

**SUBSTITUTE FOR
SENATE BILL NO. 714**

A bill to make, supplement, and adjust appropriations for various state departments and agencies for the fiscal year ending September 30, 2022; to provide for certain conditions on appropriations; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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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, 2022, from the following funds:

APPROPRIATION SUMMARY

GROSS APPROPRIATION	\$	539,082,100
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1	Interdepartmental grant revenues:		
2	Total interdepartmental grants and		
3	intradepartmental transfers		0
4	ADJUSTED GROSS APPROPRIATION	\$	539,082,100
5	Federal revenues:		
6	Total other federal revenues		536,582,100
7	Special revenue funds:		
8	Total local revenues		(15,038,700)
9	Total private revenues		0
10	Total other state restricted revenues		0
11	State general fund/general purpose	\$	17,538,700
12	Sec. 102. DEPARTMENT OF HEALTH AND HUMAN		
13	SERVICES		
14	(1) APPROPRIATION SUMMARY		
15	GROSS APPROPRIATION	\$	508,082,100
16	Interdepartmental grant revenues:		
17	Total interdepartmental grants and		
18	intradepartmental transfers		0
19	ADJUSTED GROSS APPROPRIATION	\$	508,082,100
20	Federal revenues:		
21	Total other federal revenues		505,582,100
22	Special revenue funds:		
23	Total local revenues		(15,038,700)
24	Total private revenues		0
25	Total other state restricted revenues		0
26	State general fund/general purpose	\$	17,538,700
27	(2) BEHAVIORAL HEALTH SERVICES		
28	Health homes	\$	16,832,100



1	Medicaid mental health services	(15,038,700)
2	Medicaid mental health services	15,038,700
3	GROSS APPROPRIATION	\$ 16,832,100
4	Appropriated from:	
5	Federal revenues:	
6	Total other federal revenues	14,332,100
7	Special revenue funds:	
8	Total local revenues	(15,038,700)
9	State general fund/general purpose	\$ 17,538,700
10	(3) ONE-TIME APPROPRIATIONS	
11	Adverse childhood experiences awareness program	\$ 3,500,000
12	Behavioral health provider recruitment	15,000,000
13	Child advocacy centers	8,000,000
14	Child and adolescent psychiatric emergency	
15	department	6,000,000
16	Clinical integration fund	25,000,000
17	Community-based care project	750,000
18	Community mental health services programs	
19	integration readiness	50,000,000
20	Community substance use disorder prevention,	
21	education, and treatment grants	10,000,000
22	Crisis stabilization units	25,000,000
23	Department of health and human services	
24	integration readiness	10,000,000
25	Direct care worker supervisor training program	
26	investment	2,500,000
27	Hawthorn Center expansion	5,000,000
28	Hospital infrastructure enhancements	20,000,000



1	Infrastructure grants to enhance pediatric	
2	inpatient services	100,000,000
3	Integrated care center	15,000,000
4	Jail diversion fund	20,000,000
5	Mental health block grant	10,000,000
6	Mental health prevention training	15,000,000
7	Michigan essential health provider loan	
8	repayment program	25,000,000
9	Mobile outreach and prevention services grant	10,000,000
10	Multiservice organization grant	3,000,000
11	Narcotics awareness program	5,000,000
12	Northern Michigan psychiatric hospital bed	
13	investment	8,000,000
14	Opioid inpatient and transitional housing	
15	capital project	6,000,000
16	Opioid transitional housing and services grant	4,000,000
17	Partial hospitalization program	5,000,000
18	Psychiatric residential treatment facilities	25,000,000
19	Public television investment	1,500,000
20	Recovery high schools and recovery community	
21	organizations	2,000,000
22	State psychiatric capital outlay investment	25,000,000
23	Telemedicine infrastructure	20,000,000
24	Trauma-informed treatment education	11,000,000
25	GROSS APPROPRIATION	\$ 491,250,000
26	Appropriated from:	
27	Federal revenues:	
28	Coronavirus state fiscal recovery fund	491,250,000



1	State general fund/general purpose	\$	0
2	Sec. 103. DEPARTMENT OF LABOR AND ECONOMIC		
3	OPPORTUNITY		
4	(1) APPROPRIATION SUMMARY		
5	GROSS APPROPRIATION	\$	31,000,000
6	Interdepartmental grant revenues:		
7	Total interdepartmental grants and		
8	intradepartmental transfers		0
9	ADJUSTED GROSS APPROPRIATION	\$	31,000,000
10	Federal revenues:		
11	Total other federal revenues		31,000,000
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	\$	0
17	(2) ONE-TIME APPROPRIATIONS		
18	Career path apprenticeship program	\$	30,000,000
19	Michigan enhancement grants		1,000,000
20	GROSS APPROPRIATION	\$	31,000,000
21	Appropriated from:		
22	Federal revenues:		
23	Coronavirus state fiscal recovery fund		31,000,000
24	State general fund/general purpose	\$	0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

29 Sec. 201. Pursuant to section 30 of article IX of the state



1 constitution of 1963, total state spending from state sources under
 2 part 1 for the fiscal year ending September 30, 2022 is \$17,538,700
 3 and total state spending from state sources to be paid to local
 4 units of government is \$15,038,700.00.

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

10 Sec. 203. If the state administrative board, acting under
 11 section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount
 12 appropriated under part 1, the legislature may, by a concurrent
 13 resolution adopted by a majority of the members elected to and
 14 serving in each house, inter-transfer funds within part 1 for the
 15 particular department, board, commission, office, or institution.

16

17 **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

18 Sec. 301. (1) From the funds appropriated in part 1 for health
 19 homes, the department of health and human services shall maintain
 20 the number of behavioral health homes in PIHP regions 1, 2, and 8
 21 and maintain the number of substance use disorder health homes in
 22 PIHP regions 1, 2, 4, and 9. The department may expand the number
 23 of behavioral health homes in PIHP regions 6 and 7 and the number
 24 of substance use disorder health homes in PIHP regions 6, 7, and
 25 10.

26 (2) On a quarterly basis, the department of health and human
 27 services shall provide a report to the house and senate
 28 appropriation subcommittees on the department budget, the house and
 29 senate fiscal agencies, the house and senate policy offices, and



1 the state budget office on the number of individuals being served
2 and expenditures incurred by each PIHP region by site.

3 Sec. 302. (1) The funds appropriated in part 1 for Medicaid
4 mental health services shall be used to complete the phase out of
5 local funds provided by each PIHP, from internal resources, used as
6 a part of the state match required under the Medicaid program in
7 order to increase capitation rates for PIHPs.

8 (2) The funds appropriated in part 1 for Medicaid mental
9 health services must not be spent or otherwise distributed unless
10 all of the following bills of the 101st Legislature are enacted
11 into law:

12 (a) Senate Bill No. 597.

13 (b) Senate Bill No. 598.

14 Sec. 303. (1) From the funds appropriated in part 1 for
15 adverse childhood experiences awareness program, the department of
16 health and human services shall appropriate \$3,500,000.00 to the
17 Michigan ACE Initiative in partial support of House Concurrent
18 Resolution No. 2 of the 100th Legislature and Senate Concurrent
19 Resolution No. 8 of the 100th Legislature. The funds are to be used
20 to support the continued implementation of an awareness program on
21 adverse childhood experiences, particularly for instructional and
22 administrative staff in Michigan's schools, and to begin a program
23 to focus resilience efforts to mitigate the effects of adverse
24 childhood experiences.

25 (2) Prior to the release of funds, the Michigan ACE Initiative
26 shall provide a strategic plan to the department of health and
27 human services that identifies how the funds will be used over a
28 12-month period. The strategic plan must include all of the
29 following components:



1 (a) The targeted school districts and amounts that will be
 2 used to provide the awareness efforts to instructional, service,
 3 and administrative staff along with the intended collaborating
 4 partners.

5 (b) The focus and amounts to be used for any demonstration
 6 projects and the intended collaborating partners.

7 (c) The amount to be targeted to establish a center for
 8 adverse childhood experiences and resilience and the names of
 9 collaborating partners.

10 (d) The amount to be targeted to Michigan's Child Abuse
 11 Councils to assist in work on adverse childhood experiences
 12 awareness and prevention.

13 (3) Within 30 days of the receipt of the strategic plan
 14 required in subsection (2), the department of health and human
 15 services shall submit the strategic plan to the senate and house
 16 appropriations subcommittees on the department budget, the senate
 17 and house fiscal agencies, and the state budget office.

18 (4) Funds appropriated for adverse childhood experiences
 19 awareness program shall be considered work project funds and shall
 20 not lapse at the close of the fiscal year and shall be available
 21 for expenditures for projects under this section until the projects
 22 have been completed. The following is in compliance with section
 23 451a(1) of the management and budget act, 1984 PA 431, MCL
 24 18.1451a:

25 (a) The purpose of the work project is to support the Michigan
 26 ACE Initiative.

27 (b) The projects will be accomplished by grants to the
 28 Michigan ACE Initiative.

29 (c) The total estimated cost of the work project is



1 \$3,500,000.00.

2 (d) The tentative completion date is September 30, 2026.

3 Sec. 304. (1) From the funds appropriated in part 1 for
4 behavioral health provider recruitment, the department of health
5 and human services shall make 1-time payments to health care
6 providers of up to \$250,000.00 to cover the costs of hiring new
7 positions in the behavioral health field.

8 (2) Funds appropriated for behavioral health provider
9 recruitment shall be considered work project funds and shall not
10 lapse at the close of the fiscal year and shall be available for
11 expenditures for projects under this section until the projects
12 have been completed. The following is in compliance with section
13 451a(1) of the management and budget act, 1984 PA 431, MCL
14 18.1451a:

15 (a) The purpose of the work project is to provide funding for
16 grants to reimburse hiring costs for health care providers for new
17 behavioral health provider staff.

18 (b) The projects will be accomplished by grants to health care
19 providers.

20 (c) The total estimated cost of the work project is
21 \$15,000,000.00.

22 (d) The tentative completion date is September 30, 2026.

23 Sec. 305. (1) From the funds appropriated in part 1 for child
24 and adolescent psychiatric emergency department, the department of
25 health and human services shall allocate \$6,000,000.00 to a
26 hospital to expand its adolescent and children's emergency
27 psychiatry unit through the creation of a dedicated emergency room
28 for children and adolescents. In order to be eligible to receive
29 funding, the hospital must be associated with a 4-year medical



1 school located in a city with a population between 110,000 and
2 114,000, according to the 2010 federal decennial census.

3 (2) Funds appropriated for child and adolescent psychiatric
4 emergency department shall be considered work project funds and
5 shall not lapse at the close of the fiscal year and shall be
6 available for expenditures for projects under this section until
7 the projects have been completed. The following is in compliance
8 with section 451a(1) of the management and budget act, 1984 PA 431,
9 MCL 18.1451a:

10 (a) The purpose of the work project is to create a dedicated
11 child and adolescent psychiatric emergency department.

12 (b) The projects will be accomplished by grants to a hospital
13 associated with a medical school.

14 (c) The total estimated cost of the work project is
15 \$6,000,000.00.

16 (d) The tentative completion date is September 30, 2026.

17 Sec. 306. (1) From the funds appropriated in part 1 for
18 clinical integration fund, the department of health and human
19 services shall issue grants to facilities and providers that wish
20 to clinically integrate their setting with physical and behavioral
21 health services and providers.

22 (2) Funds appropriated for clinical integration fund shall be
23 considered work project funds and shall not lapse at the close of
24 the fiscal year and shall be available for expenditures for
25 projects under this section until the projects have been completed.
26 The following is in compliance with section 451a(1) of the
27 management and budget act, 1984 PA 431, MCL 18.1451a:

28 (a) The purpose of the work project is to provide funding for
29 grants to help cover costs to facilities and providers that wish to



1 clinically integrate their setting with physical and behavioral
2 health services and providers.

3 (b) The projects will be accomplished by grants to health care
4 providers and facilities.

5 (c) The total estimated cost of the work project is
6 \$25,000,000.00.

7 (d) The tentative completion date is September 30, 2026.

8 (3) The funds appropriated in part 1 for clinical integration
9 fund must not be spent or otherwise distributed unless all of the
10 following bills of the 101st Legislature are enacted into law:

11 (a) Senate Bill No. 597.

12 (b) Senate Bill No. 598.

13 Sec. 307. (1) From the funds appropriated in part 1 for
14 community-based care project, the department of health and human
15 services shall appropriate \$750,000.00 to a nonprofit organization
16 organized under the laws of this state that is exempt from federal
17 income tax under section 501(c)(3) of the internal revenue code of
18 1986, 26 USC 501, located in a city with a population between
19 97,000 and 109,000 according to the 2010 federal decennial census
20 to implement a community-based care project to support the entire
21 family while they are in contact with the child welfare system. To
22 be eligible for the funding, the entity must have been established
23 in 1978 and have a stated mission of: with the support of the
24 community, we preserve families when possible and create new
25 families when necessary.

26 (2) Funds appropriated for community-based care project shall
27 be considered work project funds and shall not lapse at the close
28 of the fiscal year and shall be available for expenditures for
29 projects under this section until the projects have been completed.



1 The following is in compliance with section 451a(1) of the
2 management and budget act, 1984 PA 431, MCL 18.1451a:

3 (a) The purpose of the work project is to establish a
4 community-based care project for child welfare.

5 (b) The projects will be accomplished by grants to a nonprofit
6 that works with abused and neglected children.

7 (c) The total estimated cost of the work project is
8 \$750,000.00.

9 (d) The tentative completion date is September 30, 2026.

10 Sec. 308. (1) From the funds appropriated in part 1 for
11 community mental health services programs integration readiness,
12 the department of health and human services shall provide 1-time
13 funding to support community mental health services programs'
14 efforts to make system, information technology, staffing, and
15 administrative improvements for integration readiness.

16 (2) Funds appropriated for community mental health services
17 programs integration readiness shall be considered work project
18 funds and shall not lapse at the close of the fiscal year and shall
19 be available for expenditures for projects under this section until
20 the projects have been completed. The following is in compliance
21 with section 451a(1) of the management and budget act, 1984 PA 431,
22 MCL 18.1451a:

23 (a) The purpose of the work project is to provide funding to
24 community mental health services programs to make improvements for
25 integration readiness.

26 (b) The projects will be accomplished by grants provided to
27 community mental health services programs.

28 (c) The total estimated cost of the work project is
29 \$50,000,000.00.



1 (d) The tentative completion date is September 30, 2026.

2 (3) The funds appropriated in part 1 for community mental
3 health services programs integration readiness must not be spent or
4 otherwise distributed unless all of the following bills of the
5 101st Legislature are enacted into law:

6 (a) Senate Bill No. 597.

7 (b) Senate Bill No. 598.

8 Sec. 309. (1) From the funds appropriated in part 1 for
9 community substance use disorder prevention, education, and
10 treatment grants, the department of health and human services shall
11 provide funding, pursuant to federal laws, rules, and regulations,
12 including awards to private entities that have contracts to provide
13 community-based substance use disorder services.

14 (2) Funds appropriated for community substance use disorder
15 prevention, education, and treatment grants shall be considered
16 work project funds and shall not lapse at the close of the fiscal
17 year and shall be available for expenditures for projects under
18 this section until the projects have been completed. The following
19 is in compliance with section 451a(1) of the management and budget
20 act, 1984 PA 431, MCL 18.1451a:

21 (a) The purpose of the work project is to provide funding to
22 private entities that have contracts to provide community-based
23 substance use disorder services.

24 (b) The projects will be accomplished by grants to eligible
25 providers.

26 (c) The total estimated cost of the work project is
27 \$10,000,000.00.

28 (d) The tentative completion date is September 30, 2026.

29 Sec. 310. (1) From the funds appropriated in part 1 for crisis



1 stabilization units, the department of health and human services
2 shall create a 1-time grant pool for entities interested in
3 establishing crisis stabilization units as described in chapter 9A
4 of the mental health code, 1974 PA 258, MCL 330.1971 to 330.1979.
5 Any qualified provider in this state shall be eligible to apply for
6 a portion of the funding.

7 (2) Funds appropriated for crisis stabilization units shall be
8 considered work project funds and shall not lapse at the close of
9 the fiscal year and shall be available for expenditures for
10 projects under this section until the projects have been completed.
11 The following is in compliance with section 451a(1) of the
12 management and budget act, 1984 PA 431, MCL 18.1451a:

13 (a) The purpose of the work project is to provide funding to
14 establish crisis stabilization units.

15 (b) The projects will be accomplished by grants to eligible
16 providers.

17 (c) The total estimated cost of the work project is
18 \$25,000,000.00.

19 (d) The tentative completion date is September 30, 2026.

20 (3) As used in this section, "crisis stabilization unit" means
21 that term as defined in section 100a of the mental health code,
22 1974 PA 258, MCL 330.1100a.

23 Sec. 311. (1) From the funds appropriated in part 1 for
24 department of health and human services integration readiness, the
25 department of health and human services shall make 1-time
26 investments to support implementation of Senate Bill No. 597 of the
27 101st Legislature and Senate Bill No. 598 of the 101st Legislature.
28 The funding appropriated in part 1 shall be used to harness
29 external support for study and plan development, project



1 management, information technology system enhancements, and
2 administrative investments.

3 (2) Funds appropriated for department of health and human
4 services integration readiness shall be considered work project
5 funds and shall not lapse at the close of the fiscal year and shall
6 be available for expenditures for projects under this section until
7 the projects have been completed. The following is in compliance
8 with section 451a(1) of the management and budget act, 1984 PA 431,
9 MCL 18.1451a:

10 (a) The purpose of the work project is to provide funding to
11 the department of health and human services to make improvements
12 for integration readiness.

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

15 (c) The total estimated cost of the work project is
16 \$10,000,000.00.

17 (d) The tentative completion date is September 30, 2026.

18 (3) The funds appropriated in part 1 for department of health
19 and human services integration readiness must not be spent or
20 otherwise distributed unless all of the following bills of the
21 101st Legislature are enacted into law:

22 (a) Senate Bill No. 597.

23 (b) Senate Bill No. 598.

24 Sec. 312. The funds appropriated in part 1 for Hawthorn Center
25 expansion shall be used to support capital improvements to expand
26 capacity at the Hawthorn Center. This funding shall be used to
27 increase both staffing and bed capacity.

28 Sec. 313. (1) From the funds appropriated in part 1 for
29 hospital infrastructure enhancements, funding shall be used to



1 create a 1-time grant pool. Hospitals shall be allowed to apply for
2 grants from the fund to be used to invest in infrastructure
3 necessary to improve care for behavioral health patients who enter
4 through the hospital's emergency department. Grants may be used for
5 initiatives such as providing emergency department entrances and
6 emergency department rooms for behavioral health patients that are
7 separate from the emergency department entrances and emergency
8 department rooms for the general patient population.

9 (2) Funds appropriated for the hospital infrastructure
10 enhancements shall be considered work project funds and shall not
11 lapse at the close of the fiscal year and shall be available for
12 expenditures for projects under this section until the projects
13 have been completed. The following is in compliance with section
14 451a(1) of the management and budget act, 1984 PA 431, MCL
15 18.1451a:

16 (a) The purpose of the work project is to provide funding for
17 grants to hospitals to invest in infrastructure necessary to
18 improve care for behavioral health patients who enter through the
19 hospital's emergency department.

20 (b) The projects will be accomplished by grants to hospitals.

21 (c) The total estimated cost of the work project is
22 \$20,000,000.00.

23 (d) The tentative completion date is September 30, 2026.

24 Sec. 314. (1) From the funds appropriated in part 1 for
25 infrastructure grants to enhance pediatric inpatient services,
26 funding shall be used to create a competitive grant program for
27 health care providers to increase the number of slots in long-term
28 pediatric psychiatric inpatient hospitals, centers, or psychiatric
29 residential treatment facilities by a total of at least 120 slots



1 statewide. Grant applicants must identify 20% matching funds as
2 part of the grant application. A single facility shall not receive
3 more than \$25,000,000.00 of the funding appropriated in part 1, and
4 the grants must be made to different geographic regions of this
5 state.

6 (2) The department of health and human services shall
7 determine and publish the evidence-based treatment care and
8 services program for the population to be served by the slots
9 described in subsection (1) not later than 6 months after the
10 effective date of this act.

11 (3) Funds appropriated for infrastructure grants to enhance
12 pediatric inpatient services shall be considered work project funds
13 and shall not lapse at the close of the fiscal year and shall be
14 available for expenditures for projects under this section until
15 the projects have been completed. The following is in compliance
16 with section 451a(1) of the management and budget act, 1984 PA 431,
17 MCL 18.1451a:

18 (a) The purpose of the work project is to implement a
19 competitive grant funding program for health care providers to
20 increase the number of long-term pediatric psychiatric inpatient
21 slots online across this state.

22 (b) The projects will be accomplished by grants to health care
23 facilities.

24 (c) The total estimated cost of the work project is
25 \$100,000,000.00.

26 (d) The tentative completion date is September 30, 2026.

27 (4) As used in this section, "health care provider" means an
28 entity that is licensed under part 215 of the public health code,
29 1978 PA 368, MCL 333.21501 to 333.21571, or section 137 of the



1 mental health code, 1974 PA 258, MCL 330.1137.

2 Sec. 315. (1) From the funds appropriated in part 1 for
3 integrated care center, the department of health and human services
4 shall allocate \$15,000,000.00 to a PIHP operating in a county with
5 a population greater than 1,300,000, according to the 2010 federal
6 decennial census, to implement a centrally located integrated
7 service center to offer separate child and adult units to provide
8 physical and mental health services. These services must include,
9 but are not limited to:

- 10 (a) Crisis residential services.
- 11 (b) Sober living services.
- 12 (c) 24-hour crisis walk-in services.
- 13 (d) Peer supports services.
- 14 (e) Mobile crisis stabilization services.
- 15 (f) Transportation.
- 16 (g) Psychiatric assessments.

17 (2) Funds appropriated for integrated care center shall be
18 considered work project funds and shall not lapse at the close of
19 the fiscal year and shall be available for expenditures for
20 projects under this section until the projects have been completed.
21 The following is in compliance with section 451a(1) of the
22 management and budget act, 1984 PA 431, MCL 18.1451a:

- 23 (a) The purpose of the work project is to implement an
24 integrated service center in PIHP region 7.
- 25 (b) The projects will be accomplished by grants to a PIHP.
- 26 (c) The total estimated cost of the work project is
27 \$15,000,000.00.
- 28 (d) The tentative completion date is September 30, 2026.
- 29 (3) The funds appropriated in part 1 for integrated care



1 center must not be spent or otherwise distributed unless all of the
2 following bills of the 101st Legislature are enacted into law:

3 (a) Senate Bill No. 597.

4 (b) Senate Bill No. 598.

5 Sec. 316. (1) From the funds appropriated in part 1 for jail
6 diversion fund, the department of health and human services shall
7 allocate \$20,000,000.00 to the jail diversion fund. The jail
8 diversion fund shall be administered by the mental health diversion
9 council, in accordance with recommendations of the Michigan joint
10 task force on jail and pretrial incarceration.

11 (2) The mental health diversion council shall distribute
12 grants to local entities for the purpose of establishing or
13 expanding jail diversion programs in partnership with local law
14 enforcement and private or public behavioral health service
15 providers. Grants must be distributed as follows:

16 (a) 50% must be distributed to community-based mobile crisis
17 intervention services in partnership between law enforcement and
18 mental health practitioners. The mental health diversion council
19 must give priority to grant applications that demonstrate a
20 commitment to a comprehensive co-response model that includes at
21 least all of the following:

22 (i) Full integration with existing 911 dispatch centers.

23 (ii) Inclusion of both co-responder clinicians and co-responder
24 peers.

25 (iii) Access to residential treatment facilities.

26 (iv) Inclusion of telehealth response and follow-up services.

27 (v) Mental health professionals employed independently from
28 law enforcement.

29 (vi) Other best practices as identified by the mental health



1 diversion council.

2 (b) 50% must be distributed to any type of pre-arrest or post-
3 arrest diversion program in which individuals with behavioral
4 health needs are identified and diverted out of the criminal
5 justice system. The mental health diversion council must give
6 priority to local entities located in counties without an urbanized
7 area of at least 50,000 people, according to the most recent
8 federal decennial census.

9 (3) Grant applications may be made by any applicable local
10 entity and must be distributed to local entities using a
11 prospective payment methodology.

12 (4) The department of health and human services shall seek
13 federal authority as outlined under section 9813 of the American
14 rescue plan act of 2021, 42 USC 1396w-6, to utilize enhanced
15 federal Medicaid matching funds for the operation of the programs
16 described in this section. It is the intent of the legislature that
17 local entities receiving grants under this section partner with
18 philanthropic organizations to supplement state funding.

19 (5) Local entities receiving grants under this section must
20 submit a report containing metrics pertinent to the progress of
21 their diversion program to the mental health diversion council
22 annually. The council must compile and submit an annual report to
23 the senate and house appropriations subcommittees on the department
24 budget, the senate and house fiscal agencies, the senate and house
25 policy offices, and the state budget office and make the report
26 publicly available within 30 days after receiving the report. Local
27 entities may utilize a portion of grant funding received under this
28 section to contract with independent organizations for the purpose
29 of fulfilling this requirement. The mental health diversion council



1 shall determine the specific metrics required and notify the local
2 entities at the time of the first grant disbursement. Metrics for
3 grants may include, but are not limited to, all of the following:

4 (a) The number of calls to which co-responders are dispatched
5 alone and the number of calls to which co-responders are dispatched
6 alongside law enforcement.

7 (b) The number of calls transferred to telehealth co-
8 responders with physical response follow-up and the number of calls
9 transferred to telehealth co-responders without physical response
10 follow-up.

11 (c) The law enforcement call clear time when co-responders are
12 dispatched, and the law enforcement call clear time when co-
13 responders are not dispatched.

14 (d) The co-responder, co-responder clinician, and co-responder
15 peer call time per call.

16 (e) The number of co-responder-attended calls resulting in the
17 following:

18 (i) Jail admission.

19 (ii) On-location de-escalation.

20 (iii) Crisis center or crisis stabilization unit residential
21 admission.

22 (iv) Behavioral health facility inpatient admission.

23 (v) Referral for behavioral or mental health services without
24 residential or inpatient admission.

25 (vi) Referral to community or social services such as homeless
26 shelters, women's shelters, food pantries, or other similar
27 services.

28 (f) The number of individuals served by co-responder-attended
29 calls broken down by age, gender, and race and ethnicity.



1 (g) The reduction in frequency of law enforcement interaction
2 with known frequently served individuals.

3 (h) The number of follow-up visits, including method and
4 location.

5 (i) The overall program costs broken down by administration,
6 training, co-responder clinician, co-responder, and per-call costs.

7 (6) The unexpended funds appropriated in part 1 for jail
8 diversion fund are designated as a work project appropriation, and
9 any unencumbered or unallotted funds do not lapse at the end of the
10 fiscal year and are available for expenditures for projects under
11 this section until the fund is depleted. The following is in
12 compliance with section 451a(1) of the management and budget act,
13 1984 PA 431, MCL 18.1451a:

14 (a) The purpose of the project is to distribute grant funds to
15 local entities establishing or expanding jail diversion programs.

16 (b) The projects will be accomplished through grants to local
17 entities establishing or expanding jail diversion programs in
18 partnership with local law enforcement and private or public
19 behavioral health service providers.

20 (c) The total estimated cost of the work project is
21 \$20,000,000.00.

22 (d) The tentative completion date is September 30, 2026.

23 Sec. 317. (1) From the funds appropriated in part 1 for mental
24 health block grant, the department of health and human services
25 shall provide funding, pursuant to federal laws, rules, and
26 regulations, including awards to private entities that have
27 contracts to provide community-based mental health services.

28 (2) Funds appropriated for mental health block grant shall be
29 considered work project funds and shall not lapse at the close of



1 the fiscal year and shall be available for expenditures for
 2 projects under this section until the projects have been completed.
 3 The following is in compliance with section 451a(1) of the
 4 management and budget act, 1984 PA 431, MCL 18.1451a:

5 (a) The purpose of the work project is to provide funding to
 6 private entities that have contracts to provide community-based
 7 mental health services.

8 (b) The projects will be accomplished by grants to eligible
 9 providers.

10 (c) The total estimated cost of the work project is
 11 \$10,000,000.00.

12 (d) The tentative completion date is September 30, 2026.

13 Sec. 318. (1) From the funds appropriated in part 1 for
 14 Michigan essential health provider loan repayment program, the
 15 department of health and human services shall expand the Michigan
 16 essential health provider repayment program to include designated
 17 mental health professionals in the program pursuant to the Michigan
 18 essential health provider recruitment strategy act, part 27 of the
 19 public health code, 1978 PA 368, MCL 333.2701 to 333.2727, as
 20 amended by Senate Bill No. 246 of the 101st Legislature and Senate
 21 Bill No. 435 of the 101st Legislature.

22 (2) Funds appropriated for Michigan essential health provider
 23 loan repayment program shall be considered work project funds and
 24 shall not lapse at the close of the fiscal year and shall be
 25 available for expenditures for projects under this section until
 26 the projects have been completed. The following is in compliance
 27 with section 451a(1) of the management and budget act, 1984 PA 431,
 28 MCL 18.1451a:

29 (a) The purpose of the work project is to provide funding for



1 loan repayment for designated mental health professionals.

2 (b) The projects will be accomplished by grants for loan
3 repayment.

4 (c) The total estimated cost of the work project is
5 \$25,000,000.00.

6 (d) The tentative completion date is September 30, 2026.

7 (3) The funds appropriated in part 1 for Michigan essential
8 health provider loan repayment program must not be spent or
9 otherwise distributed unless all of the following bills of the
10 101st Legislature are enacted into law:

11 (a) Senate Bill No. 246.

12 (b) Senate Bill No. 435.

13 Sec. 319. (1) From the funds appropriated in part 1 for mobile
14 outreach and prevention services grant, the department of health
15 and human services shall allocate \$10,000,000.00 to establish a
16 mobile outreach and prevention services grant program. The
17 department shall issue grants to facilities and providers that wish
18 to establish or expand a mobile outreach and prevention program. A
19 mobile outreach and prevention program must provide mobile crisis
20 intervention services that may include, but are not limited to, the
21 following:

22 (a) Urgent community response services.

23 (b) Clinical assessments addressing serious mental health
24 issues.

25 (c) Developing crisis safety plans to address risks and
26 behaviors associated with mental health and substance use issues.

27 (d) Community outreach.

28 (2) Funds appropriated for mobile outreach and prevention
29 services grant shall be considered work project funds and shall not



1 lapse at the close of the fiscal year and shall be available for
2 expenditures for projects under this section until the projects
3 have been completed. The following is in compliance with section
4 451a(1) of the management and budget act, 1984 PA 431, MCL
5 18.1451a:

6 (a) The purpose of the work project is to provide grants to
7 establish mobile outreach and prevention services programs.

8 (b) The projects will be accomplished by grants to the
9 qualified entities.

10 (c) The total estimated cost of the work project is
11 \$10,000,000.00.

12 (d) The tentative completion date is September 30, 2026.

13 Sec. 320. (1) From the funds appropriated in part 1 for
14 narcotics awareness program, the department of health and human
15 services shall allocate \$5,000,000.00 to a nonprofit organization
16 organized under the laws of this state that is exempt from federal
17 income tax under section 501(c)(3) of the internal revenue code of
18 1986, 26 USC 501, and with headquarters in a township with a
19 population between 96,500 and 97,000 within a county with a
20 population between 700,000 and 1,000,000, according to the 2010
21 federal decennial census. To be eligible to receive funding, the
22 nonprofit organization must have a stated mission to offer
23 community-based, compassionate, best practice/evidence-based
24 services to those suffering from addiction, as well as their loved
25 ones, and to erase the stigma of addiction and instill compassion
26 and hope.

27 (2) Funds appropriated for narcotics awareness program shall
28 be considered work project funds and shall not lapse at the close
29 of the fiscal year and shall be available for expenditures for



1 projects under this section until the projects have been completed.
2 The following is in compliance with section 451a(1) of the
3 management and budget act, 1984 PA 431, MCL 18.1451a:

4 (a) The purpose of the work project is to increase access to
5 outpatient treatment, recovery coaches, harm reduction, community-
6 wide trainings, overdose prevention, quick response efforts, and
7 jail diversion for people with a substance use disorder.

8 (b) The projects will be accomplished by grants to a narcotics
9 awareness program.

10 (c) The total estimated cost of the work project is
11 \$5,000,000.00.

12 (d) The tentative completion date is September 30, 2026.

13 Sec. 321. From the funds appropriated in part 1 for northern
14 Michigan psychiatric hospital bed investment, \$8,000,000.00 shall
15 be allocated to a nonprofit Michigan health care system organized
16 under the laws of this state that is exempt from federal income tax
17 under section 501(c)(3) of the internal revenue code of 1986, 26
18 USC 501, and that is located in a county with a population between
19 26,000 and 27,000 and in a city with a population between 4,500 and
20 5,000 according to the 2010 federal decennial census for the
21 purpose of supporting at least 12 new psychiatric beds.

22 Sec. 322. (1) From the funds appropriated in part 1 for opioid
23 inpatient and transitional housing capital project, the department
24 of health and human services shall allocate \$6,000,000.00 to fund a
25 project with a nonprofit, community-based foundation organized
26 under the laws of this state that is exempt from federal income tax
27 under section 501(c)(3) of the internal revenue code of 1986, 26
28 USC 501, to expand access to inpatient opioid treatment beds and
29 transitional living services. In order to be eligible for funding



1 under this section, the foundation must be located in a city with a
2 population between 1,185 and 1,210, according to the 2010 federal
3 decennial census, and have a stated mission to create, guide, and
4 support quality alcohol and drug abuse rehabilitation opportunities
5 in northwest Michigan through philanthropy.

6 (2) Funds appropriated for opioid inpatient and transitional
7 housing capital project shall be considered work project funds and
8 shall not lapse at the close of the fiscal year and shall be
9 available for expenditures for projects under this section until
10 the projects have been completed. The following is in compliance
11 with section 451a(1) of the management and budget act, 1984 PA 431,
12 MCL 18.1451a:

13 (a) The purpose of the work project is to expand access to
14 inpatient opioid treatment beds and transitional living services.

15 (b) The projects will be accomplished by grants to a
16 community-based opioid rehabilitation foundation.

17 (c) The total estimated cost of the work project is
18 \$6,000,000.00.

19 (d) The tentative completion date is September 30, 2026.

20 Sec. 323. (1) From the funds appropriated in part 1 for opioid
21 transitional housing and services grant, the department of health
22 and human services shall allocate \$4,000,000.00 to a nonprofit
23 organization organized under the laws of this state that is exempt
24 from federal income tax under section 501(c)(3) of the internal
25 revenue code of 1986, 26 USC 501, and is located in a county with a
26 population between 160,000 and 162,000 according to the 2010
27 federal decennial census, for operational use as it relates to the
28 state's mission regarding substance use disorder and opioid abuse.
29 To be eligible to receive funding, the organization must have a



1 stated mission to educate the community on opiate abuse and provide
2 support for families and those suffering addiction.

3 (2) Funds appropriated for opioid transitional housing and
4 services grant shall be considered work project funds and shall not
5 lapse at the close of the fiscal year and shall be available for
6 expenditures for projects under this section until the projects
7 have been completed. The following is in compliance with section
8 451a(1) of the management and budget act, 1984 PA 431, MCL
9 18.1451a:

10 (a) The purpose of the work project is to support the long-
11 term housing needs of persons in recovery from opiate addiction.

12 (b) The projects will be accomplished by grants to an opioid
13 transitional housing program.

14 (c) The total estimated cost of the work project is
15 \$4,000,000.00.

16 (d) The tentative completion date is September 30, 2026.

17 Sec. 324. (1) From the funds appropriated in part 1 for
18 partial hospitalization program, the department of health and human
19 services shall allocate \$5,000,000.00 to a hospital to establish a
20 behavioral health day program for children and adults who require
21 more comprehensive support for their mental health needs. In order
22 to be eligible to receive funding, the hospital must be associated
23 with a 4-year medical school located in a city with a population
24 between 110,000 and 114,000, according to the 2010 federal
25 decennial census.

26 (2) Funds appropriated for partial hospitalization program
27 shall be considered work project funds and shall not lapse at the
28 close of the fiscal year and shall be available for expenditures
29 for projects under this section until the projects have been



1 completed. The following is in compliance with section 451a(1) of
2 the management and budget act, 1984 PA 431, MCL 18.1451a:

3 (a) The purpose of the work project is to create a day program
4 for children and adults who require more comprehensive support for
5 their mental health needs.

6 (b) The projects will be accomplished by grants to a hospital
7 associated with a medical school.

8 (c) The total estimated cost of the work project is
9 \$5,000,000.00.

10 (d) The tentative completion date is September 30, 2026.

11 Sec. 325. (1) From the funds appropriated in part 1 for
12 psychiatric residential treatment facilities, the department of
13 health and human services shall create a 1-time grant pool for
14 entities interested in establishing psychiatric residential
15 treatment facilities as described in section 137a of the mental
16 health code, 1974 PA 258, MCL 330.1137a.

17 (2) Funds appropriated for psychiatric residential treatment
18 facilities shall be considered work project funds and shall not
19 lapse at the close of the fiscal year and shall be available for
20 expenditures for projects under this section until the projects
21 have been completed. The following is in compliance with section
22 451a(1) of the management and budget act, 1984 PA 431, MCL
23 18.1451a:

24 (a) The purpose of the work project is to provide funding to
25 establish psychiatric residential treatment facilities.

26 (b) The projects will be accomplished by grants to eligible
27 providers.

28 (c) The total estimated cost of the work project is
29 \$25,000,000.00.



1 (d) The tentative completion date is September 30, 2026.

2 (3) As used in this section, "psychiatric residential
3 treatment facility" means that term as defined in section 100c of
4 the mental health code, 1974 PA 258, MCL 330.1100c.

5 Sec. 326. (1) From the funds appropriated in part 1 for
6 recovery high schools and recovery community organizations, the
7 department of health and human services shall provide funding to
8 recovery high schools and recovery community organizations.

9 (2) Funds appropriated for recovery high schools and recovery
10 community organizations shall be considered work project funds and
11 shall not lapse at the close of the fiscal year and shall be
12 available for expenditures for projects under this section until
13 the projects have been completed. The following is in compliance
14 with section 451a(1) of the management and budget act, 1984 PA 431,
15 MCL 18.1451a:

16 (a) The purpose of the work project is to provide funding for
17 recovery high schools and recovery community organizations.

18 (b) The projects will be accomplished by grants to eligible
19 providers.

20 (c) The total estimated cost of the work project is
21 \$2,000,000.00.

22 (d) The tentative completion date is September 30, 2026.

23 Sec. 327. From the funds appropriated in part 1 for state
24 psychiatric capital outlay investment, the department of health and
25 human services shall provide financial support at all 5 of this
26 state's psychiatric hospitals. The funding shall be used for
27 infrastructure improvements including replacements, heating,
28 ventilation, and air conditioning (HVAC) upgrades, and other
29 critical building system repairs. The funding may also be used for



1 expansions of this state's psychiatric hospitals.

2 Sec. 328. (1) From the funds appropriated in part 1 for child
3 advocacy centers, the following allocations shall be made to
4 support expenditures and services described in section 4 of the
5 children's advocacy center act, 2008 PA 544, MCL 722.1044:

6 (a) \$5,000,000.00 to provide investigative, assessment,
7 counseling, support, and educational services to victims of child
8 sexual abuse and their families through children's advocacy centers
9 under section 4(1)(a) of the children's advocacy center act, 2008
10 PA 544, MCL 722.1044.

11 (b) \$1,000,000.00 to provide training related to child sexual
12 abuse for personnel employed or otherwise retained by children's
13 advocacy centers under section 4(1)(c) of the children's advocacy
14 center act, 2008 PA 544, MCL 722.1044.

15 (c) \$2,000,000.00 to improve the detection, investigation,
16 treatment, and prevention of child sexual abuse through the
17 coordinated activities of children's advocacy centers, medical care
18 providers, crime victim organizations, and local, state, and
19 federal law enforcement officials under section 4(1)(d) of the
20 children's advocacy center act, 2008 PA 544, MCL 722.1044.

21 (2) Funds appropriated for child advocacy centers shall be
22 considered work project funds and shall not lapse at the close of
23 the fiscal year and shall be available for expenditures for
24 projects under this section until the projects have been completed.
25 The following is in compliance with section 451a(1) of the
26 management and budget act, 1984 PA 431, MCL 18.1451a:

27 (a) The purpose of the work project is to provide funding to
28 children's advocacy centers pursuant to the spending priorities
29 outlined in section 4 of the children's advocacy center act, 2008



1 PA 544, MCL 722.1044.

2 (b) The projects will be accomplished by grants provided to
3 children's advocacy centers.

4 (c) The total estimated cost of the work project is
5 \$8,000,000.00.

6 (d) The tentative completion date is September 30, 2026.

7 Sec. 329. (1) From the funds appropriated in part 1 for direct
8 care worker supervisor training program investment, the department
9 of health and human services shall implement a comprehensive
10 training program for frontline supervisors working in adult foster
11 care, homes for the aged, assisted living, independent living, and
12 other community-based settings.

13 (2) Funds appropriated for direct care worker supervisor
14 training program investment shall be considered work project funds
15 and shall not lapse at the close of the fiscal year and shall be
16 available for expenditures for projects under this section until
17 the projects have been completed. The following is in compliance
18 with section 451a(1) of the management and budget act, 1984 PA 431,
19 MCL 18.1451a:

20 (a) The purpose of the work project is to implement a
21 comprehensive training program for certain frontline supervisors.

22 (b) The projects will be accomplished by state employees and
23 contractors.

24 (c) The total estimated cost of the work project is
25 \$2,500,000.00.

26 (d) The tentative completion date is September 30, 2026.

27 Sec. 330. (1) From the funds appropriated in part 1 for
28 multiservice organization grant, the department of health and human
29 services shall allocate \$3,000,000.00 to a nonprofit organization



1 that supports children, families, and individuals and is located in
2 a city with a population greater than 100,000 in a county with a
3 population between 275,000 and 300,000 according to the 2010
4 federal decennial census.

5 (2) The grant allocated pursuant to subsection (1) shall be
6 used to allow centralization of the eligible organization's service
7 delivery platform, including behavioral health and substance use
8 disorder services.

9 (3) Funds appropriated for multiservice organization grant
10 shall be considered work project funds and shall not lapse at the
11 close of the fiscal year and shall be available for expenditures
12 for projects under this section until the projects have been
13 completed. The following is in compliance with section 451a(1) of
14 the management and budget act, 1984 PA 431, MCL 18.1451a:

15 (a) The purpose of the work project is allow centralization of
16 an eligible organization's service delivery platform.

17 (b) The projects will be accomplished by a grant to an
18 eligible organization.

19 (c) The total estimated cost of the work project is
20 \$3,000,000.00.

21 (d) The tentative completion date is September 30, 2026.

22 Sec. 331. (1) From the funds appropriated in part 1 for
23 telemedicine infrastructure, the department of health and human
24 services shall provide funding to local health offices, homeless
25 shelters, community centers, and other similar entities to build,
26 equip, and operate secure rooms to access telehealth services.

27 (2) Funds appropriated for telemedicine infrastructure shall
28 be considered work project funds and shall not lapse at the close
29 of the fiscal year and shall be available for expenditures for



1 projects under this section until the projects have been completed.
2 The following is in compliance with section 451a(1) of the
3 management and budget act, 1984 PA 431, MCL 18.1451a:

4 (a) The purpose of the work project is to aid eligible
5 entities to build, equip, and operate secure rooms to access
6 telehealth services.

7 (b) The projects will be accomplished by grants to eligible
8 entities.

9 (c) The total estimated cost of the work project is
10 \$20,000,000.00.

11 (d) The tentative completion date is September 30, 2026.

12 Sec. 332. (1) From the funds appropriated in part 1 for
13 trauma-informed treatment education, the department of health and
14 human services shall fund trauma-informed grants to community
15 organizations to provide resources for new initiatives to address
16 health problems.

17 (2) Funds appropriated for trauma-informed treatment education
18 shall be considered work project funds and shall not lapse at the
19 close of the fiscal year and shall be available for expenditures
20 for projects under this section until the projects have been
21 completed. The following is in compliance with section 451a(1) of
22 the management and budget act, 1984 PA 431, MCL 18.1451a:

23 (a) The purpose of the work project is to provide grants to
24 community organizations to support initiatives to address health
25 problems.

26 (b) The projects will be accomplished by grants to eligible
27 community organizations.

28 (c) The total estimated cost of the work project is
29 \$11,000,000.00.



1 (d) The tentative completion date is September 30, 2026.

2 Sec. 333. (1) From the funds appropriated in part 1 for mental
3 health prevention training, the department of health and human
4 services shall provide funding for community training for youth,
5 parents, teachers, and community workers to identify, understand,
6 and respond to situations as outlined by the mental health first
7 aid model.

8 (2) Funds appropriated for mental health prevention training
9 shall be considered work project funds and shall not lapse at the
10 close of the fiscal year and shall be available for expenditures
11 for projects under this section until the projects have been
12 completed. The following is in compliance with section 451a(1) of
13 the management and budget act, 1984 PA 431, MCL 18.1451a:

14 (a) The purpose of the work project is to funding for
15 community training to designated individuals to respond to mental
16 health risk situations involving youths based on the mental health
17 first aid model.

18 (b) The projects will be accomplished by grants to eligible
19 community organizations.

20 (c) The total estimated cost of the work project is
21 \$15,000,000.00.

22 (d) The tentative completion date is September 30, 2026.

23 Sec. 334. (1) From the funds appropriated in part 1 for public
24 television investment, the department of health and human services
25 shall provide \$1,500,000.00 in funding to a public television
26 station located in a city with a population greater than 500,000
27 according to the most recent federal decennial census.

28 (2) The funding allocated in subsection (1) shall be used to
29 offer programming, engagement opportunities, and links to resources



1 in order to increase public awareness of situations where mental
 2 health intervention is needed and to help families navigate the
 3 mental health system to get necessary care.

4 (3) Funds appropriated for public television investment shall
 5 be considered work project funds and shall not lapse at the close
 6 of the fiscal year and shall be available for expenditures for
 7 projects under this section until the projects have been completed.
 8 The following is in compliance with section 451a(1) of the
 9 management and budget act, 1984 PA 431, MCL 18.1451a:

10 (a) The purpose of the work project is to provide grants to a
 11 public television station.

12 (b) The projects will be accomplished by grants to a public
 13 television station.

14 (c) The total estimated cost of the work project is
 15 \$1,500,000.00.

16 (d) The tentative completion date is September 30, 2026.
 17

18 **DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY**

19 Sec. 401. (1) From the funds appropriated in part 1 for career
 20 path apprenticeship program, the department of labor and economic
 21 opportunity shall allocate \$30,000,000.00 to the MI apprenticeship
 22 program.

23 (2) The funding allocated pursuant to subsection (1) shall be
 24 used to expand the MI apprenticeship program statewide to support
 25 apprenticeships for direct support professionals in medical fields.

26 (3) Funds appropriated for career path apprenticeship program
 27 shall be considered work project funds and shall not lapse at the
 28 close of the fiscal year and shall be available for expenditures
 29 for projects under this section until the projects have been



1 completed. The following is in compliance with section 451a(1) of
2 the management and budget act, 1984 PA 431, MCL 18.1451a:

3 (a) The purpose of the work project is to expand the MI
4 apprenticeship program to support apprenticeships for direct
5 support professionals in medical fields.

6 (b) The projects will be accomplished by state employees and
7 contractors.

8 (c) The total estimated cost of the work project is
9 \$30,000,000.00.

10 (d) The tentative completion date is September 30, 2026.

11 Sec. 402. From the funds appropriated in part 1 for Michigan
12 enhancement grants, \$1,000,000.00 shall be allocated to a nonprofit
13 Michigan health care system organized under the laws of this state
14 that is exempt from federal income tax under section 501(c)(3) of
15 the internal revenue code of 1986, 26 USC 501, and that is located
16 in a county with a population between 280,800 and 281,000 and in a
17 city with a population greater than 105,000 according to the 2010
18 federal decennial census for the purpose of supporting a behavioral
19 health pilot project. The purpose of the project is a redesign of
20 the campus to accommodate creating a behavioral health facility.

