

**HOUSE SUBSTITUTE FOR
SENATE BILL NO. 114**

A bill to make, supplement, and adjust appropriations for various state departments and agencies for the fiscal year ending September 30, 2021; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1
2
3
4
5
6
7
8

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for various state departments and agencies to supplement appropriations for the fiscal year ending September 30, 2021, from the following funds:

APPROPRIATION SUMMARY

GROSS APPROPRIATION	\$ 555,000,000
----------------------------	-----------------------

Interdepartmental grant revenues:



1	Total interdepartmental grants and		
2	intradepartmental transfers		0
3	ADJUSTED GROSS APPROPRIATION	\$	555,000,000
4	Federal revenues:		
5	Total federal revenues		0
6	Special revenue funds:		
7	Total local revenues		0
8	Total private revenues		0
9	Total other state restricted revenues		0
10	State general fund/general purpose	\$	555,000,000
11	Sec. 102. DEPARTMENT OF LABOR AND ECONOMIC		
12	OPPORTUNITY		
13	(1) APPROPRIATION SUMMARY		
14	GROSS APPROPRIATION	\$	150,000,000
15	Interdepartmental grant revenues:		
16	Total interdepartmental grants and		
17	intradepartmental transfers		0
18	ADJUSTED GROSS APPROPRIATION	\$	150,000,000
19	Federal revenues:		
20	Total federal revenues		0
21	Special revenue funds:		
22	Total local revenues		0
23	Total private revenues		0
24	Total other state restricted revenues		0
25	State general fund/general purpose	\$	150,000,000
26	(2) ONE-TIME APPROPRIATIONS		
27	Michigan unemployment compensation funds	\$	150,000,000
28	GROSS APPROPRIATION	\$	150,000,000



1	Appropriated from:	
2	State general fund/general purpose	\$ 150,000,000
3	Sec. 103. DEPARTMENT OF TREASURY	
4	(1) APPROPRIATION SUMMARY	
5	GROSS APPROPRIATION	\$ 405,000,000
6	Interdepartmental grant revenues:	
7	Total interdepartmental grants and	
8	intradepartmental transfers	0
9	ADJUSTED GROSS APPROPRIATION	\$ 405,000,000
10	Federal revenues:	
11	Total federal revenues	0
12	Special revenue funds:	
13	Total local revenues	0
14	Total private revenues	0
15	Total other state restricted revenues	0
16	State general fund/general purpose	\$ 405,000,000
17	(2) ONE-TIME APPROPRIATIONS	
18	Afflicted business tax and fee relief	\$ 405,000,000
19	GROSS APPROPRIATION	\$ 405,000,000
20	Appropriated from:	
21	State general fund/general purpose	\$ 405,000,000

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

26 Sec. 201. Pursuant to section 30 of article IX of the state
 27 constitution of 1963, total state spending from state sources under
 28 part 1 for fiscal year ending September 30, 2021 is \$555,000,000.00
 29 and total state spending from state sources to be paid to local



1 units of government is \$0.00.

2 Sec. 202. The appropriations made and expenditures authorized
3 under this part and part 1 and the departments, commissions,
4 boards, offices, and programs for which appropriations are made
5 under this part and part 1, are subject to the management and
6 budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

7 Sec. 203. If the state administrative board, acting under
8 section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount
9 appropriated under this act, the legislature may, by a concurrent
10 resolution adopted by a majority of the members elected to and
11 serving in each house, inter-transfer funds within this act for the
12 particular department, board, commission, office, or institution.

13 Sec. 204. It is the intent of the legislature that a hiring
14 freeze is imposed on the state classified civil service. State
15 departments and agencies are prohibited from hiring any new full-
16 time state classified civil service employees and prohibited from
17 filling any vacant state classified civil service positions. This
18 hiring freeze does not apply to internal transfers of classified
19 employees from 1 position to another within a department.

20

21 **DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY**

22 Sec. 301. (1) No later than May 1, 2021, from the funds
23 appropriated in part 1 for Michigan unemployment compensation
24 funds, \$150,000,000.00 shall be deposited into the unemployment
25 compensation fund established under section 26 of the Michigan
26 employment security act, 1936 (Ex Sess) PA 1, MCL 421.26, for the
27 purpose of offsetting expected exposure to state fraud and improper
28 payment during the COVID-19 crisis.

29 (2) If federal funds are available and expenditures are



1 allowable under federal law, expenditures of federal funds under
 2 this section shall occur prior to the expenditure of general fund
 3 appropriations made for the same purposes in subsection (1).
 4 General fund appropriations replaced by federal expenditures
 5 authorized under this section shall revert to the general fund.

6
 7 **DEPARTMENT OF TREASURY**

8 Sec. 401. (1) From the funds appropriated in part 1 for
 9 afflicted business tax and fee relief, \$300,000,000.00 shall be
 10 used by the department of treasury to create and operate a property
 11 tax relief program to provide grants for property tax relief to
 12 afflicted businesses in this state. The department of treasury
 13 shall provide grants to afflicted businesses that have realized a
 14 significant financial hardship as a result of the COVID-19
 15 emergency as defined in this section. Grant applications shall be
 16 accepted, reviewed, and approved by the department of treasury.

17 (2) Grants made available to afflicted businesses under the
 18 program must meet all of the following conditions:

19 (a) Subject to subdivisions (b) and (c), must not exceed the
 20 amount calculated in subparagraph (i) or (ii) as follows:

21 (i) For an afflicted business that pays property taxes
 22 directly, an amount equal to the property taxes paid by the
 23 afflicted business for calendar year 2020.

24 (ii) For an afflicted business that is a lessee, an amount
 25 equal to 17% of the annual lease cost paid by the afflicted
 26 business for calendar year 2020.

27 (b) An afflicted business that was in operation on October 1,
 28 2019, must be subject to the following grant schedule:

29 (i) Afflicted businesses that certify a gross receipts loss of



1 50% or more for a calendar quarter in 2020 when compared to the
2 same calendar quarter in 2019 shall receive a grant equal to 100%
3 of the amount calculated in subdivision (a).

4 (ii) Afflicted businesses that certify a gross receipts loss
5 greater than or equal to 25%, but less than 50%, for a calendar
6 quarter in 2020 when compared to the same calendar quarter in 2019
7 shall receive a grant equal to 75% of the amount calculated in
8 subdivision (a).

9 (iii) Afflicted businesses that certify a gross receipts loss
10 greater than or equal to 10%, but less than 25%, for a calendar
11 quarter in 2020 when compared to the same calendar quarter in 2019
12 shall receive a grant equal to 50% of the amount calculated in
13 subdivision (a).

14 (iv) Afflicted businesses that certify a gross receipts loss
15 greater than or equal to 5%, but less than 10%, for a calendar
16 quarter in 2020 when compared to the same calendar quarter in 2019
17 shall receive a grant equal to 25% of the amount calculated in
18 subdivision (a).

19 (c) An afflicted business that was not in operation on October
20 1, 2019, but started operations before June 1, 2020, shall receive
21 a grant equal to 50% of the amount calculated in subdivision (a) if
22 the afflicted business can certify that it was closed or partially
23 closed due to an executive order or DHHS epidemic order.

24 (3) An afflicted business is considered to have qualified for
25 a grant under this section if, and only if, the afflicted business
26 has certified and attested, under penalty of perjury, to either of
27 the following:

28 (a) If the business was in operation on October 1, 2019, and
29 was either an eligible self-employed individual, independent



1 contractor, or sole proprietorship with no employees, or had
2 employees for which it paid salaries or wages and payroll taxes or
3 paid independent contractors, the afflicted business was adversely
4 impacted by the pandemic as indicated by a gross receipts loss of
5 at least 5% for a calendar quarter in 2020 when compared to the
6 same calendar quarter in 2019.

7 (b) If the business was not in operation on October 1, 2019,
8 but started operations before June 1, 2020, and was either an
9 eligible self-employed individual, independent contractor, or sole
10 proprietorship with no employees, or had employees for which it
11 paid salaries or wages and payroll taxes or paid independent
12 contractors, the afflicted business was negatively impacted by the
13 COVID-19 pandemic through a closure or partial closure due to an
14 executive order or DHHS epidemic order.

15 (4) Any afflicted business that falsifies certification under
16 subsection (3) shall forfeit any payments under this section and
17 sections 402 through 405 of this part and shall repay this state
18 all payments it has received under this section and sections 402
19 through 405 of this part.

20 (5) If the amount appropriated under this section is not
21 sufficient to fully pay grant awards under this section, payments
22 shall be prorated on an equal basis among all afflicted businesses
23 that qualified for a grant under this section. Any funds remaining
24 after the disbursement of all grant awards shall revert to the
25 general fund.

26 (6) The department of treasury must develop and post on the
27 department website application, program operation, award, and
28 reporting criteria for the program no later than April 1, 2021.
29 Afflicted businesses shall have until May 1, 2021 to submit program



1 grant applications. The department of treasury shall disburse grant
2 awards by June 1, 2021.

3 (7) The department of treasury shall submit a monthly report
4 to the senate and house appropriations committees, the senate and
5 house fiscal agencies, and the state budget office that provides a
6 listing of grants awarded in the previous month and the name of the
7 recipient of each grant provided under the program. The department
8 of treasury shall submit a summary of all grants awarded under the
9 program, by industry, over the course of the current fiscal year by
10 September 30, 2021.

11 (8) As used in this section:

12 (a) "Afflicted business" means any of the following:

13 (i) An entertainment venue.

14 (ii) An exercise facility.

15 (iii) A food service establishment.

16 (iv) A recreation facility or place of public amusement.

17 (v) A cosmetology shop or barber shop.

18 (vi) A nursery dealer or nursery grower.

19 (vii) An athletic trainer.

20 (viii) A body art facility.

21 (ix) A hotel or bed and breakfast.

22 (b) "Bed and breakfast" means that term as defined in section
23 4b of the Stille-DeRossett-Hale single state construction code act,
24 1972 PA 230, MCL 125.1504b.

25 (c) "Entertainment venue" includes an auditorium, arena,
26 banquet hall, cinema, concert hall, conference center, performance
27 venue, sporting venue, stadium, or theater.

28 (d) "Exercise facility" means a facility in which individuals
29 participate in individual or group physical activity, including a



1 gymnasium, fitness center, or exercise studio.

2 (e) "Food service establishment" means that term as defined in
3 section 1107 of the food law, 2000 PA 92, MCL 289.1107.

4 (f) "Gross receipts" means that term as defined in section 607
5 of the income tax act of 1967, 1967 PA 281, MCL 206.607.

6 (g) "Hotel" means a building or structure kept, used,
7 maintained as, or held out to the public to be an inn, hotel, or
8 public lodging house. Hotel does not include a bed and breakfast as
9 defined in section 4b of the Stille-DeRossett-Hale single state
10 construction code act, 1972 PA 230, MCL 125.1504b.

11 (h) "Recreation facility or place of public amusement"
12 includes an amusement park, arcade, bingo hall, bowling alley,
13 casino, nightclub, skating rink, water park, or trampoline park.

14 Sec. 402. (1) From the funds appropriated in part 1 for
15 afflicted business tax and fee relief, \$55,000,000.00 shall be used
16 by the department of treasury to create and operate an unemployment
17 insurance tax relief program to provide grants for unemployment
18 insurance tax relief to afflicted businesses in this state. The
19 department of treasury shall provide grants to afflicted businesses
20 as defined in this section. Grant applications shall be accepted,
21 reviewed, and approved by the department of treasury.

22 (2) Grants made available to afflicted businesses under the
23 program must meet all of the following conditions:

24 (a) Subject to subdivisions (b) and (c), must not exceed an
25 amount equal to 50% of the amount of unemployment insurance taxes
26 paid by the afflicted business in the 4 most recently preceding
27 quarters.

28 (b) An afflicted business that was in operation on October 1,
29 2019 must be subject to the following grant schedule:



1 (i) Afflicted businesses that certify a gross receipts loss of
2 50% or more for a calendar quarter in 2020 when compared to the
3 same calendar quarter in 2019 shall receive a grant equal to 100%
4 of the amount calculated in subdivision (a).

5 (ii) Afflicted businesses that certify a gross receipts loss
6 greater than or equal to 25%, but less than 50%, for a calendar
7 quarter in 2020 when compared to the same calendar quarter in 2019
8 shall receive a grant equal to 75% of the amount calculated in
9 subdivision (a).

10 (iii) Afflicted businesses that certify a gross receipts loss
11 greater than or equal to 10%, but less than 25%, for a calendar
12 quarter in 2020 when compared to the same calendar quarter in 2019
13 shall receive a grant equal to 50% of the amount calculated in
14 subdivision (a).

15 (iv) Afflicted businesses that certify a gross receipts loss
16 greater than or equal to 5%, but less than 10%, for a calendar
17 quarter in 2020 when compared to the same calendar quarter in 2019
18 shall receive a grant equal to 25% of the amount calculated in
19 subdivision (a).

20 (c) An afflicted business that was not in operation on October
21 1, 2019, but started operations before June 1, 2020, shall receive
22 a grant equal to 50% of the amount calculated in subdivision (a) if
23 the afflicted business can certify that it was closed or partially
24 closed due to an executive order or DHHS epidemic order.

25 (d) Must be used only for working capital to support payroll
26 expenses, rent, mortgage payments, utility expenses, and costs
27 related to reopening a business.

28 (3) An afflicted business is considered to have qualified for
29 a grant under this section if, and only if, the afflicted business



1 has certified and attested, under penalty of perjury, to both of
2 the following:

3 (a) Unemployment insurance taxes were paid and the afflicted
4 business has documented the taxes paid for at least 1 of the 4 most
5 recently preceding quarters to the department of treasury.

6 (b) The afflicted business was an eligible self-employed
7 individual, independent contractor, or sole proprietorship with no
8 employees, or had employees for which it paid salaries or wages and
9 payroll taxes or paid independent contractors.

10 (4) Any afflicted business that falsifies certification shall
11 forfeit any payments under this section and sections 401, 403, 404,
12 and 405 and shall repay this state all payments it has received
13 under this section and sections 401, 403, 404, and 405.

14 (5) If the amount appropriated under this section is not
15 sufficient to fully pay grant awards under this section, payments
16 shall be prorated on an equal basis among all afflicted businesses
17 that qualified for a grant under this section. Any funds remaining
18 after the disbursement of all grant awards shall revert to the
19 general fund.

20 (6) The department of treasury must develop and post on the
21 department website application, program operation, award, and
22 reporting criteria for the program no later than April 1, 2021.
23 Afflicted businesses shall have until May 1, 2021 to submit program
24 grant applications. The department of treasury shall disburse grant
25 awards no later than June 1, 2021.

26 (7) The department of treasury shall submit a monthly report
27 to the senate and house appropriations committees, the senate and
28 house fiscal agencies, and the state budget office that provides a
29 listing of grants awarded in the previous month and the name of the



1 recipient of each grant provided under this section. The department
2 of treasury shall submit a summary of all grants awarded under this
3 section, by industry, over the course of the current fiscal year by
4 September 30, 2021.

5 (8) As used in this section:

6 (a) "Afflicted business" means any of the following:

7 (i) An entertainment venue.

8 (ii) An exercise facility.

9 (iii) A food service establishment.

10 (iv) A recreation facility or place of public amusement.

11 (v) A cosmetologist, barber, cosmetology shop, or barber shop.

12 (vi) A nursery dealer or nursery grower.

13 (vii) An athletic trainer.

14 (viii) A body art facility.

15 (ix) A hotel or bed and breakfast.

16 (b) "Bed and breakfast" means that term as defined in section
17 4b of the Stille-DeRossett-Hale single state construction code act,
18 1972 PA 230, MCL 125.1504b.

19 (c) "Entertainment venue" includes an auditorium, arena,
20 banquet hall, cinema, concert hall, conference center, performance
21 venue, sporting venue, stadium, or theater.

22 (d) "Exercise facility" means a facility in which individuals
23 participate in individual or group physical activity, including a
24 gymnasium, fitness center, or exercise studio.

25 (e) "Food service establishment" means that term as defined in
26 section 1107 of the food law, 2000 PA 92, MCL 289.1107.

27 (f) "Hotel" means a building or structure kept, used,
28 maintained as, or held out to the public to be an inn, hotel, or
29 public lodging house. Hotel does not include a bed and breakfast as



1 defined in section 4b of the Stille-DeRossett-Hale single state
2 construction code act, 1972 PA 230, MCL 125.1504b.

3 (g) "Recreation facility or place of public amusement"
4 includes an amusement park, arcade, bingo hall, bowling alley,
5 casino, nightclub, skating rink, water park, or trampoline park.

6 Sec. 403. (1) From the funds appropriated in part 1 for
7 afflicted business tax and fee relief, \$16,500,000.00 shall be used
8 by the department of treasury to create and operate an on-premise
9 retail liquor license relief program to provide grants for retail
10 liquor license relief to eligible retail liquor establishments of
11 this state. The department of treasury shall provide grants to
12 eligible retail liquor establishments as defined in this section.
13 Grant applications shall be accepted, reviewed, and approved by the
14 department of treasury.

15 (2) As used in this section, "eligible retail liquor
16 establishment" means an establishment that meets both of the
17 following requirements:

18 (a) Possessed an on-premise retail liquor license as issued
19 under the Michigan liquor control code of 1998, 1998 PA 58, MCL
20 436.1101 to 436.2303.

21 (b) Can certify that it was closed or partially closed due to
22 an executive order or DHHS epidemic order.

23 (3) Grants made available to eligible retail liquor
24 establishments under the program must meet all of the following
25 conditions:

26 (a) Subject to subdivisions (b) and (c), must not exceed the
27 amount of fees paid by the eligible retail liquor establishment for
28 an on-premise retail liquor license under the Michigan liquor
29 control code of 1998, 1998 PA 58, MCL 436.1101 to 436.2303, during



1 the calendar year 2020.

2 (b) An eligible retail liquor establishment that was in
3 operation on October 1, 2019 must be subject to the following grant
4 schedule:

5 (i) Eligible retail liquor establishments that certify a gross
6 receipts loss of 50% or more for a calendar quarter in 2020 when
7 compared to the same calendar quarter in 2019 shall receive a grant
8 equal to 100% of the amount calculated in subdivision (a).

9 (ii) Eligible retail liquor establishments that certify a gross
10 receipts loss greater than or equal to 25%, but less than 50%, for
11 a calendar quarter in 2020 when compared to the same calendar
12 quarter in 2019 shall receive a grant equal to 75% of the amount
13 calculated in subdivision (a).

14 (iii) Eligible retail liquor establishments that certify a gross
15 receipts loss greater than or equal to 10%, but less than 25%, for
16 a calendar quarter in 2020 when compared to the same calendar
17 quarter in 2019 shall receive a grant equal to 50% of the amount
18 calculated in subdivision (a).

19 (iv) Eligible retail liquor establishments that certify a gross
20 receipts loss greater than or equal to 5%, but less than 10%, for a
21 calendar quarter in 2020 when compared to the same calendar quarter
22 in 2019 shall receive a grant equal to 25% of the amount calculated
23 in subdivision (a).

24 (c) An eligible retail liquor establishment that was not in
25 operation on October 1, 2019, but started operations before June 1,
26 2020, shall receive a grant equal to 50% of the amount calculated
27 in subdivision (a) if the eligible retail liquor establishment can
28 certify that it was closed or partially closed due to an executive
29 order or DHHS epidemic order.



1 (d) Must be used only for working capital to support payroll
2 expenses, rent, mortgage payments, utility expenses, and costs
3 related to reopening a business.

4 (4) An eligible retail liquor establishment is considered to
5 have qualified for a grant under this section if the eligible
6 retail liquor establishment has certified and attested that on-
7 premise retail liquor license fees were paid, and the eligible
8 retail liquor establishment has documented the fees paid for
9 calendar year 2020 to the department of treasury.

10 (5) The department shall only consider the criteria in
11 subsection (4) when determining if an eligible retail liquor
12 establishment is qualified for a grant under this section.

13 (6) Any eligible retail liquor establishment that falsifies
14 certification shall forfeit any payments under this section and
15 sections 401, 402, 404, and 405.

16 (7) If the amount appropriated under this section is not
17 sufficient to fully pay grant awards under those sections, payments
18 shall be prorated on an equal basis among all eligible applicants
19 that qualified for a grant under that section. Any funds remaining
20 after the disbursement of all grant awards shall revert to the
21 general fund.

22 (8) The department of treasury must develop and post on the
23 department website application, program operation, award, and
24 reporting criteria for the program no later than April 1, 2021.
25 Eligible applicants shall have until May 1, 2021 to submit program
26 grant applications. The department of treasury shall disburse grant
27 awards no later than June 1, 2021.

28 (9) The department of treasury shall submit a monthly report
29 to the senate and house appropriations committees, the senate and



1 house fiscal agencies, and the state budget office that provides a
 2 listing of grants awarded under this section in the previous month
 3 and the name of the recipient of each grant provided under this
 4 section. The department of treasury shall submit a summary of all
 5 grants awarded under this section, by industry, over the course of
 6 the current fiscal year by September 30, 2021.

7 Sec. 404. (1) From the funds appropriated in part 1 for
 8 afflicted business tax and fee relief, \$22,000,000.00 shall be used
 9 by the department of treasury to create and operate a food service
 10 establishment license relief program to provide grants for food
 11 service establishment license relief to eligible food service
 12 establishments of this state. The department of treasury shall
 13 provide grants to eligible food service establishments as defined
 14 in this section. Grant applications shall be accepted, reviewed,
 15 and approved by the department of treasury.

16 (2) As used in this section, "eligible food service
 17 establishment" means an establishment that meets both of the
 18 following requirements:

19 (a) Is a food service establishment as defined in section 1107
 20 of the food law, 2000 PA 92, MCL 289.1107.

21 (b) Can certify that it was closed or partially closed due to
 22 an executive order or DHHS epidemic order.

23 (3) Grants made available to eligible food service
 24 establishments under the program must meet all of the following
 25 conditions:

26 (a) Subject to subdivisions (b) and (c), must not exceed the
 27 total amount of fees paid by the eligible food service
 28 establishment for a license or required inspection under the food
 29 law, 2000 PA 92, MCL 289.1101 to 289.8111, during calendar year



1 2020.

2 (b) An eligible food service establishment that was in
3 operation on October 1, 2019 must be subject to the following grant
4 schedule:

5 (i) Eligible food service establishments that certify a gross
6 receipts loss of 50% or more for a calendar quarter in 2020 when
7 compared to the same calendar quarter in 2019 shall receive a grant
8 equal to 100% of the amount calculated in subdivision (a).

9 (ii) Eligible food service establishments that certify a gross
10 receipts loss greater than or equal to 25%, but less than 50%, for
11 a calendar quarter in 2020 when compared to the same calendar
12 quarter in 2019 shall receive a grant equal to 75% of the amount
13 calculated in subdivision (a).

14 (iii) Eligible food service establishments that certify a gross
15 receipts loss greater than or equal to 10%, but less than 25%, for
16 a calendar quarter in 2020 when compared to the same calendar
17 quarter in 2019 shall receive a grant equal to 50% of the amount
18 calculated in subdivision (a).

19 (iv) Eligible food service establishments that certify a gross
20 receipts loss greater than or equal to 5%, but less than 10%, for a
21 calendar quarter in 2020 when compared to the same calendar quarter
22 in 2019 shall receive a grant equal to 25% of the amount calculated
23 in subdivision (a).

24 (c) An eligible food service establishment that was not in
25 operation on October 1, 2019, but started operations before June 1,
26 2020, shall receive a grant equal to 50% of the amount calculated
27 in subdivision (a) if the eligible food service establishment can
28 certify that it was closed or partially closed due to an executive
29 order or DHHS epidemic order.



1 (4) An eligible food service establishment is considered to
2 have qualified for a grant under this section if the eligible food
3 service establishment has certified and attested to both of the
4 following:

5 (a) License fees required under the food law, 2000 PA 92, MCL
6 289.1101 to 289.8111, were paid, and the eligible food service
7 establishment has documented the fees paid for calendar year 2020
8 to the department of treasury.

9 (b) Inspection fees were paid to either the state or local
10 health department for inspections required for annual licensing by
11 the food law, 2000 PA 92, MCL 289.1101 to 289.8111, and the
12 eligible food service establishment has documented the fee paid for
13 calendar year 2020 to the department of treasury.

14 (5) The department shall only consider the criteria in
15 subsection (4) when determining if an eligible food service
16 establishment is qualified for a grant under this section.

17 (6) Any eligible food service establishment that falsifies
18 certification shall forfeit any payments under this section and
19 sections 401, 402, 403, and 405.

20 (7) If the amount appropriated under this section is not
21 sufficient to fully pay grant awards under those sections, payments
22 shall be prorated on an equal basis among all eligible applicants
23 that qualified for a grant under that section. Any funds remaining
24 after the disbursement of all grant awards shall revert to the
25 general fund.

26 (8) The department of treasury must develop and post on the
27 department website application, program operation, award, and
28 reporting criteria for the program no later than April 1, 2021.
29 Eligible applicants shall have until May 1, 2021 to submit program



1 grant applications. The department of treasury shall disburse grant
2 awards no later than June 1, 2021.

3 (9) The department of treasury shall submit a monthly report
4 to the senate and house appropriations committees, the senate and
5 house fiscal agencies, and the state budget office that provides a
6 listing of grants awarded under this section in the previous month
7 and the name of the recipient of each grant provided under this
8 section. The department of treasury shall submit a summary of all
9 grants awarded under this section, by industry, over the course of
10 the current fiscal year by September 30, 2021.

11 Sec. 405. (1) From the funds appropriated in part 1 for
12 afflicted business tax and fee relief, \$11,500,000.00 shall be used
13 by the department of treasury to create and operate a license and
14 inspection fee relief program to provide grants for license and
15 inspection fee relief to eligible licensees of this state. The
16 department of treasury shall provide grants to eligible licensees
17 as defined in this section. Grant applications shall be accepted,
18 reviewed, and approved by the department of treasury.

19 (2) As used in this section, "eligible licensee" means a
20 person that meets both of the following requirements:

21 (a) Is 1 or more of the following:

22 (i) An entertainment venue, including an auditorium, arena,
23 banquet hall, cinema, concert hall, conference center, performance
24 venue, sporting venue, stadium, or theater.

25 (ii) An exercise facility, which means a facility in which
26 individuals participate in individual or group physical activity,
27 including a gymnasium, fitness center, or exercise studio.

28 (iii) A food service establishment as that term is defined in
29 section 1107 of the food law, 2000 PA 92, MCL 289.1107.



1 (iv) A recreation facility or place of public amusement,
 2 including an amusement park, arcade, bingo hall, bowling alley,
 3 casino, nightclub, skating rink, water park, or trampoline park.

4 (v) A cosmetologist, barber, cosmetology shop, or barber shop.

5 (vi) A nursery dealer or nursery grower.

6 (vii) An athletic trainer.

7 (viii) A body art facility.

8 (ix) A bed and breakfast, which means that term as defined in
 9 section 4b of the Stille-DeRossett-Hale single state construction
 10 code act, 1972 PA 230, MCL 125.1504b.

11 (x) A hotel, which means a building or structure kept, used,
 12 maintained as, or held out to the public to be an inn, hotel, or
 13 publiclodging house. Hotel does not include a bed and breakfast as
 14 defined in section 4b of the Stille-DeRossett-Hale single state
 15 construction code act, 1972 PA 230, MCL 125.1504b.

16 (b) Can certify that it was closed or partially closed due to
 17 an executive order or DHHS epidemic order.

18 (3) Grants made available to eligible licensees under the
 19 program must meet all of the following conditions:

20 (a) Subject to subdivisions (b) and (c), must not exceed the
 21 amount of fees paid by the eligible licensee for a state license or
 22 inspection fee during calendar year 2020. This does not include on-
 23 premise retail liquor licenses under the Michigan liquor code of
 24 1998, 1998 PA 58, MCL 436.1101 to 436.2303, or a food service
 25 establishment license under the food law, 2000 PA 92, MCL 289.1101
 26 to 289.8111.

27 (b) An eligible licensee that was in operation on October 1,
 28 2019 must be subject to the following grant schedule:

29 (i) Eligible licensees that certify a gross receipts loss of



1 50% or more for a calendar quarter in 2020 when compared to the
2 same calendar quarter in 2019 shall receive a grant equal to 100%
3 of the amount calculated in subdivision (a).

4 (ii) Eligible licensees that certify a gross receipts loss
5 greater than or equal to 25%, but less than 50%, for a calendar
6 quarter in 2020 when compared to the same calendar quarter in 2019
7 shall receive a grant equal to 75% of the amount calculated in
8 subdivision (a).

9 (iii) Eligible licensees that certify a gross receipts loss
10 greater than or equal to 10%, but less than 25%, for a calendar
11 quarter in 2020 when compared to the same calendar quarter in 2019
12 shall receive a grant equal to 50% of the amount calculated in
13 subdivision (a).

14 (iv) Eligible licensees that certify a gross receipts loss
15 greater than or equal to 5%, but less than 10%, for a calendar
16 quarter in 2020 when compared to the same calendar quarter in 2019
17 shall receive a grant equal to 25% of the amount calculated in
18 subdivision (a).

19 (c) An eligible licensee that was not in operation on October
20 1, 2019, but started operations before June 1, 2020, shall receive
21 a grant equal to 50% of the amount calculated in subdivision (a) if
22 the eligible licensee can certify that it was closed or partially
23 closed due to an executive order or DHHS epidemic order.

24 (4) An eligible licensee is considered to have qualified for a
25 grant under this section if the eligible licensee has certified and
26 attested that state license and inspection fees required under
27 Michigan law were paid, and the eligible licensee has documented
28 the fees paid for calendar year 2020 to the department of treasury.

29 (5) The department shall only consider the criteria in



1 subsection (4) when determining if an eligible licensee is
2 qualified for a grant under this section.

3 (6) Any eligible licensee that falsifies certification shall
4 forfeit any payments under this section and sections 401 through
5 404.

6 (7) If the amount appropriated under this section is not
7 sufficient to fully pay grant awards under those sections, payments
8 shall be prorated on an equal basis among all eligible licensees
9 that qualified for a grant under this section. Any funds remaining
10 after the disbursement of all grant awards shall revert to the
11 general fund.

12 (8) The department of treasury must develop and post on the
13 department website application, program operation, award, and
14 reporting criteria for the program no later than April 1, 2021.
15 Eligible licensees shall have until May 1, 2021 to submit program
16 grant applications. The department of treasury shall disburse grant
17 awards no later than June 1, 2021.

18 (9) The department of treasury shall submit a monthly report
19 to the senate and house appropriations committees, the senate and
20 house fiscal agencies, and the state budget office that provides a
21 listing of grants awarded under this section in the previous month
22 and the name of the recipient of each grant provided under this
23 section. The department of treasury shall submit a summary of all
24 grants awarded under this section, by industry, over the course of
25 the current fiscal year by September 30, 2021.

26 Sec. 406. For purposes of satisfying the application
27 requirements under sections 401 through 405, the department of
28 treasury shall develop a combined application separated into
29 sections by program.

