident member funds to ensure the release of funds within 3 business days upon the resident member leaving the home and to ensure that a representative of a resident member is provided a full accounting of that resident member's funds within 10 business days of the

death of that resident member.

(15) The MVAA shall post on its website all policies adopted by the board of managers, the Michigan veterans' facility authority, and the veterans' homes related to the administrative operations of the veterans' homes.

(16) The process by which visitors, residents, and employees of the Grand Rapids and D.J. Jacobetti homes for veterans may register complaints shall be displayed in high-traffic areas throughout the home.

(17) The MVAA shall report its findings regarding the state veterans' homes' compliance with the requirements and standards under this section in a quarterly report to the legislature and the state budget office. The quarterly reports shall include, but are not limited to, all of the following information:

(a) Quality of care metrics, including:

(*i*) The number of patient care hours and staffing levels measured against USDVA-VHA standards.

(*ii*) Sentinel events reported to the USDVA.

(*iii*) Fall and wound reports.

(*iv*) Complaint reports, including abuse and neglect complaints and outcomes of complaint investigations.

(*v*) Additional minimum data set quality of care indicators used to measure quality of care in long-term care facilities.

(b) Quarterly budget update.

(c) An accounting of resident member populations at the Grand Rapids and D.J. Jacobetti homes for veterans as follows:

(*i*) By demographics, including period of service, gender, and

age.

(*ii*) By care setting, payment source, and associated revenue projections.

(d) Updates related to the modernization of the Grand Rapids and D.J. Jacobetti homes for veterans, including information related to the following:

(*i*) Infrastructure/capital outlay improvements.

(*ii*) Information technology updates.

(*iii*) Financial management.

(e) Updates on corrective action status related to any audit and survey findings until those findings have been fully addressed.

(18) The Grand Rapids and D.J. Jacobetti homes for veterans shall provide to the subcommittees, the senate and house fiscal agencies, and the state budget office the results of any annual or for-cause survey conducted by the USDVA-VHA and any corresponding corrective action plan. This information shall also be made available publicly through the department's or MVAA's website.

(19) The MVAA shall provide to the legislature and the state budget office quarterly reports regarding the status of Medicaid certification efforts, including, but not limited to, descriptions of incremental milestones, associated expenditures, and the percentage of plan completed.

Sec. 403. (1) From the increased funds appropriated in part 1 for the D.J. Jacobetti home for veterans, the department shall pursue compliance with current Centers for Medicare and Medicaid Services certification standards. The purpose of this expansion is to obtain Medicaid certification by January 1, 2018, to increase

the ability to fully utilize all federal funding available to cover the cost of care of eligible veterans living at the D.J. Jacobetti home for veterans, and to improve overall quality of care for all veterans living at the D.J. Jacobetti home for veterans.

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

(a) The quality of care to members of the D.J. Jacobetti home for veterans shall increase as a result of increased direct care staffing ratios.

(b) The quality of the care environment at the D.J. Jacobetti home for veterans shall increase as a result of facility updates made according to Medicaid specifications to increase members' access to private and semi-private accommodations.

(c) The quality of care for members of the D.J. Jacobetti home for veterans shall increase as a result of increased ability efforts to implement long-term care, evidence-based best practices at the D.J. Jacobetti home for veterans.

(d) The collection of available federal Medicaid revenue shall increase as a result of Medicaid certification.

(e) The fiscal stability of the D.J. Jacobetti home for veterans shall improve due to increased efforts to collect available federal revenue.

Sec. 404. The department shall ensure that the quality of care for members of the Grand Rapids and D.J. Jacobetti homes for veterans shall exceed the current quality of care for the full spectrum of health care services as a result of the upgrades made

to the homes to meet the Centers for Medicare and Medicaid Services certification standards. The department shall provide a quarterly report to the subcommittees, which contains evidence that the quality of care for the full spectrum of health care services has improved due to those upgrades.

Sec. 405. (1) The MVAA shall provide a report, as provided under section 216, on the financial status of the Michigan veterans' trust fund, including the number and amount of emergency grants, state administrative expenses, and county administrative expenses.

(2) The Michigan veterans' trust fund board together with the agency shall maintain the staffing and resources necessary to process a minimum of 2,000 applications for veterans' trust fund emergency grants.

Sec. 406. (1) The MVAA shall provide outreach services to Michigan veterans to advise them on the benefits to which they are entitled, as provided under Executive Reorganization Order No. 2013-2, MCL 32.92. The MVAA shall also do the following:

(a) Maintain the staffing partnerships and other resources necessary to develop and operate an outreach program that communicates benefit eligibility information to at least 50% of Michigan's population of veterans, as assessed by annual census estimates, with a goal of reaching 100% and enabling 100% to access benefit information online.

(b) Communicate veteran benefit information pertaining to the Michigan military family relief fund, Michigan veterans' trust fund, and USDVA health, financial, and memorial benefits to which

veterans are entitled.

(c) Provide sufficient staffing and other resources to approve requests for military discharge certificates (DD-214) annually.

(d) Continue the process to digitize all medical records, military discharge documents, and burial records that are currently on paper and microfilm.

(e) Provide a report, as provided under section 216, on the MVAA's performance on the performance measures, outcomes, and initiatives developed by the agency in the strategic plan required by section 501 of 2013 PA 9.

(f) Provide a report to the subcommittees, the senate and house fiscal agencies, and the state budget office no later than April 1 providing for the following:

(*i*) To the extent known, data on the estimated number of homeless veterans, by county, in this state.

(*ii*) A summary of the activities and strategies developed to date under the MVAA community assessment and regional service delivery model pilot.

(2) From the funds appropriated in part 1, the MVAA shall provide for the regional coordination of services, as follows:

(a) Regional coordinators shall be selected by the MVAA through a grant agreement with VSOs or by other means.

(b) Regional coordinators shall provide the following services:

(*i*) Coordinate veteran benefit counselors' efforts throughout a specified region.

(*ii*) Coordinate services with the department of health and

human services and the department of corrections.

(*iii*) Coordinate with regional workforce and economic development agencies.

(*iv*) Coordinate activities among local foundations, nonprofit organizations, and community groups to improve accessibility, enrollment, and utilization of the array of health care, education, employment assistance, and quality of life services provided at the local level.

(c) The MVAA may work with MVAA service officers, regional coordinators, county veteran counselors, VSO service officers, and other service providers to incorporate the provision of information relating to mental health care resources into their daily operations to aid veterans in understanding the mental health care support services they may be eligible to receive.

(d) The MVAA shall coordinate with the department of health and human services to identify Medicaid recipients who are veterans and who may be eligible for federal veterans health care benefits or other benefits, to the extent that the identification does not violate applicable confidentiality requirements.

(e) The MVAA shall collaborate with the department of corrections to create and maintain a process by which prisoners can obtain a copy of their DD-214 form or other military discharge documentation if necessary.

(f) The MVAA shall ensure that all MVAA service officers, VSO service officers, and regional coordinators receive appropriate training in processing applications for benefits payable to veterans due to military sexual trauma, post-traumatic stress

disorder, depression, anxiety, substance abuse, or other mental health issues.

(3) The MVAA shall provide claims processing services to Michigan veterans in support of benefit claims submitted to the USDVA for the health, financial, and memorial benefits for which they are eligible, and shall do all of the following:

(a) Report the following information as provided in section 216:

(*i*) The number of benefit claims, by type, submitted to the USDVA by MVAA and coalition partner veteran service officers.

(*ii*) The number of fully developed claims submitted to the USDVA, with an overall goal of 40% of benefit claims submitted that are considered fully developed by the USDVA.

(b) Maintain the staffing and resources necessary to process a minimum of 500 claims per year.

(4) The MVAA shall maintain staffing and resources necessary to develop and implement a process to ensure that all county counselors receive the training and accreditation necessary to provide quality services to veterans. The MVAA shall report information as provided in section 216 on the number and percentage of county veterans counselors requesting training by the MVAA, with an overall goal of 100% of county veterans counselors trained.

(5) From the funds appropriated in part 1 for MVAA operations, the MVAA shall provide grant assistance to enhance the capacity and capabilities of counties in providing benefit claims assistance. These funds must be used to continue the implementation of an internet-based data system, to increase the number of county

veterans counselors, and to increase the number of counties that provide service to veterans through county veterans counselors. The MVAA shall provide a report, as provided in section 216, on the expenditures and activities of the grant funds directed by this subsection.

(6) From the funds appropriated in part 1 for MVAA, the MVAA is authorized to expend up to $50,000.00 to hire legal services to represent veterans benefit cases before federal court to maintain accreditation under 38 CFR 14.628(d)(1)(iv).

Sec. 407. (1) The MVAA shall disburse VSO grants to achieve agency goals and performance objectives in partnership with the VSOs. Grants to VSOs will be disbursed to fund programs and projects which are determined by the agency to meet agency performance objectives and ensure that VSOs communicate the availability of emergency grants through the Michigan veterans' trust fund. In disbursing veterans service organization grants, the MVAA shall do the following:

(a) Ensure that each VSO that receives grants is issued performance standards.

(b) Ensure that each VSO that receives grant funds uses those funds for veterans advocacy and outreach.

(c) Monitor the performance of each VSO that receives grants.

(2) Veterans service organization grants awarded by the MVAA shall provide for the following, as developed by the MVAA:

(a) The provision of service to veterans statewide, using a regional service delivery model, with services provided at specified locations and times, including service provided in state

correctional facilities.

(b) The payment of a fixed hourly service rate of $34.00 per hour.

(c) A specified number of service hours within each geographic region of this state, with a statewide goal based on both appropriations for the fiscal year ending September 30, 2018 for the VSO grant program and the fixed hourly service rate under subsection (2)(b). The statewide goal will include service hours provided to eligible incarcerated veterans within 1 year of their earliest release date.

(d) Use of an MVAA-designated internet-based claims data system.

(3) The MVAA shall report the following information as provided in section 216:

(a) A summary of activities supported through the appropriation in part 1 for VSO grants, including, separately for each service region, the amount of expenditures to date, number of service hours, number of claims for benefits submitted by type of claim, and other information deemed appropriate by the MVAA.

(b) The number of fully developed claims, by type, submitted to the USDVA by VSOs, with an overall goal of 40% of benefit claims submitted that are considered fully developed by the USDVA.

Sec. 408. (1) The Michigan veterans' trust fund board together with the MVAA shall provide emergency grants for disbursement from the Michigan veterans' trust fund, as provided under the following program authorities:

(a) Sections 37, 38, and 39 of article IX of the state

constitution of 1963.

(b) 1946 (1st Ex Sess) PA 9, MCL 35.602 to 35.610.

(c) R 35.1 to R 35.7 of the Michigan Administrative Code.

(d) R 35.621 to R 35.623 of the Michigan Administrative Code.

(2) No later than December 1, the MVAA shall provide a detailed report of the Michigan veterans' trust fund that includes, for the fiscal year ending September 30, 2017, information on grants provided from the emergency grant program, including details concerning the methodology of allocations, the selection of emergency grant program authorized agents, a description of how the emergency grant program is administered in each county, and a detailed breakdown of trust fund expenditures for that year, including the amount distributed to each county for administrative costs and emergency grants. The report must also include the number of approved applications, by category of assistance, and the number of denied applications, by reason of denial. The report must also provide an update on the department's efforts to reduce program administrative costs and maintain the Michigan veterans' trust fund corpus to its original amount of at least $50,000,000.00.

(3) Any funds not expended or encumbered at the end of the fiscal year ending September 30, 2018 must be deposited into the Michigan veterans' trust fund corpus.

CAPITAL OUTLAY

Sec. 501. (1) The department shall provide for the acquisition and disposition of National Guard armories, facilities, and lands as provided under sections 368, 382, and 382a of the Michigan

military act, 1967 PA 150, MCL 32.768, 32.782, and 32.782a.

(2) The department shall provide a listing of property sales and acquisitions as provided under section 216.

Sec. 502. (1) The appropriations in part 1 for special maintenance - National Guard shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

(2) The appropriations for special maintenance - National Guard shall be expended in accordance with the requirements of sections 302 and 305 and shall be expended according to the maintenance priorities of the department to repair and modernize military training sites and support facilities, including armories, which may include projects such as roof, HVAC, or boiler replacement, interior renovations, facility expansion, improvements to parking facilities, and other projects.

(3) The department shall provide a quarterly report as provided under section 216 providing information on the status, projected costs, and projected completion date of current and planned special maintenance projects at the armories and other National Guard facilities funded from capital outlay appropriations made in part 1 and in prior appropriations years.

Sec. 503. (1) The appropriations in part 1 for special maintenance – veterans' homes shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

(2) The appropriations for special maintenance – veterans' homes shall be expended in accordance with the requirements of

section 402 and shall be expended according to the maintenance priorities of the department to repair and modernize the state's veterans' homes, which may include projects such as roof, HVAC, or boiler replacement, interior renovations, facility expansion, improvements to parking facilities, and other projects designed to enhance the quality of life and medical care of members.

(3) The MVAA shall provide a quarterly report as provided under section 216 providing information on the status, projected costs, and projected completion date of current and planned special maintenance projects at the Grand Rapids home for veterans and D.J. Jacobetti home for veterans funded from capital outlay appropriations made in part 1 and in prior appropriations years.

ONE-TIME APPROPRIATIONS

ARMORY MAINTENANCE

Sec. 601. (1) The appropriations in part 1 for armory maintenance shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

(2) The appropriations for armory maintenance shall be expended in accordance with the requirements of sections 302 and 305 and shall be expended according to the maintenance priorities of the department to repair and modernize military training sites and support facilities, including armories.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2019 for the line items listed in part 1. The fiscal year 2018-2019 appropriations are anticipated to be the same as those for fiscal year 2017-2018, excluding appropriations designated as one-time appropriations and adjusting for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2018 consensus revenue estimating conference.

Sec. 1202. The veterans affairs agency shall provide the percentage of Michigan veterans contacted, with a goal of 100%, and report upon those outreach findings to the subcommittees at quarterly legislative hearings.

Sec. 1203. The veterans affairs agency shall maintain a minimum 50% fully developed claims as determined by the USDVA.

ARTICLE XV

DEPARTMENT OF NATURAL RESOURCES

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of natural resources for the fiscal year ending September 30, 2018, from the following funds:

DEPARTMENT OF NATURAL RESOURCES			
APPROPRIATION SUMMARY			
Full-time equated unclassified positions 6.0			
Full-time equated classified positions 2,255.8			
GROSS APPROPRIATION	$	401,311,000
Interdepartmental grant revenues:			
Total interdepartmental grants and intradepartmental transfers		232,200
ADJUSTED GROSS APPROPRIATION	$	401,078,800
Federal revenues:			
Total federal revenues		70,095,700
Special revenue funds:			
Total local revenues		0
Total private revenues		7,446,000
Total other state restricted revenues		274,553,100
State general fund/general purpose	$	48,984,000
FUND SOURCE SUMMARY			
Full-time equated unclassified positions 6.0			
Full-time equated classified positions 2,255.8			
GROSS APPROPRIATION	$	401,311,000
Interdepartmental grant revenues:			
IDG, land acquisition services-to-work orders		232,200
Total interdepartmental grants and intradepartmental transfers		232,200
ADJUSTED GROSS APPROPRIATION	$	401,078,800
Federal revenues:			
Federal funds		70,095,700

1	Total federal revenues	70,095,700
2	Special revenue funds:	
3	Private funds	7,431,000
4	Private - Mann House trust fund	15,000
5	Total private revenues	7,446,000
6	Cervidae licensing and inspection fees	138,800
7	Clean Michigan initiative fund	100
8	Commercial forest fund	26,600
9	Deer habitat reserve	2,136,700
10	Fire equipment fund	668,700
11	Fisheries settlement	629,200
12	Forest development fund	38,543,200
13	Forest land user charges	253,100
14	Forest recreation account	1,836,300
15	Game and fish protection fund	74,294,000
16	History fees fund	235,400
17	Invasive species fund	100
18	Land exchange facilitation fund	5,009,100
19	Local public recreation facilities fund	1,697,000
20	Mackinac Island State Park fund	1,583,700
21	Mackinac Island State Park operation fund	127,700
22	MacMullan Conference Center account	1,156,000
23	Marine safety fund	3,738,800
24	Michigan heritage publications fund	22,300
25	Michigan natural resources trust fund	1,306,900
26	Michigan state parks endowment fund	26,880,700
27	Michigan state waterways fund	27,850,200

Michigan trailways fund			200
Museum operations fund			506,800
Nongame wildlife fund			482,100
Off-road vehicle safety education fund			203,600
Off-road vehicle trail improvement fund			7,078,900
Park improvement fund			49,598,600
Park improvement fund - Belle Isle subaccount			800,200
Permanent snowmobile trail easement fund			700,000
Public use and replacement deed fees			27,600
Recreation improvement account			1,532,300
Recreation passport fees			8,296,200
Snowmobile registration fee revenue			1,197,600
Snowmobile trail improvement fund			9,934,100
Sportsmen against hunger fund			77,500
Turkey permit fees			1,017,400
Waterfowl fees			120,800
Waterfowl hunt stamp			1,500,000
Wildlife management public education fund			2,100,000
Wildlife resource protection fund			1,147,100
Youth hunting and fishing education and outreach fund			97,500
Total other state restricted revenues			274,553,100
State general fund/general purpose		$	48,984,000

Sec. 102. EXECUTIVE OPERATIONS

Full-time equated unclassified positions	6.0		
Full-time equated classified positions	11.6		
Unclassified salaries--6.0 FTE positions		$	776,700
Executive direction--11.6 FTE positions			2,136,400

Natural resources commission			77,100
GROSS APPROPRIATION		$	2,990,200
Appropriated from:			
Special revenue funds:			
Deer habitat reserve			19,300
Forest development fund			370,500
Forest land user charges			2,400
Forest recreation account			7,800
Game and fish protection fund			1,073,500
Land exchange facilitation fund			10,500
Marine safety fund			47,500
Michigan natural resources trust fund			1,400
Michigan state parks endowment fund			367,800
Michigan state waterways fund			194,900
Nongame wildlife fund			3,900
Off-road vehicle safety education fund			400
Off-road vehicle trail improvement fund			82,400
Park improvement fund			463,800
Recreation improvement account			12,900
Snowmobile registration fee revenue			4,800
Snowmobile trail improvement fund			17,500
Sportsmen against hunger fund			100
Turkey permit fees			7,800
Waterfowl fees			500
Wildlife resource protection fund			13,200
State general fund/general purpose		$	287,300

Sec. 103. DEPARTMENT INITIATIVES

Full-time equated classified positions 16.0		
Great Lakes restoration initiative	$	2,922,000
Invasive species prevention and control--16.0 FTE positions		5,031,700
GROSS APPROPRIATION	$	7,953,700
Appropriated from:		
Special revenue funds:		
Federal funds		2,922,000
State general fund/general purpose	$	5,031,700

Sec. 104. DEPARTMENT SUPPORT SERVICES

Full-time equated classified positions 109.5		
Accounting service center	$	1,489,000
Building occupancy charges		3,359,200
Finance and operations--105.5 FTE positions		16,581,800
Gifts and pass-through transactions		5,000,000
Legal services--4.0 FTE positions		550,500
Rent - privately owned property		351,800
GROSS APPROPRIATION	$	27,332,300
Appropriated from:		
Interdepartmental grant revenues:		
IDG, land acquisition services-to-work orders		232,200
Federal revenues:		
Federal funds		340,700
Special revenue funds:		
Private funds		5,000,000
Clean Michigan initiative fund		100
Deer habitat reserve		138,700

Forest development fund			2,440,900
Forest land user charges			4,900
Forest recreation account			44,500
Game and fish protection fund			5,998,600
Land exchange facilitation fund			4,922,000
Local public recreation facilities fund			197,000
Marine safety fund			745,300
Michigan natural resources trust fund			1,283,200
Michigan state parks endowment fund			933,000
Michigan state waterways fund			582,400
Nongame wildlife fund			9,600
Off-road vehicle safety education fund			300
Off-road vehicle trail improvement fund			87,800
Park improvement fund			1,302,000
Public use and replacement deed fees			27,600
Recreation improvement account			71,400
Snowmobile registration fee revenue			44,500
Snowmobile trail improvement fund			107,600
Sportsmen against hunger fund			400
Turkey permit fees			70,400
Waterfowl fees			2,900
Wildlife resource protection fund			28,700
State general fund/general purpose		$	2,715,600

Sec. 105. COMMUNICATION AND CUSTOMER SERVICES

Full-time equated classified positions	133.3		
Marketing and outreach--80.8 FTE positions		$	13,738,800
Michigan historical center--52.5 FTE positions			5,636,900

1	Michigan wildlife council		2,100,000
2	GROSS APPROPRIATION	$	21,475,700
3	Appropriated from:		
4	Federal revenues:		
5	Federal funds		1,558,300
6	Special revenue funds:		
7	Private funds		396,200
8	Private - Mann House trust fund		15,000
9	Forest development fund		133,400
10	Forest recreation account		16,400
11	Game and fish protection fund		8,327,000
12	History fees fund		235,400
13	Land exchange facilitation fund		46,000
14	Marine safety fund		36,000
15	Michigan heritage publications fund		22,300
16	Michigan state parks endowment fund		89,500
17	Michigan state waterways fund		147,600
18	Museum operations fund		506,800
19	Nongame wildlife fund		10,700
20	Off-road vehicle trail improvement fund		31,200
21	Park improvement fund		2,811,200
22	Recreation passport fees		23,800
23	Snowmobile registration fee revenue		19,400
24	Snowmobile trail improvement fund		45,600
25	Sportsmen against hunger fund		76,400
26	Wildlife management public education fund		2,100,000
27	Youth hunting and fishing education and outreach fund		95,500

State general fund/general purpose		$	4,732,000
Sec. 106. WILDLIFE DIVISION			
Full-time equated classified positions	227.5		
Natural resources heritage--9.0 FTE positions		$	631,300
Wildlife management--218.5 FTE positions			41,932,700
GROSS APPROPRIATION		$	42,564,000
Appropriated from:			
Federal revenues:			
Federal funds			25,158,800
Special revenue funds:			
Private funds			315,700
Cervidae licensing and inspection fees			85,400
Deer habitat reserve			1,717,100
Forest development fund			77,600
Game and fish protection fund			11,937,300
Nongame wildlife fund			427,400
Turkey permit fees			905,400
Waterfowl fees			114,100
State general fund/general purpose		$	1,825,200
Sec. 107. FISHERIES DIVISION			
Full-time equated classified positions	222.5		
Aquatic resource mitigation--2.0 FTE positions		$	629,300
Cormorant population mitigation program			150,000
Fish production--63.0 FTE positions			10,242,000
Fisheries resource management--157.5 FTE positions			20,639,100
GROSS APPROPRIATION		$	31,660,400
Appropriated from:			

Federal revenues:		
Federal funds		11,292,000
Special revenue funds:		
Private funds		136,200
Fisheries settlement		629,200
Game and fish protection fund		19,083,700
Invasive species fund		100
State general fund/general purpose	$	519,200

Sec. 108. LAW ENFORCEMENT DIVISION

Full-time equated classified positions 280.0		
General law enforcement--280.0 FTE positions	$	41,826,000
GROSS APPROPRIATION	$	41,826,000
Appropriated from:		
Federal revenues:		
Federal funds		6,510,900
Special revenue funds:		
Cervidae licensing and inspection fees		53,400
Forest development fund		45,400
Forest recreation account		72,800
Game and fish protection fund		19,444,800
Marine safety fund		1,342,300
Michigan state parks endowment fund		71,400
Michigan state waterways fund		21,700
Off-road vehicle safety education fund		156,100
Off-road vehicle trail improvement fund		1,692,800
Park improvement fund		72,800
Snowmobile registration fee revenue		721,400

Wildlife resource protection fund			1,063,100
State general fund/general purpose		$	10,557,100
Sec. 109. PARKS AND RECREATION DIVISION			
Full-time equated classified positions 911.9			
Forest recreation and trails--53.0 FTE positions		$	6,172,400
MacMullan Conference Center--15.0 FTE positions			1,156,000
Recreational boating--170.5 FTE positions			19,011,000
State parks--673.4 FTE positions			67,144,900
State park improvement revenue bonds - debt service ..			1,191,000
GROSS APPROPRIATION		$	94,675,300
Appropriated from:			
Interdepartmental grant revenues:			
Federal revenues:			
Federal funds			1,761,200
Special revenue funds:			
Private funds			428,000
Forest recreation account			1,652,800
MacMullan Conference Center account			1,156,000
Michigan state parks endowment fund			21,103,200
Michigan state waterways fund			17,868,000
Michigan trailways fund			100
Off-road vehicle safety education fund			7,200
Off-road vehicle trail improvement fund			1,456,700
Park improvement fund			43,590,500
Park improvement fund - Belle Isle subaccount			800,200
Recreation improvement account			492,000
Recreation passport fees			272,400

Snowmobile registration fee revenue			15,800
Snowmobile trail improvement fund			1,598,600
State general fund/general purpose		$	2,472,600
Sec. 110. MACKINAC ISLAND STATE PARK COMMISSION			
Full-time equated classified positions 17.0			
Historical facilities system--13.0 FTE positions		$	1,583,700
Mackinac Island State Park operations--4.0 FTE positions.....			333,600
GROSS APPROPRIATION		$	1,917,300
Appropriated from:			
Special revenue funds:			
Mackinac Island State Park fund			1,583,700
Mackinac Island State Park operation fund			127,700
State general fund/general purpose		$	205,900
Sec. 111. FOREST RESOURCES DIVISION			
Full-time equated classified positions 326.5			
Adopt-a-forest program		$	25,000
Cooperative resource programs--11.0 FTE positions			1,551,400
Forest fire equipment			581,500
Forest management and timber market development--176.0 FTE positions.....			31,344,000
Forest management initiatives--8.5 FTE positions			859,900
Minerals management--17.0 FTE positions			2,840,300
Wildfire protection--114.0 FTE positions			14,177,400
GROSS APPROPRIATION		$	51,379,500
Appropriated from:			
Federal revenues:			

Federal funds			4,292,500
Special revenue funds:			
Private funds			1,054,900
Commercial forest fund			24,500
Fire equipment fund			668,700
Forest development fund			32,865,700
Forest land user charges			221,900
Game and fish protection fund			1,937,700
Michigan state parks endowment fund			2,670,200
Michigan state waterways fund			51,400
State general fund/general purpose		$	7,592,000

Sec. 112. GRANTS

Dam management grant program		$	350,000
Deer habitat improvement partnership initiative			200,000
Federal - clean vessel act grants			400,000
Federal - forest stewardship grants			2,000,000
Federal - land and water conservation fund payments			2,566,900
Federal - rural community fire protection			400,000
Federal - urban forestry grants			900,000
Fisheries habitat improvement grants			1,250,000
Grants to communities - federal oil, gas, and timber payments			3,450,000
Grants to counties - marine safety			3,074,700
National recreational trails			3,900,000
Nonmotorized trail development and maintenance grants			350,000
Off-road vehicle safety training grants			29,200
Off-road vehicle trail improvement grants			3,706,200

Recreation improvement fund grants			907,100
Recreation passport local grants			1,500,000
Snowmobile law enforcement grants			380,100
Snowmobile local grants program			8,090,400
Trail easements			700,000
Wildlife habitat improvement grants			1,500,000
GROSS APPROPRIATION		$	35,654,600
Appropriated from:			
Federal revenues:			
Federal funds			15,184,300
Special revenue funds:			
Private funds			100,000
Deer habitat reserve			200,000
Game and fish protection fund			2,750,000
Local public recreation facilities fund			1,500,000
Marine safety fund			1,407,300
Off-road vehicle safety education fund			29,200
Off-road vehicle trail improvement fund			3,706,200
Permanent snowmobile trail easement fund			700,000
Recreation improvement account			907,100
Snowmobile registration fee revenue			380,100
Snowmobile trail improvement fund			8,090,400
State general fund/general purpose		$	700,000
Sec. 113. INFORMATION TECHNOLOGY			
Information technology services and projects		$	10,327,400
GROSS APPROPRIATION		$	10,327,400
Appropriated from:			

Special revenue funds:			
Commercial forest fund			2,100
Deer habitat reserve			61,600
Forest development fund			1,609,700
Forest land user charges			23,900
Forest recreation account			42,000
Game and fish protection fund			3,741,400
Land exchange facilitation fund			30,600
Marine safety fund			160,400
Michigan natural resources trust fund			22,300
Michigan state parks endowment fund			1,341,000
Michigan state waterways fund			484,200
Michigan trailways fund			100
Nongame wildlife fund			30,500
Off-road vehicle safety education fund			10,400
Off-road vehicle trail improvement fund			21,800
Park improvement fund			1,358,300
Recreation improvement account			48,900
Snowmobile registration fee revenue			11,600
Snowmobile trail improvement fund			74,400
Sportsmen against hunger fund			600
Turkey permit fees			33,800
Waterfowl fees			3,300
Wildlife resource protection fund			42,100
Youth hunting and fishing education and outreach			2,000
State general fund/general purpose		$	1,170,400

Sec. 114. CAPITAL OUTLAY

	(a) RECREATIONAL LANDS AND INFRASTRUCTURE		
	State parks repair and maintenance	$	9,304,600
	Wetlands restoration, enhancement, and acquisition ...		1,500,000
	GROSS APPROPRIATION	$	10,804,600
	Appropriated from:		
	Federal revenues:		
	Special revenue funds:		
	Michigan state parks endowment fund		304,600
	Recreation passport fees		8,000,000
	Waterfowl hunt stamp		1,500,000
	State general fund/general purpose	$	1,000,000
	(b) WATERWAYS BOATING PROGRAM		
	State harbors and boating access sites:		
	East Tawas state harbor, Iosco County, harbor renovation, dock replacements, dredging, fueling station, new electrical/utilities, phase III (total authorized cost is increased from $4,420,000 to $5,920,000; federal share is $1,650,000; state share is increased from $2,770,000 to $4,270,000)	$	1,500,000
	Local boating infrastructure maintenance and improvements		2,500,000
	State boating infrastructure maintenance		5,575,000
	GROSS APPROPRIATION	$	9,575,000
	Appropriated from:		
	Federal revenues:		
	Federal funds		1,075,000
	Special revenue funds:		

Michigan state waterways fund		8,500,000
State general fund/general purpose	$	0

Sec. 115. ONE-TIME BASIS APPROPRIATIONS

Land ownership tracking system	$	2,000,000
State parks repair and maintenance		4,000,000
Trail development		2,000,000
Wetland mitigation bank grants		2,175,000
Wildlife management		1,000,000
GROSS APPROPRIATION	$	11,175,000
Appropriated from:		
Special revenue funds:		
Forest development fund		1,000,000
State general fund/general purpose	$	10,175,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2017-2018 is $323,537,100.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 is $9,329,300.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF NATURAL RESOURCES

GRANTS		
Dam management grant program	$	175,000
Fisheries habitat improvement grants		125,000
Grants to counties – marine safety		1,407,300
Nonmotorized trail development and maintenance grants		262,500
Off-road vehicle safety training grants		29,200
Off-road vehicle trail improvement grants		534,500
Recreation improvement fund grants		90,700
Recreation passport local grants		1,500,000
Snowmobile law enforcement grants		380,100
Wildlife habitat improvement grants		150,000
Local boating infrastructure maintenance and improvements		2,500,000
Wetland mitigation bank grants		2,175,000
TOTAL	$	9,329,300

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

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

(a) "Department" means the department of natural resources.

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

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

(d) "IDG" means interdepartmental grant.

Sec. 204. The departments and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement, or it may include

placement of reports on an internet or intranet site.

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

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

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

(a) The dates of each travel occurrence.

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

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

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

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

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

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

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

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

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

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

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

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

(e) Job specifications and wage rates.

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

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2018 are $44,255,600.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $22,774,200.00. Total agency appropriations for retiree health care legacy costs are estimated at $21,481,400.00.

Sec. 215. Appropriations of state restricted game and fish protection funds have been made in the following amounts to the following departments and agencies:

Legislative auditor general	$ 31,300
Attorney general	756,300
Department of technology, management, and budget	492,500

Department of treasury 3,013,100

Sec. 216. Pursuant to section 43703(3) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.43703, there is appropriated from the game and fish protection trust fund to the game and fish protection account of the Michigan conservation and recreation legacy fund, $6,000,000.00 for the fiscal year ending September 30, 2018.

Sec. 218. The department and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 219. Before January 31, 2018, the department, in cooperation with the Michigan state waterways commission, shall provide to the state budget director, the senate and house appropriations subcommittees on natural resources, and the senate and house fiscal agencies a list of projects completed by the commission in the fiscal year ending September 30, 2017, including the county and municipality in which each project is located.

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

DEPARTMENT INITIATIVES

Sec. 251. From the amounts appropriated in part 1 for invasive species prevention and control, the department shall allocate not

less than $3,600,000.00 for grants for the prevention, detection, eradication, and control of invasive species.

DEPARTMENT SUPPORT SERVICES

Sec. 302. The department may charge land acquisition projects appropriated for the fiscal year ending September 30, 2018, and for prior fiscal years, a standard percentage fee to recover actual costs, and may use the revenue derived to support the land acquisition service charges provided for in part 1.

Sec. 303. As appropriated in part 1, the department may charge both application fees and transaction fees related to the exchange or sale of state-owned land or rights in land authorized by part 21 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2101 to 324.2162. The fees shall be set by the director at a rate that allows the department to recover its costs for providing these services.

COMMUNICATION AND CUSTOMER SERVICES

Sec. 404. For the purposes of administering the museum store as provided in section 6 of 2016 PA 470, MCL 399.806, the department is exempt from section 261 of the management and budget act, 1984 PA 431, MCL 18.1261.

Sec. 405. As appropriated in part 1, proceeds in excess of costs incurred in the conduct of auctions, sales, or transfers of artifacts no longer considered suitable for the collections of the state historical museum may be expended upon receipt for additional material for the collection. The department shall notify the

chairpersons, vice chairpersons, and minority vice chairpersons of the senate and house appropriations subcommittees on natural resources 1 week prior to any auctions or sales. Any unexpended funds may be carried forward into the next succeeding fiscal year.

Sec. 406. As appropriated in part 1, funds collected by the department for historical markers; document reproduction and services; conferences, admissions, workshops, and training classes; and the use of specialized equipment, facilities, exhibits, collections, and software shall be used for expenses necessary to provide the required services. The department may charge fees for the aforementioned services, including admission fees. Any unexpended funds may be carried forward into the next succeeding fiscal year.

Sec. 408. By October 21, 2017, the department shall submit to the senate and house appropriations subcommittees on natural resources a report on all land transactions approved by the natural resources commission in the fiscal year ending September 30, 2017. For each land transaction, the report shall include the size of the parcel, the county and municipality in which the parcel is located, the dollar amount of the transaction, the fund source affected by the transaction, and whether the transaction is by purchase, public auction, transfer, exchange, or conveyance.

WILDLIFE DIVISION

Sec. 503. From the funds appropriated in part 1, the department shall produce a report detailing any efforts undertaken to enforce the invasive species order on swine raised under the

husbandry of residents of this state. The report shall include fund sources used and the amount of expenditures and shall be submitted to the legislature by December 31, 2017.

Sec. 504. From the funds appropriated in part 1, the department shall provide a report to the legislature on the use of registration fees collected from privately owned cervid operations. Appropriations in part 1 from cervidae licensing and inspection fees shall not be used for anything other than work directly related to the regulation of privately owned cervid operations in this state.

FISHERIES DIVISION

Sec. 601. (1) From the appropriation in part 1 for aquatic resource mitigation, not more than $758,000.00 shall be allocated for grants to watershed councils, resource development councils, soil conservation districts, local governmental units, and other nonprofit organizations for stream habitat stabilization and soil erosion control.

(2) The fisheries division in the department shall develop priority and cost estimates for all projects recommended for grants under subsection (1).

Sec. 602. As a condition of expenditure of fisheries management appropriations under part 1, the department of natural resources shall not impede the certification process for water control structures on Michigan waterways. The department of natural resources shall fund from funds appropriated in part 1 all non-water-quality studies or requirements that the department requests

of either of the following:

(a) The department of environmental quality as a condition for issuance of a certification under section 401 of the federal water pollution control act, 33 USC 1341.

(b) The Federal Energy Regulatory Commission as a condition of licensing under the federal power act, 16 USC 791a to 825r.

Sec. 603. The department shall provide an annual report to the legislature on use of funding provided for cormorant management. The department shall use general fund/general purpose revenue for this purpose and submit revenue appropriated in part 1 for cormorant management to the United States Department of Agriculture Animal and Plant Health Inspection Service to allow for increased taking of cormorants and their nests. If any funds appropriated for cormorant management are retained by the department, or other funds become available for this purpose, the department shall use those funds to harass cormorants with the goal of reducing foraging attempts on fish populations.

FOREST RESOURCES DIVISION

Sec. 802. From the funds appropriated in part 1, the department shall provide quarterly reports on the number of acres of state forestland marked or treated for timber harvest to the senate and house appropriations subcommittees on natural resources and the standing committees of the senate and house of representatives with primary responsibility for natural resources issues. The department shall complete and deliver these reports by 45 days after the end of the fiscal quarter.

Sec. 803. In addition to the money appropriated in part 1, the department may receive and expend money from federal sources to provide response to wildfires as required by a compact with the federal government. If additional expenditure authorization is required, the department shall notify the state budget office that expenditure under this section is required. The department shall notify the house and senate appropriations subcommittees on natural resources and the house and senate fiscal agencies by November 1, 2017, of the expenditures under this section during the fiscal year ending September 30, 2017.

Sec. 807. (1) In addition to the funds appropriated in part 1, there is appropriated from the disaster and emergency contingency fund up to $800,000.00 to cover costs related to any disaster as defined in section 2 of the emergency management act, 1976 PA 390, MCL 30.402.

(2) Funds appropriated under subsection (1) shall not be expended unless the state budget director recommends the expenditure and the department notifies the house and senate committees on appropriations. By December 1 each year, the department shall provide a report to the senate and house fiscal agencies and the state budget office on the use of the disaster and emergency contingency fund during the prior fiscal year.

(3) If Federal Emergency Management Agency (FEMA) reimbursement is approved for costs paid from the disaster and emergency contingency fund, the federal revenue shall be deposited into the disaster and emergency contingency fund.

(4) Unexpended and unencumbered funds remaining in the

disaster and emergency contingency fund at the close of the fiscal year shall not lapse to the general fund and shall be carried forward and be available for expenditures in subsequent fiscal years.

Sec. 808. (1) From the increased funds appropriated in part 1 for forest management and timber market development, the department shall increase the harvest of timber on state forestlands. The purpose of this program expansion is to expand the forest products economy.

(2) The department shall identify specific outcomes and performance metrics for this initiative, such as increasing the number of acres prepared for timber sale.

LAW ENFORCEMENT

Sec. 901. The appropriation in part 1 for snowmobile law enforcement grants shall be used by the department to provide grants to county law enforcement agencies to enforce part 821 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.82101 to 324.82161, including rules promulgated under that part and ordinances enacted pursuant to that part. The department shall consider the number of enforcement hours and the number of miles of snowmobile trails in each county in allocating these grants. Any funds not distributed to counties revert back to the snowmobile registration fee subaccount created under section 82111 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.82111. Counties shall provide semiannual reports to the department on the use of grant money received under

this section.

Sec. 902. The department shall provide a report on the marine safety grant program to the senate and house appropriations subcommittees on natural resources and the senate and house fiscal agencies by December 1, 2017. The report shall include the following information for the preceding year: the total amount of revenue received for watercraft registrations, the amount deposited into the marine safety fund, and the expenditures made from the marine safety fund, including the amounts expended for department administration, other state agencies, the law enforcement division, and grants to counties. The report shall also include the distribution methodology used by the department to distribute the marine safety grants and a list of the grants and the amounts awarded by county.

Sec. 903. From the increased funds appropriated in part 1 for conservation officers, the department shall hire, train, and outfit 6 detectives or specialists, or both, as well as 2 support staff. The primary purpose of the new staff is to conduct long-term surveillance and covert investigations to combat illegal activities and enforce regulations.

GRANTS

Sec. 1001. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 for grants to communities - federal oil, gas, and timber payments and that do not require additional state matching funds are appropriated for the purposes intended. By

November 30, 2017, the department shall report to the senate and house appropriations subcommittees on natural resources, the senate and house fiscal agencies, and the state budget director on all amounts appropriated under this section during the fiscal year ending September 30, 2017.

CAPITAL OUTLAY

Sec. 1103. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

ONE-TIME BASIS ONLY APPROPRIATIONS

Sec. 1201. From the increased funds appropriated in part 1 for wetland mitigation banking, the department shall increase available wetland mitigation bank credits with a goal of 1,800. The purpose of this program is to provide affordable mitigation credits for municipalities and agricultural producers.

Sec. 1204. The department shall provide a report on the wetland mitigation banking program to the house and senate appropriations committees by March 31, 2018. The report shall include all of the following information for the current fiscal year:

(a) A plan for development of land for the program.

(b) A goal for number of credits sold.

(c) A timeline of completed and expected transactions.

Sec. 1205. The department shall provide a report on the

wetland mitigation banking program to the house and senate appropriations committees by September 30, 2018. The report shall include all of the following information:

(a) For the current fiscal year, the acreage of land developed for the program and the number of credits sold.

(b) For the next fiscal year, a timeline of expected transactions.

ARTICLE XVI

DEPARTMENT OF STATE POLICE

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of state police for the fiscal year ending September 30, 2018, from the following funds:

DEPARTMENT OF STATE POLICE

APPROPRIATION SUMMARY

Full-time equated unclassified positions	3.0	
Full-time equated classified positions	3,431.0	
GROSS APPROPRIATION		$ 692,589,100
Interdepartmental grant and intradepartmental transfer revenues:		
Total interdepartmental grants and intradepartmental transfers		26,221,600
ADJUSTED GROSS APPROPRIATION		$ 666,367,500
Federal revenues:		

Total federal revenues			83,662,500
Special revenue funds:			
Total local revenues			5,835,200
Total private revenues			178,100
Total other state restricted revenues			139,423,700
State general fund/general purpose		$	437,268,000
State general fund/general purpose schedule:			
Ongoing state general fund/general purpose	417,491,100		
One-time state general fund/general purpose	19,776,900		
Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT			
Full-time equated unclassified positions	3.0		
Unclassified salaries--3.0 FTE positions		$	586,100
Full-time equated classified positions	83.0		
Accounting service center			1,066,500
Department services--58.0 FTE positions			8,823,200
Departmentwide			40,942,200
Executive direction--25.0 FTE positions			4,170,100
GROSS APPROPRIATION		$	55,588,100
Appropriated from:			
Interdepartmental grant and intradepartmental transfer revenues:			
Total interdepartmental grants and intradepartmental transfers			363,500
Federal revenues:			
Total federal revenues			546,000

	Special revenue funds:		
	Total local revenues		6,200
	Total other state restricted revenues		5,506,200
	State general fund/general purpose	$	49,166,200
	Sec. 103. LAW ENFORCEMENT SERVICES		
	Full-time equated classified positions 530.0		
	Biometrics and identification--54.0 FTE positions	$	9,294,100
	Criminal justice information center--134.0 FTE positions.....		19,917,400
	Forensic science--270.0 FTE positions		43,876,100
	Grants and community services--17.0 FTE positions		19,042,500
	Training--55.0 FTE positions		10,466,100
	GROSS APPROPRIATION	$	102,596,200
	Appropriated from:		
	Interdepartmental grant and intradepartmental transfer revenues:		
	Total interdepartmental grants and intradepartmental transfers.....		5,698,200
	Federal revenues:		
	Total federal revenues		16,409,400
	Special revenue funds:		
	Total local revenues		915,300
	Total private revenues		100,000
	Total other state restricted revenues		36,591,700
	State general fund/general purpose	$	42,881,600
	Sec. 104. MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS		

	Full-time equated classified positions 18.0		
	Public safety officers benefit program--1.0 FTE		
	position.....	$	151,100
	Standards and training/justice training grants--17.0		
	FTE positions.....		9,887,100
	Training only to local units		654,500
	GROSS APPROPRIATION	$	10,692,700
	Appropriated from:		
	Federal revenues:		
	Total federal revenues		175,700
	Special revenue funds:		
	Total other state restricted revenues		9,215,900
	State general fund/general purpose	$	1,301,100
	Sec. 105. FIELD SERVICES		
	Full-time equated classified positions 2,213.0		
	Investigative services--180.5 FTE positions	$	33,824,800
	Post operations--2,002.5 FTE positions		295,519,600
	Roadside saliva testing pilot		100
	Impaired driving safety commission fund		100
	Secure cities partnership--30.0 FTE positions		7,831,100
	GROSS APPROPRIATION	$	337,175,700
	Appropriated from:		
	Interdepartmental grant and intradepartmental		
	transfer revenues:		
	Total interdepartmental grants and intradepartmental		
	transfers.....		6,871,600
	Federal revenues:		

Total federal revenues			6,675,300
Special revenue funds:			
Total local revenues			2,079,400
Total other state restricted revenues			49,519,700
State general fund/general purpose		$	272,029,700
Sec. 106. SPECIALIZED SERVICES			
Full-time equated classified positions 587.0			
Commercial vehicle enforcement--211.0 FTE positions ..		$	28,721,700
Commercial vehicle regulation--12.0 FTE positions			2,226,200
Emergency management and homeland security--64.0 FTE positions.....			15,602,300
Hazardous materials programs--25.0 FTE positions			30,139,700
Highway safety planning--26.0 FTE positions			18,001,900
Intelligence operations--181.0 FTE positions			24,223,500
Secondary road patrol program--1.0 FTE position			11,069,300
Special operations--67.0 FTE positions			12,012,500
GROSS APPROPRIATION		$	141,997,100
Appropriated from:			
Interdepartmental grant and intradepartmental transfer revenues:			
Total interdepartmental grants and intradepartmental transfers.....			12,823,500
Federal revenues:			
Total federal revenues			58,899,000
Special revenue funds:			
Total local revenues			1,700,100
Total private revenues			78,100

Total other state restricted revenues		29,219,100
State general fund/general purpose	$	39,277,300

Sec. 107. INFORMATION TECHNOLOGY

Information technology services and projects	$	24,762,400
GROSS APPROPRIATION	$	24,762,400
Appropriated from:		
Interdepartmental grant and intradepartmental transfer revenues:		
Total interdepartmental grants and intradepartmental transfers		464,800
Federal revenues:		
Total federal revenues		957,100
Special revenue funds:		
Total local revenues		1,134,200
Total other state restricted revenues		9,371,100
State general fund/general purpose	$	12,835,200

Sec. 108. ONE-TIME APPROPRIATIONS

Advanced 9-1-1	$	2,200,000
Disaster and emergency contingency fund		7,000,000
Equipment lifecycle replacement - secure cities		1,000,000
Fair and impartial policing training grants		1,000,000
Forensic science		730,000
Law enforcement job task analysis		200,000
Michigan International Speedway traffic control		800,000
Sexual assault prevention and education initiative ...		600,000
Trooper school		6,246,900
GROSS APPROPRIATION	$	19,776,900

Appropriated from:

State general fund/general purpose ..... $ 19,776,900

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2017-2018 is $576,691,700.00 and state spending from state resources to be paid to local units of government for fiscal year 2017-2018 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

Standards and training/justice training grants	$	2,500,100
Training only to local units		654,500
Secondary road patrol program		10,958,600
TOTAL	$	14,113,200

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

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

(a) "CJIS" means Criminal Justice Information Systems.

(b) "Core service" means that phrase as defined in section 373 of the management and budget act, 1984 PA 431, MCL 18.1373.

(c) "Department" means the department of state police.

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

(e) "DNA" means deoxyribonucleic acid.

(f) "DTMB" means the department of technology, management, and budget.

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

(h) "IDG" means interdepartmental grant.

(i) "MCOLES" means the Michigan commission on law enforcement standards.

(j) "Subcommittees" means the subcommittees of the senate and house standing committees on appropriations with jurisdiction over the budget for the department.

(k) "Support service" means an activity required to support the ongoing delivery of core services.

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

Sec. 205. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available. Preference shall be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality. In addition, preference shall be given to goods or

services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

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

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

(a) The dates of each travel occurrence.

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

Sec. 208. Funds appropriated in part 1 shall not be used by a

principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

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

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

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $3,500,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(3) In addition to the funds appropriated in part 1, there is

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

(4) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $200,000.00 for private contingency funds. These funds are not available for expenditure until they have been transferred to another line item in this part under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the senate and house appropriations subcommittees chairs,

and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2017 and September 30, 2018.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2018 are estimated at $124,240,400.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at $70,149,700.00. Total agency appropriations for retiree health care legacy costs are estimated at $54,090,700.00.

Sec. 215. Based on the availability of federal funding and the demonstrated need as indicated by applications submitted to the state court administrative office, the department shall provide $1,500,000.00 in Byrne justice assistance grant program funding to the judiciary by interdepartmental grant.

Sec. 216. A department or state agency shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff.

Sec. 217. The department shall provide quarterly reports to the subcommittees, the senate and house fiscal agencies, and the state budget office that provide the following data:

(a) A list of major work projects, including the status of each project.

(b) The department's financial status, featuring a report of budgeted versus actual expenditures by part 1 line item including a year-end projection of budget requirements. If projected department budget requirements exceed the allocated budget, the report shall include a plan to reduce overall expenses while still satisfying specified service level requirements.

(c) A report on the performance metrics cited or information required to be reported in this part, reasons for nonachievement of metric targets, and proposed corrective actions.

Sec. 218. The appropriations in part 1 are for the core services, support services, and work projects of the department, including, but not limited to, the following core services:

(a) State security operations.

(b) Training.

(c) Michigan commission on law enforcement standards.

(d) Criminal justice information systems.

(e) Forensic analysis and biometric identification.

(f) Post operations and investigative services.

(g) Special operations.

(h) Intelligence operations.

(i) Commercial vehicle regulation and enforcement.

(j) Emergency management and homeland security.

(k) Highway safety planning.

(*l*) Secondary road patrol program.

Sec. 219. The department shall notify the subcommittees, the chairpersons of the senate and house standing committees on appropriations, and the senate and house fiscal agencies not less

than 90 days before recommending to close or consolidate any state police posts. The notification shall include a local and state impact study of the proposed post closure or consolidation.

Sec. 220. At least 90 days before beginning any effort to privatize, the department shall submit a complete project plan to the subcommittees and the senate and house fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the subcommittees and the senate and house fiscal agencies within 30 months.

Sec. 221. (1) When the department provides contractual services to a local unit of government, the department shall be reimbursed for all costs incurred in providing the services, including, but not limited to, retirement and overtime costs.

(2) The department shall define service cost models for those services requiring reimbursement.

(3) Contractual services provided to an entity other than a local unit of government may be provided by department personnel, but only on an overtime basis outside the normal work schedule of the personnel.

(4) This section does not apply to services provided to state agencies.

(5) Revenues received for contractual or reimbursed services in excess of the appropriation in part 1 are appropriated and may be received and expended by the department for the purposes for which funds are received.

(6) If additional authorization is approved in the statewide

integrated governmental management application (SIGMA) by the state budget office under this section, the department shall notify the subcommittees and the senate and house fiscal agencies within 10 days after the approval. The notification shall include the amount and funding source of the additional authorization, the date of its approval, and the projected use of funds to be expended.

Sec. 222. The department shall serve as an active liaison between the DTMB and state, local, regional, and federal public safety agencies on matters pertaining to the Michigan public safety communications system and shall report user issues to the DTMB.

Sec. 223. Money privately donated to the department is appropriated under part 1 to be used for the purposes designated by the donor of the money, if specified.

Sec. 224. (1) Federal revenues authorized by and available from the federal government in excess of the appropriation in part 1 are appropriated and may be received and expended by the department for purposes authorized under state law and subject to federal requirements.

(2) If additional authorization is approved in the statewide integrated governmental management application (SIGMA) by the state budget office under this section, the department shall notify the subcommittees and the senate and house fiscal agencies within 10 days after the approval. The notification shall include the amount and funding source of the additional authorization, the date of its approval, and the projected use of funds to be expended.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

Sec. 301. (1) The department shall provide security services at the State Capitol Complex facilities and the State Secondary Complex as provided under section 6c of 1935 PA 59, MCL 28.6c.

(2) The department shall maintain the staff and resources necessary to respond to emergencies at the State Capitol Complex, State Secondary Complex, House Office Building, Farnum Building, Capitol parking lot, Townsend Parking Ramp, the Roosevelt Parking Ramp, and other areas as directed.

(3) The department may develop a phased approach for improving security at the Capitol Building.

(4) The department shall maintain a goal of annually conducting 35,000 property inspections of state owned and leased facilities.

LAW ENFORCEMENT SERVICES

Sec. 401. (1) The department shall provide performance data as provided under section 217 for average classroom occupancy rate, with an annual goal of at least 55%.

(2) The department shall submit a report to the subcommittees and the senate and house fiscal agencies within 60 days of the conclusion of any trooper, motor carrier, or state properties security recruit school. The report shall include the following:

(a) The number of veterans and the number of MCOLES-certified police officers who were admitted to and the number who graduated from the recruit school.

(b) The total number of recruits who were admitted to the school, the number of recruits who graduated from the school, and

the location at which each of these recruits is assigned.

(3) The department shall distribute and review course evaluations to ensure that quality training is provided.

Sec. 402. (1) In accordance with applicable state and federal laws and regulations, the department shall maintain and ensure compliance with CJIS databases and applications in the support of public safety and law enforcement communities.

(2) The department shall improve the accuracy, timeliness, and completeness of criminal history information by conducting a minimum of 30 outreach activities targeted to criminal justice agencies.

(3) The department shall provide for the compilation of crime statistics consistent with the uniform crime reporting (UCR) program and the national incident-based report system (NIBRS).

(4) The department shall provide for the compilation and evaluation of traffic crash reports and the maintenance of the state accident data collection system.

(5) The department shall make traffic crash information available to the public at a reasonable cost. For bulk access to the accident records in which the vehicle identification number has been collected and computerized, the department shall make those records available to the public at cost, provided that the name and address have been excluded.

(6) In accordance with applicable state and federal laws and regulations, the department shall provide for the maintenance and dissemination of criminal history records and juvenile records, including to the extent necessary to exchange criminal history

records information with the Federal Bureau of Investigation and other states through the interstate identification index, the National Crime Information Center, and other federal CJIS databases and indices.

(7) In accordance with applicable state and federal laws, the department shall provide for the maintenance of records, including criminal history records regarding firearms licensure.

(8) The following unexpended and unencumbered revenues deposited into the criminal justice information center service fees shall not lapse to the general fund, but shall be carried forward into the subsequent fiscal year:

(a) Fees for fingerprinting and criminal record checks and name-based criminal record checks under 1935 PA 120, MCL 28.271 to 28.273.

(b) Fees for application and licensing for initial and renewal concealed pistol licenses under 1927 PA 372, MCL 28.421 to 28.435.

(c) Revenue from other sources, including, but not limited to, investment and interest earnings.

(9) Unexpended and unencumbered revenue generated by state records management system fees shall not lapse to the general fund, but shall be carried forward into the subsequent fiscal year.

Sec. 403. (1) The department shall provide forensic testing services to aid in criminal investigations.

(2) The department shall ensure its ability to maintain accreditation by a federally designated accrediting agency, as provided under 42 USC 14132.

(3) The department shall provide forensic science services

with an average turnaround time of 55 days, assuming an annual caseload volume commensurate with that received in fiscal year 2012-2013, and shall achieve a goal of a 30-day average turnaround time across all forensic science disciplines.

(4) The department shall provide the following data as provided in section 217:

(a) The average turnaround time for processing forensic evidence across all disciplines.

(b) Forensic laboratory staffing levels, including scientists in training, and vacancies.

(c) The number of backlogged cases in each discipline.

(5) The department shall provide for the forensic testing and analysis/profiling of DNA evidence to aid criminal investigations by law enforcement agencies in this state.

Sec. 404. (1) The biometrics and identification division shall house and manage the automated fingerprint identification system, the statewide network of agency photographs, and combined offender DNA index system biometric databases.

(2) The department shall provide data on the number of 10-print and palm-print submissions to the database, with a goal of at least 97% of submissions provided electronically as provided in section 217.

(3) The department shall maintain the staffing and resources necessary to have a 28-day average wait time for scheduling a polygraph examination, assuming an annual caseload received commensurate with fiscal year 2012-2013, with a goal of achieving a 15-day average wait time.

(4) If changes are made to the department's protocol for retaining and purging DNA analysis samples and records, the department shall post a copy of the protocol changes on the department's website.

Sec. 405. Not later than December 1 of the subsequent fiscal year, the department shall submit a report to the subcommittees and senate and house fiscal agencies that includes, but is not limited to, all of the following information:

(a) Sexual assault kit analysis backlog at the beginning of the current fiscal year.

(b) The number of sexual assault kits collected or submitted for analysis during the current fiscal year.

(c) The number of sexual assault kits analyzed and the number of associated DNA profiles created and uploaded during the current fiscal year.

(d) Sexual assault kit analysis backlog at the ending of the current fiscal year.

(e) The average turnaround time to analyze sexual assault kits and to create and upload associated DNA profiles for the current fiscal year.

Sec. 406. The department shall provide administrative support for the following grant and community service programs:

(a) The operations of the automobile theft prevention authority.

(b) Administration of the Edward Byrne memorial justice assistance program and other grant programs as well as the department's community policing efforts.

(c) Oversight and administration of 9-1-1 operations statewide.

MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS

Sec. 501. (1) MCOLES shall establish standards for the selection, employment, training, education, licensing, and revocation of all law enforcement officers and provide the basic law enforcement training curriculum for law enforcement training academy programs statewide.

(2) MCOLES shall maintain staffing and resources necessary to update law enforcement standards within 120 days of the enactment date of any new legislation.

FIELD SERVICES

Sec. 601. (1) Department enlisted personnel who are employed to enforce traffic laws as provided in section 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e, shall not be prohibited from responding to crimes in progress or other emergency situations and are responsible for making every effort to protect all residents of this state.

(2) The department shall maintain the staffing and resources necessary to continually work to enhance traffic safety throughout this state and shall dedicate a minimum of 455,200 hours to statewide patrol, of which a minimum of 40,000 shall be committed to distressed cities in this state, and 4,000 shall be committed to Belle Isle. The department shall work to improve public safety efforts within distressed cities by enhancing data analysis

capabilities and identifying crime trends and areas with high occurrence of crime.

(3) The department shall maintain the staffing and resources necessary to perform activities to maintain a 93% compliance rate for reporting by registered sex offenders.

(4) The department shall submit a report on or before December 1 to the subcommittees and senate and house fiscal agencies regarding the secure cities partnership during the prior fiscal year.

Sec. 602. (1) The department shall identify and apprehend criminals through criminal investigations in this state.

(2) The department shall maintain the staffing and resources necessary to provide a comparable number of hours investigating crimes as those performed in fiscal year 2012-2013.

(3) The department shall maintain the staffing and resources necessary to annually meet or exceed a case clearance rate of 62%.

(4) The department shall annually provide 4 training opportunities to local law enforcement partners with the goal of increasing their knowledge of gambling laws, trends, legal issues, and opioid-related investigations.

(5) The department shall maintain the staffing and resources necessary to increase the number of opioid-related investigations by 20% above the number of such investigations conducted in the 2014-2015 fiscal year conducted by multijurisdictional task forces and hometown security teams. The department shall work to enhance investigative and drug interdiction efforts by enhancing data analysis capabilities and linking investigations among

multijurisdictional task forces and hometown security teams.

Sec. 603. (1) The department shall provide protection to this state, its economy, welfare, and vital state-sponsored programs through the prevention and suppression of organized smuggling of untaxed tobacco products in the state, through enforcement of the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, and other laws pertaining to combating criminal activity in this state, by maintaining a tobacco tax enforcement unit.

(2) The department shall submit an annual report on December 1 to the subcommittees, the senate and house appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office that details expenditures and activities related to tobacco tax enforcement for the prior fiscal year.

(3) The tobacco tax enforcement unit shall dedicate a minimum of 16,600 hours to tobacco tax enforcement.

Sec. 604. (1) The department shall provide fire investigation services to citizens of this state through training and investigative assistance to public safety agencies in this state.

(2) The department shall maintain the staffing and resources necessary to maintain readiness to respond appropriately to at least the number of requests for fire investigation services that occurred in fiscal year 2010-2011 and shall be available for call out statewide 100% of the time.

SPECIALIZED SERVICES

Sec. 701. (1) The department shall operate the Michigan

intelligence operation center for homeland security as the state's primary federally designated fusion center to receive, analyze, gather, and disseminate threat-related information among federal, state, local, tribal, and private sector partners.

(2) The department shall ensure public safety by providing public and private sector partners with timely and accurate information regarding critical information key resource threats as reported to or discovered by the Michigan intelligence operations center for homeland security and shall increase public awareness on how to report suspicious activity through website or telephone communications.

(3) The department shall maintain the staffing and resources necessary to support the cyber section, including the Michigan cyber command center, the computer crimes unit, and the Internet crimes against children task force. The department shall maintain the staffing and resources necessary to increase the number of cases completed by the computer crimes unit by 20% above the number of cases completed in the 2014-2015 fiscal year. The unit shall pursue process improvement initiatives to effectively utilize staff resources in providing investigatory assistance and evidentiary analysis for law enforcement and criminal justice agencies statewide.

(4) The department shall maintain the staffing and resources necessary to provide digital forensic analysis services with a goal of decreasing backlogs of digital forensic analysis cases annually until the department maintains a 60-day turnaround time.

Sec. 702. (1) The department shall provide specialized

services in support of, and to enhance, local, state, and federal law enforcement operations within this state in accordance with all applicable state and federal laws and regulations.

(2) The department shall maintain the staffing and resources necessary to provide training to maintain readiness to respond appropriately to at least the number of requests for specialty services which occurred in fiscal year 2010-2011.

(3) The canine unit shall be available for call out statewide 100% of the time.

(4) The bomb squad unit shall be available for call out statewide 100% of the time.

(5) The emergency support teams shall be available for call out statewide 100% of the time.

(6) The marine services team shall be available for call out statewide 100% of the time.

(7) Aviation services shall be available for call out statewide 100% of the time, unless prohibited by weather or unexpected mechanical breakdowns.

Sec. 703. (1) The department shall maintain commercial vehicle regulation, school bus inspections, and enforcement activities, including enforcement of requirements concerning size, weight, and load restrictions; operating authority; registration; fuel taxes; transportation of hazardous materials; operations of new entrants; and commercial driver's licenses.

(2) The department shall maintain the staffing and resources necessary to meet inspection goals consistent with the department's federal motor carrier assistance program activities.

(3) Revenue collected under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.42, shall be expended in accordance with that act. Unexpended and unencumbered revenues shall not lapse to the general fund but shall be carried forward into the subsequent fiscal year.

Sec. 704. (1) The department shall coordinate the mitigation, preparation, response, and recovery activities of municipal, county, state, and federal governments, and other governmental entities, for all hazards, disasters, and emergencies.

(2) The state director of emergency management may expend money appropriated under part 1 to call upon any agency or department of the state or any resource of the state to protect life or property or to provide for the health or safety of the population in any area of the state in which the governor proclaims a state of emergency or state of disaster under 1945 PA 302, MCL 10.31 to 10.33, or under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. The state director of emergency management may expend the amounts the director considers necessary to accomplish these purposes. The director shall submit to the state budget director as soon as possible a complete report of all actions taken under the authority of this section. The report shall contain, as a separate item, a statement of all money expended that is not reimbursable from federal money. The state budget director shall review the expenditures and submit recommendations to the legislature in regard to any possible need for a supplemental appropriation.

(3) In addition to the money appropriated in part 1, the

department may receive and expend money from local, private, federal, or state sources for the purpose of providing emergency management training to local or private interests and for the purpose of supporting emergency preparedness, response, recovery, and mitigation activity. If additional expenditure authorization in the statewide integrated governmental management application (SIGMA) is approved by the state budget office under this section, the department and the state budget office shall notify the subcommittees and the senate and house fiscal agencies within 10 days after the approval. The notification shall include the amount and source and the additional authorization, the date of its approval, and the projected use of funds to be expended under the authorization.

(4) The department shall foster, promote, and maintain partnerships to protect this state and homeland from all hazards.

(5) The department shall maintain the staffing and resources necessary to do all of the following:

(a) Serve approximately 105 local emergency management preparedness programs and 88 local emergency planning committees in this state.

(b) Operate and maintain the state's emergency operations center and provide command and control in support of emergency response services.

(c) Maintain readiness, including training and equipment to respond to civil disorders and natural disasters commensurate with the capabilities of fiscal year 2010-2011.

(d) Perform hazardous materials response training.

(6) The department shall conduct a minimum of 6 training sessions to enhance safe response in the event of natural or manmade incidents, emergencies, or disasters.

(7) In addition to the funds appropriated in part 1, there is appropriated from the disaster and emergency contingency fund an amount necessary to cover costs related to any disaster or emergency as defined in the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. Funds shall be expended as provided under sections 18 and 19 of the emergency management act, 1976 PA 390, MCL 30.418 and 30.419, and R 30.51 to R 30.61 of the Michigan Administrative Code.

(8) Funds in the disaster and emergency contingency fund shall not be expended unless the state budget director approves the expenditure and the department and the state budget office notify the senate and house appropriations committees. If expenditures are made from the disaster and emergency contingency fund during a month, the department shall submit monthly reports to the house and senate fiscal agencies detailing the purpose of the expenditures. These monthly reports shall be submitted within 30 days after the end of the month during which funds from the disaster and emergency contingency fund were expended.

(9) Upon the declaration of a state of emergency or disaster by the governor under section 3 of the emergency management act, 1976 PA 390, MCL 30.403, approval of the state budget director, and notification of the subcommittees and house and senate fiscal agencies, the director may expend funds appropriated from any source to any line item within part 1 for the purpose of paying the

necessary and reasonable expenses incurred by the department in responding to or mitigating the effects of any emergency or disaster as those terms are defined in section 2 of the emergency management act, 1976 PA 390, MCL 30.402.

Sec. 705. The department shall provide for the planning, administration, and implementation of highway traffic safety programs to save lives and reduce injuries on Michigan roads in partnership with other public and private organizations.

Sec. 706. (1) The department shall provide funding to county sheriff departments to patrol secondary roads.

(2) The sheriffs' duties under the secondary road patrol program, as outlined in section 76(2) of 1846 RS 14, MCL 51.76, are to patrol and monitor traffic violations; to enforce the criminal laws of this state, violations of which are observed by or brought to the attention of the sheriff's department while patrolling and monitoring secondary roads; to investigate accidents involving motor vehicles; and to provide emergency assistance to persons on or near a highway or road the sheriff is patrolling and monitoring.

(3) The department shall provide the following information on secondary road patrol activities supported by appropriations in part 1:

(a) The number of funded full-time equivalent county sheriff secondary road patrol deputies.

(b) The number of hours dedicated to patrol under the secondary road patrol program, with an annual goal of at least 178,000 hours.

(4) The information required to be reported under subsection

(3) shall be reported on an annual basis.

ONE-TIME APPROPRIATIONS

Sec. 901. (1) Funding provided in part 1 for the sexual assault prevention and education initiative shall be used to provide and administer grants to public or nonpublic community colleges, colleges, and universities with a physical presence in the state to address campus sexual assault issues to improve the safety and security of students, faculty, and staff in campus environments in the state.

(2) Grant funds awarded shall support sexual assault programs, including education, awareness, prevention, reporting, and bystander intervention programs.

(3) The department shall issue awards no later than December 1, 2017, with a grant period of 1 year.

(4) The department shall report on grant activities to the subcommittees and the state budget office by February 28, 2019.

(5) Unexpended and unencumbered appropriations in part 1 for the sexual assault prevention and education initiative are designated as work project appropriations. Any unencumbered or unallotted funds at the end of the fiscal year shall be 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 project is to provide grants for sexual assault education, awareness, prevention, reporting, and bystander intervention programs.

(b) The project will be accomplished by grants to eligible community colleges, colleges, and universities.

(c) The total estimated cost of the project is $600,000.00.

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

Sec. 902. Funding appropriated in part 1 for advanced 9-1-1 shall be used to support the costs for the administration and initial implementation of a supplemental 9-1-1 database that allows public safety answering points to view voluntarily disclosed information relevant to the 9-1-1 caller, including information on properties and household members, that would assist first responders in providing emergency services to the caller. The implementation of the database among public safety answering points and the funding for this purpose shall be overseen and administered by the office of the state 9-1-1 coordinator. Funds shall be payable by the office to a vendor based upon the number of public safety answering points implementing a supplemental database. Funds appropriated for advanced 9-1-1 shall be considered a work project, and unexpended and unencumbered funds shall be carried forward into the subsequent fiscal year.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2019 for

the line items listed in part 1. The fiscal year 2018-2019 appropriations are anticipated to be the same as those for fiscal year 2017-2018, excluding appropriations designated as one-time appropriations and adjusting for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2018 consensus revenue estimating conference.

ARTICLE XVII

STATE TRANSPORTATION DEPARTMENT

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the state transportation department for the fiscal year ending September 30, 2018, from the following funds:

STATE TRANSPORTATION DEPARTMENT

APPROPRIATION SUMMARY

Full-time equated unclassified positions	4.0	
Full-time equated classified positions	2,723.3	
GROSS APPROPRIATION		$ 4,347,443,000
Total interdepartmental grants and intradepartmental transfers		4,039,300
ADJUSTED GROSS APPROPRIATION		$ 4,343,403,700
Federal revenues:		
Federal aid – transportation programs		1,340,301,200
Total federal revenues		1,340,301,200

	Special revenue funds:		
	Local revenues		50,532,000
	Private revenues		100,000
	Total local and private revenues		50,632,000
	Blue Water Bridge fund		23,432,600
	Comprehensive transportation fund		335,482,700
	Economic development fund		44,085,000
	Intercity bus equipment and facility fund		100,000
	IRS debt service rebate		7,004,300
	Local bridge fund		30,598,300
	Michigan transportation fund		1,480,983,700
	Qualified airport fund		6,500,000
	Rail freight fund		6,000,000
	State aeronautics fund		16,418,600
	State trunkline fund		1,001,865,300
	Total other state restricted revenues		2,952,470,500
	State general fund/general purpose	$	0
	Sec. 102. DEBT SERVICE		
	Airport safety and protection plan	$	4,617,000
	Blue Water Bridge fund		7,105,100
	Comprehensive transportation		18,244,500
	Economic development		11,548,300
	Local bridge fund		2,315,400
	State trunkline		185,109,100
	GROSS APPROPRIATION	$	228,939,400
	Appropriated from:		
	Federal revenues:		

Federal aid – transportation programs		37,783,300
Special revenue funds:		
Blue Water Bridge fund		7,105,100
Comprehensive transportation fund		18,244,500
Economic development fund		11,548,300
IRS debt service rebate		7,004,300
Local bridge fund		2,315,400
State aeronautics fund		4,617,000
State trunkline fund		140,321,500
State general fund/general purpose	$	0

Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY SUPPORT SERVICES

CTF grant to civil service commission	$	200,000
CTF grant to department of attorney general		205,000
CTF grant to department of technology, management, and budget		45,500
CTF grant to department of treasury		12,700
CTF grant to legislative auditor general		39,000
MTF grant to department of environmental quality		1,345,900
MTF grant to department of state for collection of revenue and fees		20,000,000
MTF grant to department of treasury		2,701,700
MTF grant to legislative auditor general		315,800
SAF grant to civil service commission		150,000
SAF grant to department of attorney general		179,400
SAF grant to department of technology, management, and budget		34,600

SAF grant to department of treasury			73,400
SAF grant to legislative auditor general			30,300
STF grant to civil service commission			5,847,000
STF grant to department of attorney general			2,447,600
STF grant to department of state police			11,697,900
STF grant to department of technology, management, and budget.....			1,199,300
STF grant to department of treasury			169,800
STF grant to legislative auditor general			733,500
GROSS APPROPRIATION		$	47,428,400
Appropriated from:			
Special revenue funds:			
Comprehensive transportation fund			502,200
Michigan transportation fund			24,363,400
State aeronautics fund			467,700
State trunkline fund			22,095,100
State general fund/general purpose		$	0
Sec. 104. DEPARTMENTAL ADMINISTRATION AND SUPPORT			
Full-time equated unclassified positions 4.0			
Full-time equated classified positions 247.3			
Unclassified salaries--4.0 FTE positions		$	566,600
Asset management council			1,876,400
Business support services--42.0 FTE positions			6,595,600
Commission audit--29.3 FTE positions			3,367,500
Economic development and enhancement programs--10.0 FTE positions.....			1,643,500
Finance, contracts, and support services--166.0 FTE			

positions			19,893,200
Property management			7,103,500
Worker's compensation			1,619,000
GROSS APPROPRIATION		$	42,665,300
Appropriated from:			
IDG for accounting service center user charges			4,039,300
Special revenue funds:			
Comprehensive transportation fund			1,551,300
Economic development fund			380,400
Michigan transportation fund			4,217,100
State aeronautics fund			702,400
State trunkline fund			31,774,800
State general fund/general purpose		$	0
Sec. 105. INFORMATION TECHNOLOGY			
Information technology services and projects		$	33,465,900
GROSS APPROPRIATION		$	33,465,900
Appropriated from:			
Federal revenues:			
Federal aid - transportation programs			520,500
Special revenue funds:			
Blue Water Bridge fund			55,300
Comprehensive transportation fund			225,100
Economic development fund			37,200
Michigan transportation fund			294,300
State aeronautics fund			175,600
State trunkline fund			32,157,900
State general fund/general purpose		$	0

Sec. 106. TRANSPORTATION PLANNING		
Full-time equated classified positions 130.0		
Planning services--130.0 FTE positions	$	37,510,200
Grants to regional planning councils		488,800
GROSS APPROPRIATION	$	37,999,000
Appropriated from:		
Federal revenues:		
Federal aid – transportation programs		19,250,000
Special revenue funds:		
Comprehensive transportation fund		610,500
Michigan transportation fund		9,580,800
State aeronautics fund		15,000
State trunkline fund		8,542,700
State general fund/general purpose	$	0
Sec. 107. DESIGN AND ENGINEERING SERVICES		
Full-time equated classified positions 1,390.3		
Program development, delivery, and system operations--		
1,390.3 FTE positions	$	151,538,100
GROSS APPROPRIATION	$	151,538,100
Appropriated from:		
Federal revenues:		
Federal aid – transportation programs		23,529,800
Special revenue funds:		
Comprehensive transportation fund		187,100
Michigan transportation fund		12,281,400
State aeronautics fund		160,300
State trunkline fund		115,379,500

State general fund/general purpose	.....	$	0
Sec. 108. HIGHWAY MAINTENANCE			
Full-time equated classified positions	..... 793.7		
State trunkline operations--793.7 FTE positions	.....	$	317,593,400
GROSS APPROPRIATION	.....	$	317,593,400
Appropriated from:			
Special revenue funds:			
State trunkline fund	.....		317,593,400
State general fund/general purpose	.....	$	0
Sec. 109. ROAD AND BRIDGE PROGRAMS			
Cities and villages	.....	$	495,278,500
County road commissions	.....		888,822,100
Grants to local programs	.....		33,000,000
Local agency wetland mitigation bank fund	.....		100
Local bridge program	.....		28,282,900
Local federal aid and road and bridge construction	...		278,400,300
Movable bridge	.....		5,110,000
Rail grade crossing	.....		3,000,000
Rail grade crossing - surface improvements	.....		3,000,000
State trunkline federal aid and road and bridge construction	.....		1,150,941,800
GROSS APPROPRIATION	.....	$	2,885,835,700
Appropriated from:			
Federal revenues:			
Federal aid - transportation programs	.....		1,061,767,600
Special revenue funds:			
Local funds	.....		30,003,500

Blue Water Bridge fund			9,800,800
Local bridge fund			28,282,900
Michigan transportation fund			1,428,210,700
State trunkline fund			327,770,200
State general fund/general purpose		$	0
Sec. 110. BLUE WATER BRIDGE			
Full-time equated classified positions	41.0		
Blue Water Bridge operations--41.0 FTE positions		$	6,471,400
GROSS APPROPRIATION		$	6,471,400
Appropriated from:			
Special revenue funds:			
Blue Water Bridge fund			6,471,400
State general fund/general purpose		$	0
Sec. 111. TRANSPORTATION ECONOMIC DEVELOPMENT			
Forest roads		$	5,000,000
Rural county primary			7,779,800
Rural county urban system			2,500,000
Target industries/economic redevelopment			9,059,500
Urban county congestion			7,779,800
GROSS APPROPRIATION		$	32,119,100
Appropriated from:			
Special revenue funds:			
Economic development fund			32,119,100
State general fund/general purpose		$	0
Sec. 112. AERONAUTICS SERVICES			
Full-time equated classified positions	46.0		
Air service program		$	250,000

1	Aviation services--46.0 FTE positions		6,861,100
2	GROSS APPROPRIATION	$	7,111,100
3	Appropriated from:		
4	Special revenue funds:		
5	State aeronautics fund		7,111,100
6	State general fund/general purpose	$	0
7	**Sec. 113. PUBLIC TRANSPORTATION SERVICES**		
8	Full-time equated classified positions 36.0		
9	Passenger transportation services--36.0 FTE positions	$	5,789,100
10	GROSS APPROPRIATION	$	5,789,100
11	Appropriated from:		
12	Federal revenues:		
13	Federal aid - transportation programs		972,100
14	Special revenue funds:		
15	Comprehensive transportation fund		4,817,000
16	State general fund/general purpose	$	0
17	**Sec. 114. LOCAL BUS TRANSIT**		
18	Local bus operating	$	189,750,000
19	Nonurban operating/capital		28,027,900
20	GROSS APPROPRIATION	$	217,777,900
21	Appropriated from:		
22	Federal revenues:		
23	Federal aid - transportation programs		26,027,900
24	Special revenue funds:		
25	Local funds		2,000,000
26	Comprehensive transportation fund		189,750,000
27	State general fund/general purpose	$	0

	Sec. 115. INTERCITY PASSENGER AND FREIGHT		
	Full-time equated classified positions 39.0		
	Detroit/Wayne County Port Authority	$	100
	Freight property management		1,000,000
	Intercity services		8,060,000
	Marine passenger service		400,000
	Office of rail--39.0 FTE positions		6,483,400
	Rail freight economic development		8,500,000
	Rail operations and infrastructure		114,959,600
	GROSS APPROPRIATION	$	139,403,100
	Appropriated from:		
	Federal revenues:		
	Federal aid - transportation programs		64,600,000
	Special revenue funds:		
	Local funds		260,000
	Private funds		100,000
	Comprehensive transportation fund		65,578,400
	Intercity bus equipment and facility fund		100,000
	Michigan transportation fund		2,036,000
	Rail freight fund		6,000,000
	State trunkline fund		728,700
	State general fund/general purpose	$	0
	Sec. 116. PUBLIC TRANSPORTATION DEVELOPMENT		
	Municipal credit program	$	2,000,000
	Service initiatives		3,389,200
	Specialized services		17,938,900
	Transit capital		59,403,500

Transportation to work			3,700,000
Van pooling			195,000
GROSS APPROPRIATION		$	86,626,600
Appropriated from:			
Federal revenues:			
Federal aid – transportation programs			26,850,000
Special revenue funds:			
Local funds			5,760,000
Comprehensive transportation fund			54,016,600
State general fund/general purpose		$	0

Sec. 117. CAPITAL OUTLAY

(1) BUILDINGS AND FACILITIES

Salt storage buildings and containment control		$	2,500,000
Special maintenance, remodeling, and additions			3,001,500
GROSS APPROPRIATION			5,501,500
Appropriated from:			
State trunkline fund			5,501,500
State general fund/general purpose		$	0

(2) AIRPORT IMPROVEMENT PROGRAMS

Airport safety, protection and improvement program		$	94,678,000
Detroit Metropolitan Wayne County Airport			6,500,000
GROSS APPROPRIATION			101,178,000
Appropriated from:			
Federal revenues:			
Federal aid – transportation programs			79,000,000
Special revenue funds:			
Local funds			12,508,500

Qualified airport fund		6,500,000
State aeronautics fund		3,169,500
State general fund/general purpose	$	0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FOR FISCAL YEAR 2017-2018

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state 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 $1,729,747,200.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF TRANSPORTATION

Grants to regional planning councils	$	488,800
Grants to local programs		33,000,000
Rail grade crossing		1,500,000
Rail grade crossing - surface improvements		3,000,000
Local bridge program		28,282,900
Local agency wetlands mitigation		100
Movable bridge		2,555,000
Cities and villages		495,278,500
County road commissions		888,822,100
Forest roads		5,000,000
Rural county primary		7,779,800

Rural county urban system		2,500,000
Urban county congestion		7,779,800
Air service program		250,000
Local bus operating		189,750,000
Detroit/Wayne County Port Authority		100
Marine passenger service		400,000
Municipal credit program		2,000,000
Specialized services		3,853,900
Service initiatives		1,283,200
Transit capital		42,853,500
Transportation to work		3,700,000
Airport safety, protection, and improvement program		3,169,500
Detroit Metropolitan Wayne County Airport		6,500,000
TOTAL	$	1,729,747,200

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

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

(a) "CTF" means comprehensive transportation fund.

(b) "Department" means the state transportation department.

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

(d) "DOT" means the United States Department of Transportation.

(e) "DOT-FHWA" means DOT, Federal Highway Administration.

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

(g) "IDG" means interdepartmental grant.

(h) "IRS" means the Internal Revenue Service.

(i) "MTF" means Michigan transportation fund.

(j) "SAF" means state aeronautics fund.

(k) "STF" means state trunkline fund.

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

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

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

Sec. 207. The departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state

travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house appropriations committees, the house and senate fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

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

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

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

representatives standing committees on appropriations and the senate and house fiscal agencies.

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $200,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed $40,000,000.00 for state restricted contingency funds. These funds are not available for expenditure until they have been transferred to another line item in part 1 pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

Sec. 211. The department shall cooperate with the department

of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following:

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

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

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

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

(e) Job specifications and wage rates.

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

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2018 are $63,943,300.00. From this amount, total agency

appropriations for pension-related legacy costs are estimated at $32,905,600.00. Total agency appropriations for retiree health care legacy costs are estimated at $31,037,700.00.

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

Sec. 217. The department shall provide notice to the speaker of the house, the house minority leader, the senate majority leader, the senate minority leader, the house and senate standing committees on transportation, the appropriate house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on proposed federal rule changes related to the department that would require amendments to the laws of this state. The notice shall be given within 30 business days of the proposed federal rule being posted to the federal register and shall include a description of the proposed federal rule, the publication date, the date when public comment closes, the document citation, and a description of the statutory changes needed when the rule is finalized.

Sec. 270. In order to reduce costs and maintain quality, it is the intent of the legislature that, excluding the fleet of motor vehicles for the department of state police, the department will prioritize the utilization of remanufactured parts as the primary means of maintenance and repair for the state of Michigan's fleet of motor vehicles.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

Sec. 301. (1) The department may establish a fee schedule and collect fees sufficient to cover the costs to issue the permits that the department is authorized by law to issue upon request, unless otherwise stipulated by law. All permit fees are nonrefundable application fees and shall be credited to the appropriate fund to recover the direct and indirect costs of receiving, reviewing, and processing the requests.

(2) A bridge authority shall hold 3 public hearings on an increase in any toll charged by the authority at least 30 days before the toll change will become effective. Two of the hearings shall be held within 5 miles of the bridge over which the bridge authority has jurisdiction. One hearing shall be held in Lansing. Public hearings held under this section shall be conducted in accordance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and shall be conducted so as to provide a reasonable opportunity for public comment, including both spoken and written comments.

Sec. 304. If, as a requirement of bidding on a highway project, the department requires a contractor to submit financial or proprietary documentation as to how the bid was calculated, that bid documentation shall be kept confidential and shall not be disclosed other than to a department representative without the contractor's written consent. The department may disclose the bid documentation if necessary to address or defend a claim by a contractor.

Sec. 305. (1) The department may permit space on public passenger transportation properties to be occupied by public or

private tenants on a competitive market rate basis. The department shall require that revenue from the tenants be placed in an account to be used to pay the costs to maintain and improve the property.

(2) The department shall charge public transit agencies and intercity bus carriers equal rates per square foot for leasing space in state-owned intermodal facilities.

Sec. 306. (1) The amounts appropriated in part 1 to support tax and fee collection, law enforcement, and other program services provided to the department and to transportation funds by other state departments shall be expended from transportation funds pursuant to annual contracts between the department and those other state departments. The contracts shall be executed prior to the expenditure or obligation of those funds. The contracts shall provide, but are not limited to, the following data applicable to each state department:

(a) Estimated costs to be recovered from transportation funds.

(b) Description of services provided to the department and/or transportation funds and financed with transportation funds.

(c) Detailed cost allocation methods appropriate to the type of services being provided and the activities financed with transportation funds.

(2) Not later than 2 months after publication of the state of Michigan comprehensive annual financial report, each state department receiving funding pursuant to an interdepartment contract with the department shall submit a written report to the department, the state budget director, and the house and senate fiscal agencies stating by spending authorization account the

amount of estimated funds contracted with the department, the amount of funds expended, the amount of funds returned to the transportation funds, and any unreimbursed transportation-related costs incurred but not billed to transportation funds. A copy of the report shall be submitted to the auditor general, and the report shall be subject to audit.

(3) The auditor general shall use a risk-based approach in developing an audit program for the use of transportation funds.

Sec. 307. Before March 1 of each year, the department will provide to the legislature, the state budget office, and the house and senate fiscal agencies its rolling 5-year plan listing by county or by county road commission all highway construction projects for the fiscal year and all expected projects for the ensuing fiscal years.

Sec. 310. The department shall provide in a timely manner copies of the agenda and approved minutes of monthly transportation commission meetings to the members of the house and senate appropriations subcommittees on transportation, the house and senate fiscal agencies, and the state budget director.

Sec. 313. (1) From funds appropriated in part 1, the department may increase a state infrastructure bank program and grant or loan funds in accordance with regulations of the state infrastructure bank program of the United States Department of Transportation. The state infrastructure bank is to be administered by the department for the purpose of providing a revolving, self-sustaining resource for financing transportation infrastructure projects.

(2) In addition to funds provided in subsection (1), money received by the state as federal grants, repayment of state infrastructure bank loans, or other reimbursement or revenue received by the state as a result of projects funded by the program and interest earned on that money shall be deposited in the revolving state infrastructure bank fund and shall be available for transportation infrastructure projects. At the close of the fiscal year, any unencumbered funds remaining in the state infrastructure bank fund shall remain in the fund and be carried forward into the succeeding fiscal year.

(3) The department shall submit a report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on the status of the state infrastructure bank. The report shall be submitted on or before December 1, 2017. The report shall include all of the following:

(a) The balance in the state infrastructure bank at September 30, 2017, including a breakdown of the balance by cash and cash equivalents, outstanding loans, and balance available for loan to local agencies.

(b) A breakdown of the state infrastructure loan balance by amounts designated as originating from federal sources and the amounts originating from nonfederal sources.

(c) A list of outstanding loans by agency, original loan amount, project description, loan term, and amount outstanding.

Sec. 353. The department shall review its contractor payment process and ensure that all prime contractors are paid promptly.

The department shall ensure that prime contractors are in compliance with special provision 109.10 regarding the prompt payment of subcontractors.

Sec. 357. When presented with complete local federal aid project submittals, the department shall complete all necessary reviews and inspections required to let local federal aid projects within 120 days of receipt. The department shall implement a system for monitoring the local federal aid project review process.

Sec. 375. The department is prohibited from reimbursing contractors or consultants for costs associated with groundbreaking ceremonies, receptions, open houses, or press conferences related to transportation projects funded, in whole or in part, by revenue appropriated in part 1.

Sec. 376. The department shall not spend funds appropriated in part 1 for the purpose of examining the potential association between commercial signs, outdoor advertising signs, billboards, digital billboards, or commercial electronic variable message signs and motor vehicle activity or motor vehicle driver behavior.

Sec. 381. The department shall require as a condition of each contract or subcontract for construction, maintenance, or engineering services that the prequalified contractor or prequalified subcontractor agree to use the E-Verify system to verify that all persons hired during the contract term by the contractor or subcontractor are legally present and authorized to work in the United States. The department may verify this information directly or may require contractors and subcontractors to verify the information and submit a certification to the

department. The department shall report to the house and senate appropriations committees and the house and senate fiscal agencies by March 1 of each year describing the processes it has developed and implemented under provisions of this section. As used in this section, "E-Verify" means an internet-based system operated by the Department of Homeland Security, U.S. Citizenship and Immigration Services in partnership with the Social Security Administration.

Sec. 382. In administering a contract with a county road commission, city, or village that allocates costs of construction or reconstruction of highways, roads, and streets as provided in section 18d of 1951 PA 51, MCL 247.668d, the department shall submit the final cost-sharing bill to the county road commission, city, or village not later than 2 years after the date of the final contract payment to the construction contractor.

Sec. 383. (1) The department shall prepare a report on use of department-owned aircraft during the fiscal year ending September 30, 2017. With respect to each department-owned aircraft, the report shall include all of the following:

(a) Total hours of usage.

(b) Description of specific flights including dates of travel, names of passengers including state agency, university, or local government affiliation, travel origin and destination, and total estimated costs associated with the air travel.

(2) The report shall be submitted to the senate and house appropriations subcommittees on transportation and the house and senate fiscal agencies no later than February 1, 2018.

(3) The department shall maintain a system for recovering the

cost of operating department-owned aircraft through charges to aircraft users.

(4) From the funds appropriated in part 1, the department is prohibited from transporting legislators or legislative staff on state-owned aircraft without prior approval from the senate majority leader or the speaker of the house of representatives and only when the aircraft is already scheduled by state agencies on related official state business.

Sec. 384. (1) Except as otherwise provided in subsection (2), the department shall not obligate the state to expend any state transportation revenue for construction planning or construction of the Detroit River International Crossing or a renamed successor. In addition, except as provided in subsection (2), the department shall not commit the state to any new contract related to the construction planning or construction of the Detroit River International Crossing or a renamed successor that would obligate the state to expend any state transportation revenue. An expenditure for staff resources used in connection with project activities, which expenditure is subject to full and prompt reimbursement from Canada, shall not be considered an expenditure of state transportation revenue.

(2) If the legislature enacts specific enabling legislation for the construction of the Detroit River International Crossing or a renamed successor, subsection (1) does not apply once the enabling legislation goes into effect.

Sec. 385. (1) The department shall submit reports to the state budget director, the speaker of the house, the house minority

leader, the senate majority leader, the senate minority leader, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on department activities related to all nonconstruction or construction planning activities related to the Detroit River International Crossing or a renamed successor. The initial report shall be submitted on or before December 1, 2017 and shall cover the fiscal year ending September 30, 2017.

(2) The initial report shall include, at a minimum, all of the following:

(a) Department costs incurred in the fiscal year ending September 30, 2017, including employee salaries, wages, benefits, travel, and contractual services, and what activities those costs were related to.

(b) Costs of other executive branch agencies incurred in the fiscal year ending September 30, 2017, including employee salaries, wages, benefits, travel, and contractual services, and what activities those costs were related to.

(c) A breakdown of the source of funds used for the activities described in subdivisions (a) and (b).

(d) A breakdown of reimbursements made by Canada under section 384(1) to the state for expenditures for staff resources used in connection with project activities.

(e) A narrative description of the status of the Detroit River International Crossing or a renamed successor, including efforts undertaken to implement provisions of the crossing agreement executed June 15, 2012 by representatives of the Canadian

government and this state.

(3) After submission of the initial report, a subsequent report shall be submitted on March 1, 2018, June 1, 2018, and September 1, 2018 and shall include the same information described in subsection (2) for the applicable previous fiscal quarter.

Sec. 386. (1) The department shall use all available toll credits, as provided by public and private toll facilities in this state and certified by the Federal Highway Administration, to match available federal aid highway funds.

(2) In using toll credits as a method of financing federal participating projects, the department shall use toll credits in the following order of priority:

(a) Federal aid projects on roads and streets under the jurisdiction of local road agencies.

(b) State trunkline projects within cities with a population greater than 25,000 in order to limit the city cost share under section 1c of 1951 PA 51, MCL 247.651c.

(c) Other federal aid highway projects on the state trunkline system.

(d) Federal aid transit projects.

(3) In implementing this section, the department shall work with the metropolitan planning commissions in this state.

Sec. 393. (1) The department shall promote best practices for public transportation services in this state, including, but not limited to, the following:

(a) Transit vehicle rehabilitation to reduce life-cycle cost of public transportation through midlife rehabilitation of transit

buses.

(b) Cooperation between entities using transit, including school districts, cities, townships, and counties with a view to promoting cost savings through joint purchasing of fuel and other procurements.

(c) Coordination of transportation dollars among state departments which provide transit-related services, including the department of health and human services. Priority should be given to use of public transportation services where available.

(d) Promotion of intelligent transportation services for buses that incorporate computer and navigation technology to make transit systems more efficient, including stoplight coordinating, vehicle tracking, data tracking, and computerized scheduling.

(2) The department shall report on efforts taken to implement this section as well as section 393 of article XVII of 2011 PA 63. The department shall complete and submit the report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on or before March 1, 2018.

Sec. 394. The department and local road agencies shall make the preservation of their existing road networks a funding priority.

Sec. 395. From the funds appropriated in part 1 for state trunkline federal aid road and bridge construction, the department may expend up to $10,000,000.00 on highway maintenance activities to support safety-related, high-priority, and other deferred routine maintenance needs on Michigan's state trunkline network.

FEDERAL

Sec. 402. A portion of the federal DOT-FHWA highway research, planning, and construction funds made available to this state shall be allocated to transportation programs administered by local jurisdictions in accordance with section 10o of 1951 PA 51, MCL 247.660o. A local road agency, with respect to a project approved for federal aid funding in a state transportation improvement program, may enter into a voluntary buyout agreement with the department or with another local road agency to exchange the federal aid with state restricted transportation funds as agreed to by the respective parties. The state restricted transportation funds received in exchange for federal aid funds shall be used for the same purpose as the federal aid funds were originally intended.

MICHIGAN TRANSPORTATION FUND

Sec. 501. The money received under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.42, and not appropriated to the department of licensing and regulatory affairs or the department of state police is deposited in the Michigan transportation fund.

Sec. 503. (1) The funds appropriated in part 1 for the economic development and local bridge programs shall not lapse at the end of the fiscal year but shall carry forward each fiscal year for the purposes for which appropriated in accordance with 1987 PA 231, MCL 247.901 to 247.913, and section 10(5) of 1951 PA 51, MCL 247.660.

(2) Interest earned in the department of transportation economic development fund and local bridge fund shall remain in the

respective funds and shall be allocated to the respective programs based on actual interest earned at the end of each fiscal year.

(3) In addition to the funds appropriated in part 1, the department of transportation economic development fund and local bridge fund may receive federal, local, or private funds or restricted source funds such as interest earnings. These funds are appropriated for projects that are consistent with the purposes of the respective funds.

(4) None of the funds statutorily dedicated to the transportation economic development fund and local bridge fund shall be diverted to other projects.

Sec. 504. Funds from the Michigan transportation fund shall be distributed to the comprehensive transportation fund, the economic development fund, the recreation improvement fund, and the state trunkline fund, in accordance with this part and part 1 and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108, and may only be used as specified in this part and part 1, 1951 PA 51, MCL 247.651 to 247.675, and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

STATE TRUNKLINE FUND

Sec. 601. The department shall maintain documentation to support initial acceptance of warrantied projects, interim and final inspections, and notifications to contractors that the warranty period had expired. The department also shall review and evaluate consultant evaluation requirements or recommendations and

update existing policies and procedures accordingly.

Sec. 604. At the close of the fiscal year, any unencumbered and unexpended balance in the state trunkline fund shall remain in the state trunkline fund and shall carry forward and is appropriated for federal aid road and bridge programs for projects contained in the annual state transportation program.

Sec. 605. (1) From the increased funds appropriated in part 1 for highway maintenance, the department shall expand highway maintenance activities in the current fiscal year to support flooding mitigation-related activities on limited access state trunklines in Wayne, Oakland, and Macomb Counties, as well as other safety-related, high-priority, and deferred routine maintenance needs on Michigan's state trunkline network.

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

(a) Number of drainage catch basins cleaned on limited-access state trunklines in Wayne, Oakland, and Macomb Counties during the fiscal year ending September 30, 2018.

(b) Number of flooding-related closures on limited-access state trunklines in Wayne, Oakland, and Macomb Counties during the fiscal year ending September 30, 2018.

Sec. 612. The department shall establish guidelines governing incentives and disincentives provided under contracts for state trunkline projects. The guidelines shall include specific financial information concerning incentives and disincentives. On or before January 1 of each year, the department shall prepare a report for the immediately preceding fiscal year regarding contract incentives

and disincentives. This report shall include a list, by project, of the contractors that received contract incentives and/or disincentives, the amount of the incentives and/or disincentives, the fund source of any incentives, and the number of days that each project was completed either ahead or past the contracted completion date. This report shall be provided to the senate and house appropriations subcommittees on transportation, the senate and house standing committees on transportation, and the senate and house fiscal agencies.

Sec. 613. (1) On or before February 1 of each year, the department shall prepare a report on all capital federal aid participating construction projects completed in the prior fiscal year. The report shall include the following information:

(a) Location of the project.

(b) General description of the project.

(c) As-bid cost of the project.

(d) As-built cost of the project.

(e) Estimated completion date.

(f) Actual completion date.

(g) Whether design engineering was performed by department staff or contract engineering consultants.

(h) Design engineering costs.

(i) Whether construction engineering was performed by department staff or contract engineering consultants.

(j) Construction engineering costs.

(2) The report shall include a discussion of design engineering and construction engineering costs as a proportion of

total project costs and in comparison with other state transportation agencies. The report shall also include a discussion of relative efficiency and effectiveness of work performed by department staff and work performed by contract engineering consultants.

(3) The report described in this section shall be provided to the senate and house appropriations subcommittees on transportation, the senate and house standing committees on transportation, and the senate and house fiscal agencies.

Sec. 660. (1) The legislature encourages the department to examine the use of alternative road surface materials, including recycled materials, and to develop criteria and specifications for their use in both department-managed and contracted projects.

(2) The department shall report on efforts taken to implement this section. The report shall include descriptions of specific materials evaluated, evaluation methods, and results of specific field or laboratory tests. The department shall complete and submit the report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on or before March 1 of each year.

TRANSIT AND RAIL RELATED FUNDS

Sec. 701. The department shall establish an intercity bus equipment and facility fund as a subsidiary fund within the comprehensive transportation fund created under section 10b of 1951 PA 51, MCL 247.660b. Proceeds received by this state from the sale of state-owned intercity bus equipment shall be credited to the

intercity bus equipment and facility fund for the purchase and repair of intercity bus equipment, as appropriated. Security deposits not returned to a lessee of state-owned intercity bus equipment under terms of the lease agreement shall be credited to the intercity bus equipment and facility fund for the repair of intercity bus equipment, as appropriated. Money received by the department from lease payments for state-owned intercity bus equipment, and facility maintenance charges under terms of leases of state-owned intercity facilities, shall be credited to the intercity bus equipment and facility fund for the purchase and repair of intercity bus equipment or for the maintenance and rehabilitation of state-owned intercity facilities, as appropriated. At the close of the fiscal year, any funds remaining in the intercity bus equipment and facility fund shall remain in the fund and be carried forward into the succeeding fiscal year.

Sec. 702. Money that is received by this state as repayment for loans made for rail or water freight capital projects, and as a result of the sale of property or equipment used or projected to be used for rail or water freight projects shall be deposited in the rail freight fund created by section 17 of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.67. At the close of the fiscal year, any funds remaining in the rail freight fund shall remain in the fund and be carried forward into the succeeding fiscal year.

Sec. 703. After receiving notification from a railroad company pursuant to section 8 of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.58, the department shall immediately

notify the house of representatives and senate appropriations subcommittees on transportation and the state budget office that the railroad company has filed with the appropriate governmental agencies for abandonment of a line.

Sec. 704. From the funds appropriated in part 1, the department shall prepare and transmit a report that provides detail regarding the department's obligations for programs funded under the appropriation in part 1 for rail operations and infrastructure. The report shall include a breakdown of the appropriation by program, year-to-date obligations under each program itemized by project, and an estimate of future obligations under each program itemized by project for the remainder of the fiscal year. The initial report shall be submitted to the senate and house appropriations subcommittees on transportation, and the senate and house fiscal agencies, on or before February 1, 2018. The department also shall update and resubmit the final report on or before November 1, 2018.

Sec. 706. The Detroit/Wayne County Port Authority shall issue a complete operations assessment and a financial disclosure statement. The operations assessment shall include operational goals for the next 5 years and recommendations to improve land acquisition and development efficiency. The report shall be completed and submitted to the house of representatives and senate appropriations subcommittees on transportation, the state budget director, and the house and senate fiscal agencies by June 30 of each fiscal year for the prior fiscal year.

Sec. 711. (1) As prescribed in subsection (2), the department

shall submit reports to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on rail passenger service provided by Amtrak under a contractual agreement with the department. The report shall be submitted on or before May 1 of each year.

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

(a) Passenger counts for the preceding fiscal year for each Amtrak service route in Michigan.

(b) Revenue and operating expenses by Amtrak route.

(c) Total state operating payments to Amtrak in the preceding fiscal year by Amtrak route.

(d) A discussion of major factors affecting route costs and revenue and net state costs in the preceding fiscal year, and factors affecting route costs and revenue and net state costs anticipated in the current and future fiscal years.

(e) Fare revenue by route and fare revenue as a percentage of route operating expense.

Sec. 712. The part 1 appropriation for rail freight economic development shall be used for projects related to the preservation and enhancement of state-owned rail property or for rail freight economic development projects. As used in this section, "state-owned rail property" and "rail freight economic development projects" do not include projects on the state-owned rail line between Dearborn, Michigan and Kalamazoo, Michigan or projects related to the Detroit-Chicago high-speed rail corridor.

Sec. 735. For the fiscal year ending September 30, 2017, the appropriation to a street railway pursuant to section 10e(22) of

1951 PA 51, MCL 247.660e, is $0.

AERONAUTICS FUND

Sec. 801. Except as otherwise provided in section 903 for capital outlay, at the close of the fiscal year, any unobligated and unexpended balance in the state aeronautics fund created in the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1 to 259.208, shall lapse to the state aeronautics fund and be appropriated by the legislature in the immediately succeeding fiscal year.

Sec. 802. The legislature encourages the department to find private entities or local public agencies to assume ownership and operating responsibility for airports currently owned by the department.

Sec. 803. Within the fiscal year ending September 30, 2018, the department shall sell 1 of 2 Beechcraft King Air Twin Engine Turbo Prop airplanes and 1 of 2 Beechcraft Baron airplanes. Proceeds from the sales shall be credited to the state aeronautics fund.

CAPITAL OUTLAY

Sec. 901. (1) From federal-state-local project appropriations contained in part 1 for the purpose of assisting political entities and subdivisions of this state in the construction and improvement of publicly used airports and landing fields within this state, the state transportation department may permit the award of contracts on behalf of units of local government for the authorized locations

not to exceed the indicated amounts, of which the state allocated portion shall not exceed the amount appropriated in part 1.

(2) Political entities and subdivisions shall provide not less than 5% of the cost of any project under this section, unless a total nonfederal share greater than 10% is otherwise specified in federal law. State money shall not be allocated until local money is allocated. State money for any 1 project shall not exceed 1/3 of the total appropriation in part 1 from state funds for airport improvement programs.

(3) The Michigan aeronautics commission may take those steps necessary to match federal money available for airport construction and improvement within this state and to meet the matching requirements of the federal government. Whether acting alone or jointly with another political subdivision or public agency or with this state, a political subdivision or public agency of this state shall not submit to any agency of the federal government a project application for airport planning or development unless it is authorized in this part and part 1 and the project application is approved by the governing body of each political subdivision or public agency making the application and by the Michigan aeronautics commission.

Sec. 903. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with the provisions of section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

PART 2A

PROVISIONS CONCERNING ANTICIPATED APPROPRIATIONS

FOR FISCAL YEAR 2018-2019

GENERAL SECTIONS

Sec. 1201. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, 2019 for the line items listed in part 1. The fiscal year 2018-2019 appropriations are anticipated to be the same as those for fiscal year 2017-2018, except that the line items will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These adjustments will be determined after the January 2018 consensus revenue estimating conference.