

**FIRST CONFERENCE REPORT**

The Committee of Conference on the matters of difference between the two Houses concerning

Senate Bill No. 844, entitled

A bill to make, supplement, adjust, and consolidate appropriations for various state departments and agencies, the judicial branch, and the legislative branch for the fiscal year ending September 30, 2023; to provide for certain conditions on appropriations; and to provide for the expenditure of the appropriations.

Recommends:

First: That the Senate and House agree to the Substitute of the House as passed by the House, amended to read as follows:

(attached)

Second: That the Senate and House agree to the title of the bill to read as follows:

A bill to make, supplement, and adjust appropriations for various state departments and agencies for the fiscal years ending September 30, 2022 and September 30, 2023; to provide for certain conditions on appropriations; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.

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Jim Stamas

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Ben Frederick

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Jon Bumstead

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Greg VanWoerkom

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Curtis Hertel Jr.

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Joe Tate

Conferees for the Senate

Conferees for the House



**HOUSE SUBSTITUTE FOR  
SENATE BILL NO. 844**

A bill to make, supplement, and adjust appropriations for various state departments and agencies for the fiscal years ending September 30, 2022 and September 30, 2023; to provide for certain conditions on appropriations; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

PART 1

LINE-ITEM APPROPRIATIONS  
FOR FISCAL YEAR 2022-2023

Sec. 101. There is appropriated for various state departments and agencies to supplement appropriations for the fiscal year ending September 30, 2023, from the following funds:

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**APPROPRIATION SUMMARY**



1	<b>GROSS APPROPRIATION</b>	<b>\$ 1,003,377,400</b>
2	Interdepartmental grant revenues:	
3	Total interdepartmental grants and	
4	intradepartmental transfers	0
5	<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$ 1,003,377,400</b>
6	Federal revenues:	
7	Total federal revenues	0
8	Special revenue funds:	
9	Total local revenues	0
10	Total private revenues	0
11	Total other state restricted revenues	20,000,200
12	<b>State general fund/general purpose</b>	<b>\$ 983,377,200</b>
13	<b>Sec. 102. DEPARTMENT OF HEALTH AND HUMAN</b>	
14	<b>SERVICES</b>	
15	<b>(1) APPROPRIATION SUMMARY</b>	
16	<b>GROSS APPROPRIATION</b>	<b>\$ 72,237,200</b>
17	Interdepartmental grant revenues:	
18	Total interdepartmental grants and	
19	intradepartmental transfers	0
20	<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$ 72,237,200</b>
21	Federal revenues:	
22	Total federal revenues	0
23	Special revenue funds:	
24	Total local revenues	0
25	Total private revenues	0
26	Total other state restricted revenues	0
27	<b>State general fund/general purpose</b>	<b>\$ 72,237,200</b>
28	<b>(2) CHILDREN'S SERVICES AGENCY - CHILD WELFARE</b>	



1	Child care fund	\$	3,750,000
2	Foster care payments		21,250,000
3	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>25,000,000</b>
4	Appropriated from:		
5	<b>State general fund/general purpose</b>	<b>\$</b>	<b>25,000,000</b>
6	<b>(3) ONE-TIME APPROPRIATIONS</b>		
7	Behavioral health care services and facilities	\$	15,000,000
8	Behavioral health facilities grants		1,500,000
9	Critical child welfare infrastructure		15,000,000
10	First responder and public safety staff mental		
11	health		7,500,000
12	Quality assurance assessment program		
13	overpayment reimbursement		4,237,200
14	Senior living and health care expansion		4,000,000
15	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>47,227,200</b>
16	Appropriated from:		
17	<b>State general fund/general purpose</b>	<b>\$</b>	<b>47,227,200</b>
18	<b>Sec. 103. DEPARTMENT OF LABOR AND ECONOMIC</b>		
19	<b>OPPORTUNITY</b>		
20	<b>(1) APPROPRIATION SUMMARY</b>		
21	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>916,140,200</b>
22	Interdepartmental grant revenues:		
23	Total interdepartmental grants and		
24	intradepartmental transfers		0
25	<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$</b>	<b>916,140,200</b>
26	Federal revenues:		
27	Total federal revenues		0
28	Special revenue funds:		



1	Total local revenues		0
2	Total private revenues		0
3	Total other state restricted revenues		20,000,200
4	<b>State general fund/general purpose</b>	<b>\$</b>	<b>896,140,000</b>
5	<b>(2) MICHIGAN STATE HOUSING DEVELOPMENT</b>		
6	<b>AUTHORITY</b>		
7	Full-time equated classified positions	20.0	
8	Housing and rental assistance--FTEs	20.0	\$ 0
9	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>0</b>
10	Appropriated from:		
11	<b>State general fund/general purpose</b>	<b>\$</b>	<b>0</b>
12	<b>(3) ONE-TIME APPROPRIATIONS</b>		
13	<i>Bauserman v unemployment insurance agency</i>		
14	settlement agreement	\$	20,000,000
15	Critical industry program		100
16	Downtown placemaking grant		12,000,000
17	Economic development and workforce grants		240,000
18	Infrastructure improvement grant		7,500,000
19	Michigan community development financial		
20	institution fund grants		(75,000,000)
21	Michigan community development financial		
22	institution fund grants		75,000,000
23	Michigan enhancement grants		800,000
24	Michigan strategic site readiness program		100
25	Municipal information technology and		
26	cybersecurity upgrades		2,500,000
27	Strategic outreach and attraction reserve fund		846,100,000
28	Workforce and infrastructure grant		27,000,000



1	<b>GROSS APPROPRIATION</b>	<b>\$ 916,140,200</b>
2	Appropriated from:	
3	Special revenue funds:	
4	Contingent fund, penalty and interest account	20,000,000
5	Strategic outreach and attraction reserve fund	200
6	<b>State general fund/general purpose</b>	<b>\$ 896,140,000</b>
7	<b>Sec. 104. DEPARTMENT OF MILITARY AND VETERANS</b>	
8	<b>AFFAIRS</b>	
9	<b>(1) APPROPRIATION SUMMARY</b>	
10	<b>GROSS APPROPRIATION</b>	<b>\$ 15,000,000</b>
11	Interdepartmental grant revenues:	
12	Total interdepartmental grants and	
13	intradepartmental transfers	0
14	<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$ 15,000,000</b>
15	Federal revenues:	
16	Total federal revenues	0
17	Special revenue funds:	
18	Total local revenues	0
19	Total private revenues	0
20	Total other state restricted revenues	0
21	<b>State general fund/general purpose</b>	<b>\$ 15,000,000</b>
22	<b>(2) ONE-TIME APPROPRIATIONS</b>	
23	Armory modernization	\$ 15,000,000
24	<b>GROSS APPROPRIATION</b>	<b>\$ 15,000,000</b>
25	Appropriated from:	
26	<b>State general fund/general purpose</b>	<b>\$ 15,000,000</b>

## PART 1A

## LINE-ITEM APPROPRIATIONS



## FOR FISCAL YEAR 2021-2022

Sec. 151. 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**

<b>GROSS APPROPRIATION</b>	<b>\$ 133,127,100</b>
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Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental transfers	0
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<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$ 133,127,100</b>
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Federal revenues:

Total federal revenues	126,827,100
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Special revenue funds:

Total local revenues	0
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Total private revenues	0
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Total other state restricted revenues	2,900,000
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<b>State general fund/general purpose</b>	<b>\$ 3,400,000</b>
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**Sec. 152. DEPARTMENT OF CORRECTIONS****(1) APPROPRIATION SUMMARY**

<b>GROSS APPROPRIATION</b>	<b>\$ 0</b>
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Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental transfers	0
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<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$ 0</b>
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Federal revenues:

Total federal revenues	57,000,000
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Special revenue funds:

Total local revenues	0
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1	Total private revenues		0
2	Total other state restricted revenues		0
3	<b>State general fund/general purpose</b>	<b>\$</b>	<b>(57,000,000)</b>
4	<b>(2) FIELD OPERATIONS ADMINISTRATION</b>		
5	Field operations	\$	0
6	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>0</b>
7	Appropriated from:		
8	Federal revenues:		
9	Coronavirus relief fund		24,700,000
10	<b>State general fund/general purpose</b>	<b>\$</b>	<b>(24,700,000)</b>
11	<b>(3) HEALTH CARE</b>		
12	Mental health and substance use disorder		
13	treatment services	\$	0
14	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>0</b>
15	Appropriated from:		
16	Federal revenues:		
17	Coronavirus relief fund		32,300,000
18	<b>State general fund/general purpose</b>	<b>\$</b>	<b>(32,300,000)</b>
19	<b>Sec. 153. DEPARTMENT OF ENVIRONMENT, GREAT</b>		
20	<b>LAKES, AND ENERGY</b>		
21	<b>(1) APPROPRIATION SUMMARY</b>		
22	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>2,800,000</b>
23	Interdepartmental grant revenues:		
24	Total interdepartmental grants and		
25	intradepartmental transfers		0
26	<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$</b>	<b>2,800,000</b>
27	Federal revenues:		
28	Total federal revenues		0



1	Special revenue funds:		
2	Total local revenues		0
3	Total private revenues		0
4	Total other state restricted revenues		2,800,000
5	<b>State general fund/general purpose</b>	<b>\$</b>	<b>0</b>
6	<b>(2) ONE-TIME APPROPRIATIONS</b>		
7	Drinking water declaration of emergency	\$	2,800,000
8	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>2,800,000</b>
9	Appropriated from:		
10	Special revenue funds:		
11	Drinking water declaration of emergency reserve		
12	fund		2,800,000
13	<b>State general fund/general purpose</b>	<b>\$</b>	<b>0</b>
14	<b>Sec. 154. DEPARTMENT OF LABOR AND ECONOMIC</b>		
15	<b>OPPORTUNITY</b>		
16	<b>(1) APPROPRIATION SUMMARY</b>		
17	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>21,627,100</b>
18	Interdepartmental grant revenues:		
19	Total interdepartmental grants and		
20	intradepartmental transfers		0
21	<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$</b>	<b>21,627,100</b>
22	Federal revenues:		
23	Total federal revenues		21,627,100
24	Special revenue funds:		
25	Total local revenues		0
26	Total private revenues		0
27	Total other state restricted revenues		0
28	<b>State general fund/general purpose</b>	<b>\$</b>	<b>0</b>



1	<b>(2) UNEMPLOYMENT</b>		
2	Unemployment insurance agency	\$	21,627,100
3	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>21,627,100</b>
4	Appropriated from:		
5	Federal funds:		
6	DOL-ETA, unemployment insurance		21,627,100
7	<b>State general fund/general purpose</b>	<b>\$</b>	<b>0</b>
8	<b>Sec. 155. DEPARTMENT OF MILITARY AND VETERANS</b>		
9	<b>AFFAIRS</b>		
10	<b>(1) APPROPRIATION SUMMARY</b>		
11	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>3,400,000</b>
12	Interdepartmental grant revenues:		
13	Total interdepartmental grants and		
14	intradepartmental transfers		0
15	<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$</b>	<b>3,400,000</b>
16	Federal revenues:		
17	Total federal revenues		0
18	Special revenue funds:		
19	Total local revenues		0
20	Total private revenues		0
21	Total other state restricted revenues		0
22	<b>State general fund/general purpose</b>	<b>\$</b>	<b>3,400,000</b>
23	<b>(2) MICHIGAN VETERANS' FACILITY AUTHORITY</b>		
24	Grand Rapids home for veterans	\$	3,400,000
25	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>3,400,000</b>
26	Appropriated from:		
27	<b>State general fund/general purpose</b>	<b>\$</b>	<b>3,400,000</b>
28	<b>Sec. 156. DEPARTMENT OF NATURAL RESOURCES</b>		



1	<b>(1) APPROPRIATION SUMMARY</b>		
2	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>100,000</b>
3	Interdepartmental grant revenues:		
4	Total interdepartmental grants and		
5	intradepartmental transfers		0
6	<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$</b>	<b>100,000</b>
7	Federal revenues:		
8	Total federal revenues		0
9	Special revenue funds:		
10	Total local revenues		0
11	Total private revenues		0
12	Total other state restricted revenues		100,000
13	<b>State general fund/general purpose</b>	<b>\$</b>	<b>0</b>
14	<b>(2) WILDLIFE MANAGEMENT</b>		
15	Wildlife management	\$	100,000
16	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>100,000</b>
17	Appropriated from:		
18	Special revenue funds:		
19	Pheasant hunting license fees		100,000
20	<b>State general fund/general purpose</b>	<b>\$</b>	<b>0</b>
21	<b>Sec. 157. DEPARTMENT OF STATE POLICE</b>		
22	<b>(1) APPROPRIATION SUMMARY</b>		
23	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>105,200,000</b>
24	Interdepartmental grant revenues:		
25	Total interdepartmental grants and		
26	intradepartmental transfers		0
27	<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$</b>	<b>105,200,000</b>
28	Federal revenues:		



1	Total federal revenues		48,200,000
2	Special revenue funds:		
3	Total local revenues		0
4	Total private revenues		0
5	Total other state restricted revenues		0
6	<b>State general fund/general purpose</b>	<b>\$</b>	<b>57,000,000</b>
7	<b>(2) FIELD SERVICES</b>		
8	Post operations	\$	0
9	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>0</b>
10	Appropriated from:		
11	Federal revenues:		
12	Coronavirus relief fund		48,200,000
13	<b>State general fund/general purpose</b>	<b>\$</b>	<b>(48,200,000)</b>
14	<b>(3) ONE-TIME APPROPRIATIONS</b>		
15	Federal ineligible expenses	\$	105,200,000
16	<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>105,200,000</b>
17	Appropriated from:		
18	<b>State general fund/general purpose</b>	<b>\$</b>	<b>105,200,000</b>

PART 2

PROVISIONS CONCERNING APPROPRIATIONS  
FOR FISCAL YEAR 2022-2023

**GENERAL SECTIONS**

24           Sec. 201. Pursuant to section 30 of article IX of the state  
 25 constitution of 1963, total state spending from state sources under  
 26 part 1 for the fiscal year ending September 30, 2023 is  
 27 \$1,003,377,400.00 and total state spending from state sources to be  
 28 paid to local units of government is \$64,000,000.00. The itemized  
 29 statement below identifies appropriations from which spending to



1 local units of government will occur:

2	<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>	
3	Behavioral health care services and facilities	\$ 15,000,000
4		<b>\$ 15,000,000</b>
5	<b>DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY</b>	
6	Downtown placemaking grant	\$ \$12,000,000
7	Infrastructure improvement grant	7,500,000
8	Municipal information technology and	
9	cybersecurity upgrades	2,500,000
10	Workforce and infrastructure grant	27,000,000
11		<b>\$ 49,000,000</b>
12	<b>TOTAL</b>	<b>\$ 64,000,000</b>

13 Sec. 202. The appropriations made and expenditures authorized  
 14 under this part and part 1 and the departments, commissions,  
 15 boards, offices, and programs for which appropriations are made  
 16 under this part and part 1 are subject to the management and budget  
 17 act, 1984 PA 431, MCL 18.1101 to 18.1594.

18 Sec. 203. If the state administrative board, acting under  
 19 section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount  
 20 appropriated under this part and part 1, the legislature may, by a  
 21 concurrent resolution adopted by a majority of the members elected  
 22 to and serving in each house, inter-transfer funds within this part  
 23 and part 1 for the particular department, board, commission,  
 24 office, or institution.

25  
 26 **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

27 Sec. 301. (1) From the funds appropriated in part 1 for  
 28 behavioral health care services and facilities, the department  
 29 shall allocate \$15,000,000.00 to a CMHSP located in a county with a



1 population of at least 1,750,000, according to the most recent  
2 federal decennial census for capital costs of an integrated care  
3 center facility that includes a walk-in behavioral health crisis  
4 services center. These funds shall be in addition to any funds  
5 allocated to that CMHSP under 2022 PA 166.

6 (2) Funds allocated under this section do not constitute a  
7 future guarantee of permitting approval for any project.

8 (3) The unexpended funds appropriated in part 1 for behavioral  
9 health care services and facilities are designated as a work  
10 project appropriation. Any unencumbered or unallotted funds shall  
11 not lapse at the end of the fiscal year and shall be made available  
12 for behavioral health care services and facilities. The following  
13 is in compliance with section 451a of the management and budget  
14 act, 1984 PA 431, MCL 18.1451a:

15 (a) The purpose of the project is to increase behavioral  
16 health care service and facility capacity.

17 (b) The project will be accomplished by utilizing state  
18 employees or contracts with service providers, or both.

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

20 (d) The tentative completion date is September 30, 2027.

21 (4) As used in this section, "CMHSP" means a community mental  
22 health services program as that term is defined in section 100a of  
23 the mental health code, 1974 PA 258, MCL 330.1100a.

24 Sec. 302. From the funds appropriated in part 1 for child care  
25 fund and foster care payments, the department of health and human  
26 services shall allocate \$25,000,000.00 to contracted child caring  
27 institutions for enhanced rates for all children receiving services  
28 under mental health and behavioral stabilization rates or the  
29 developmentally disabled or cognitively impaired rates.



1           Sec. 303. (1) From the funds appropriated in part 1 for  
2 critical child welfare infrastructure, the department of health and  
3 human services shall allocate \$15,000,000.00 to create a grant  
4 program for nonprofit organizations to provide affordable and  
5 attainable housing for youth who are currently in foster care or  
6 youth who have already aged out of foster care.

7           (2) To receive the funds appropriated under this section, a  
8 nonprofit organization must apply for the grant program in a form  
9 and manner prescribed by the department of health and human  
10 services.

11           (3) From the funds appropriated in subsection (1), the  
12 department of health and human services shall allocate  
13 \$7,500,000.00 to a nonprofit organization located in a county with  
14 a population between 1,000,000 and 1,500,000 according to the most  
15 recent federal decennial census in a charter township with a  
16 population between 44,000 and 45,000 according to the most recent  
17 federal decennial census for an infrastructure project for the  
18 construction, purchase, or renovation of facilities, whichever is  
19 most economically feasible, to provide affordable and attainable  
20 housing for youth aged 16 to 18 years who are currently in foster  
21 care or youth who have already aged out of foster care. Before the  
22 funds appropriated under this subsection are distributed to the  
23 qualifying nonprofit organization, the nonprofit organization must  
24 provide an implementation plan to the department of health and  
25 human services. The department of health and human services may  
26 approve or reject the implementation plan. The implementation plan  
27 must include all of the following:

28           (a) An identification of not less than a 10% private  
29 investment for the infrastructure project.



1 (b) How the infrastructure project would assist youth aged 16  
2 to 18 years who are currently in foster care or youth who have  
3 already aged out of foster care with employment, educational  
4 opportunities, housing, community life, personal effectiveness, and  
5 personal well-being.

6 (c) How the nonprofit organization plans to cover the ongoing  
7 operational costs and ongoing maintenance of the infrastructure  
8 project.

9 (d) How the nonprofit organization will track and report to  
10 the department of health and human services the operational  
11 outcomes and performance metrics that would show whether the  
12 nonprofit organization's program model could be replicated to other  
13 facilities across the state.

14 (4) By September 30, 2023, the department of health and human  
15 services shall provide a report to the house and senate  
16 appropriations subcommittees on health and human services, the  
17 house and senate fiscal agencies, the house and senate policy  
18 offices, and the state budget office on the number of grant  
19 applications awarded, the approved implementation plan under  
20 subsection (3), and any performance metrics reported by the  
21 nonprofit organizations that were awarded grants.

22 Sec. 304. (1) From the funds appropriated in part 1 for first  
23 responder and public safety staff mental health, the department  
24 shall allocate \$7,500,000.00 toward a program to support  
25 firefighters, police officers, emergency medical services  
26 personnel, public safety telecommunicators, local correctional  
27 officers, juvenile detention employees, and individuals working on  
28 special teams such as internet sex crimes, sexual crimes against  
29 children, or traffic fatalities suffering from post-traumatic



1 stress syndrome and other mental health conditions. The grant  
2 program must primarily provide grants to behavioral health  
3 providers and may also include funding to the Michigan crisis and  
4 action line established under section 165 of the mental health  
5 code, 1974 PA 258, MCL 330.1165, to improve information and  
6 referrals for these services. The program must coordinate and  
7 integrate with the Michigan crisis and access line established  
8 under section 165 of the mental health code, 1974 PA 258, MCL  
9 330.1165.

10 (2) The unexpended funds appropriated in part 1 for first  
11 responder and public safety staff mental health are designated as a  
12 work project appropriation. Unencumbered or unallotted funds shall  
13 not lapse at the end of the fiscal year and shall be available for  
14 expenditures under this section until the project has been  
15 completed. The following is in compliance with section 451a of the  
16 management and budget act, 1984 PA 431, MCL 18.1451a:

17 (a) The purpose of the project is to ensure that first  
18 responder and public safety staff who are dealing with post-  
19 traumatic stress syndrome and other mental health conditions have  
20 access to enhanced mental health services.

21 (b) The project will be accomplished by utilizing state  
22 employees, contracts with vendors, or local partners.

23 (c) The estimated cost of the project is \$7,500,000.00.

24 (d) The tentative completion date is September 30, 2027.

25 Sec. 305. From the funds appropriated in part 1 for behavioral  
26 health facilities grants, the department must allocate funds on a  
27 competitive basis to providers of behavioral health services for  
28 facility improvements, additional capacity, or facility  
29 acquisition, or all 3, with preference given to applicants that



1 would repurpose school facilities to support the provision of  
2 mental health, primary care, and dental services not currently  
3 subsidized through public or private insurance, focused on  
4 underserved areas.

5 Sec. 306. From the funds appropriated in part 1 for quality  
6 assurance assessment program overpayment reimbursement, the  
7 department shall allocate \$4,237,200.00 to reimburse hospitals that  
8 overpaid quality assurance assessment program tax payments. The  
9 funds shall be distributed as follows:

10 (a) \$827,700.00 to a nonprofit hospital located in a city with  
11 a population between 4,000 and 15,000 according to the most recent  
12 federal decennial census, within a county with a population between  
13 67,000 and 75,000 according to the most recent federal decennial  
14 census.

15 (b) \$2,882,600.00 to a teaching hospital located in a charter  
16 township with a population between 10,000 and 17,000 according to  
17 the most recent federal decennial census, within a county with a  
18 population between 297,000 and 405,000 according to the most recent  
19 federal decennial census.

20 (c) \$202,700.00 to a critical access hospital that is located  
21 in a village with a population between 1,000 and 2,000 according to  
22 the most recent federal decennial census, within a county with a  
23 population between 2,500 and 5,500 according to the most recent  
24 federal decennial census.

25 (d) \$324,200.00 to an independent, nonprofit community  
26 hospital that provides emergency, surgical, inpatient, outpatient,  
27 and primary care services for patients of all ages. The hospital  
28 must be located in a city with a population between 5,100 and 7,700  
29 according to the most recent federal decennial census, within a



1 county with a population between 104,000 and 120,000 according to  
2 the most recent federal decennial census.

3 Sec. 307. From the funds appropriated in part 1 for senior  
4 living and health care expansion, the department shall allocate  
5 \$4,000,000.00 to a 501(c)(3) nonprofit headquartered in a city with  
6 a population between 76,600 and 80,000 according to the most recent  
7 federal decennial census that was originally founded prior to 1947,  
8 supports operation of at least 20 locations throughout this state,  
9 and provides independent living, assisted living, skilled nursing,  
10 and memory care services. Grant funds shall be used to expand  
11 affordable housing for seniors and to expand programs for all-  
12 inclusive care for the elderly.

13

14 **DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY**

15 Sec. 401. From the funds appropriated in part 1 for Michigan  
16 enhancement grants, \$800,000.00 shall be awarded to a zoo located  
17 in a township with a population between 2,750 and 2,800 in a county  
18 with a population between 130,000 and 140,000 according to the most  
19 recent federal decennial census to support recreational  
20 improvements to the facility.

21 Sec. 402. From the funds appropriated in part 1 for economic  
22 development and workforce grants, \$240,000.00 shall be allocated to  
23 a township with a population between 90,000 and 95,000 according to  
24 the most recent federal decennial census for the construction of a  
25 culvert to allow pedestrian access to a county park.

26 Sec. 403. (1) From the funds appropriated in part 1 for  
27 Michigan community development financial institution fund grants,  
28 \$75,000,000.00 is transferred to and appropriated from the Michigan  
29 community development financial institutions fund, which is created



1 by this section, for grants to eligible community development  
2 financial institutions under this section and related expenditures  
3 permitted under this section. The legislature finds and declares  
4 that the appropriation described in this section is for a public  
5 purpose, including promoting community economic revitalization and  
6 community development through community development financial  
7 institutions.

8 (2) By October 31, 2022, the Michigan strategic fund shall  
9 develop a grant application, approval, agreement, and compliance  
10 process consistent with this section adopted by a resolution of the  
11 board and published and available on the Michigan strategic fund's  
12 website.

13 (3) The application required under subsection (2) must include  
14 all of the following:

15 (a) The name of the community development financial  
16 institution applying for a grant from the CDFI fund.

17 (b) The location of the principal office of the applicant.

18 (c) Documentation indicating whether the applicant is a  
19 Michigan CDFI or a multistate CDFI.

20 (d) The amount of the grant sought, not exceeding the maximum  
21 eligible amount of the grant under subsections (4) to (6).

22 (e) If the community development financial institution is a  
23 depository institution, the net assets of the depository  
24 institution.

25 (f) If the community development financial institution is not  
26 a depository institution, the amount of qualifying commitments made  
27 by the community development financial institution during the 3  
28 calendar years preceding the calendar year in which the application  
29 is submitted.



1 (g) A description of the amount an applicant is eligible to  
2 apply for under subsections (4) to (6).

3 (h) A description of the proposed use of the grant award by  
4 the applicant for eligible activities consistent with the  
5 requirements of this section, the community development banking and  
6 financial institutions act of 1994, 12 USC 4701 to 4719, and any  
7 other requirements applicable under federal law.

8 (i) Documentation of the applicant's certification as a  
9 community development financial institution that meets the  
10 eligibility requirements under 12 CFR 1805.201 by the community  
11 development financial institutions fund established under section  
12 104 of the community development banking and financial institutions  
13 act of 1994, 12 USC 4703. The documentation required by this  
14 subsection may include the list of community development financial  
15 institutions in good standing maintained and published by the  
16 federal fund.

17 (j) A statement that the applicant is in compliance with all  
18 requirements applicable to the applicant under the community  
19 development banking and financial institutions act of 1994, 12 USC  
20 4701 to 4719.

21 (4) A community development financial institution that is a  
22 depository institution is eligible for a grant award in the  
23 following amount:

24 (a) Up to \$1,000,000.00 if the depository institution has  
25 total net assets of less than \$500,000,000.00.

26 (b) Up to \$1,500,000.00 if the depository institution has  
27 total net assets of \$500,000,000.00 to \$999,999,999.99.

28 (c) Up to \$2,000,000.00 if the depository institution has  
29 total net assets of \$1,000,000,000.00 to \$1,999,999,999.99.



1 (d) Up to \$2,500,000.00 if the depository institution has  
2 total net assets of \$2,000,000,000.00 or more.

3 (5) Except as otherwise provided in subsection (6), a  
4 community development financial institution is eligible for a grant  
5 award in the following amount:

6 (a) Up to \$500,000.00 if the community development financial  
7 institution made qualifying commitments in an amount that averaged  
8 less than \$1,000,000.00 per year during the 3 calendar years  
9 preceding the calendar year in which an application for a grant is  
10 submitted.

11 (b) Up to \$1,500,000.00 if the community development financial  
12 institution made qualifying commitments in an amount that averaged  
13 from \$1,000,000.00 to \$3,999,999.99 per year during the 3 calendar  
14 years preceding the calendar year in which an application for a  
15 grant is submitted.

16 (c) Up to \$2,500,000.00 if the community development financial  
17 institution made qualifying commitments in an amount that averaged  
18 from \$4,000,000.00 to \$5,999,999.99 per year during the 3 calendar  
19 years preceding the calendar year in which an application for a  
20 grant is submitted.

21 (d) Up to \$3,500,000.00 if the community development financial  
22 institution made qualifying commitments in an amount that averaged  
23 from \$6,000,000.00 to \$9,999,999.99 per year during the 3 calendar  
24 years preceding the calendar year in which an application for a  
25 grant is submitted.

26 (e) Up to \$4,000,000.00 if the community development financial  
27 institution made qualifying commitments in an amount that averaged  
28 at least \$10,000,000.00 per year during the 3 calendar years  
29 preceding the calendar year in which an application for a grant is



1 submitted.

2 (6) A grant to a multistate CDFI under subsection (5) must not  
3 exceed \$2,500,000.00.

4 (7) The Michigan strategic fund shall accept applications for  
5 a grant under this section until November 30, 2022. The Michigan  
6 strategic fund shall approve or deny a grant application within 49  
7 days after the receipt of an administratively complete application  
8 as determined by the Michigan strategic fund. If the application  
9 complies with the requirements of this section, the Michigan  
10 strategic fund shall approve the award of the grant in the amount  
11 requested by the applicant. The Michigan strategic fund may deny a  
12 grant application submitted under this section only for the  
13 following reasons:

14 (a) The applicant does not satisfy all of the requirements  
15 described in this section.

16 (b) Subject to subsection (9), there is insufficient money in  
17 the CDFI fund to pay the grant amount requested.

18 (c) The applicant is not in compliance with applicable  
19 requirements under the community development banking and financial  
20 institutions act of 1994, 12 USC 4701 to 4719.

21 (8) If the Michigan strategic fund denies an application under  
22 subsection (7), the applicant may provide additional information to  
23 the Michigan strategic fund within 7 days of the notice of denial.  
24 The Michigan strategic fund shall review and reconsider the  
25 application and additional information within 28 days.

26 (9) If there is an insufficient amount of money in the CDFI  
27 fund to pay the grants approved, the amount of each grant shall be  
28 reduced proportionately by the Michigan strategic fund based upon  
29 the amount of money available in the CDFI fund.



1 (10) Upon approval of an application, the Michigan strategic  
2 fund and the applicant shall sign a written grant agreement  
3 providing the terms of the grant agreement. A grant agreement must  
4 include all of the following:

5 (a) A requirement that at least 80% of the grant award be used  
6 for financial products and financial services or expenditures of  
7 money or commitments to expend money to reduce the interest rate  
8 otherwise applicable under a loan agreement or funding agreement.

9 (b) A restriction that no more than 10% of the grant award be  
10 used for technical assistance activities described in 12 CFR  
11 1805.303.

12 (c) A restriction that no more than 10% of the grant award be  
13 used for administration and operations.

14 (d) A requirement that a grant award be committed under a loan  
15 agreement or funding agreement or disbursed by the recipient within  
16 3 years of the date that the recipient receives the grant award.

17 (e) A requirement that the entire amount of the grant award be  
18 expended within this state.

19 (f) A requirement that the grant award recipient maintain its  
20 certification as a community development financial institution  
21 under 12 CFR 1805.201 while the grant agreement is in effect.

22 (g) A requirement that the grant award recipient comply with  
23 all requirements applicable under the community development banking  
24 and financial institutions act of 1994, 12 USC 4701 to 4719, while  
25 the agreement is in effect.

26 (h) Provisions authorizing the Michigan strategic fund to  
27 enforce the terms of the grant agreement, including a requirement  
28 that a noncompliant recipient of a grant award repay the award for  
29 deposit in the CDFI fund.



1 (i) A requirement for the grant award recipient to report on  
2 activities consistent with the requirements of subsection (14).

3 (j) If the grant agreement includes a grant of federal money,  
4 the grant agreement must require the recipient to comply with any  
5 requirements applicable to the use of the federal money.

6 (11) A grant agreement may provide for the community  
7 development financial institution that is the recipient of a grant  
8 award to serve as an intermediary lender to another community  
9 development financial institution consistent with the purposes of  
10 this section if not prohibited by federal law applicable to the  
11 expenditure of any federal grant money.

12 (12) If not prohibited by federal law applicable to the  
13 expenditure of any federal grant money, a grant agreement must  
14 permit a grant award recipient to assign the award to an affiliate  
15 and for the affiliate to assume the obligations of the grant award  
16 recipient if the affiliate satisfies all of the following:

17 (a) Is a community development financial institution.

18 (b) Is organized in the same manner as the grant award  
19 recipient.

20 (c) Is controlled by the grant award recipient in 1 or both of  
21 the following ways:

22 (i) The grant award recipient owns a majority of the stock of  
23 the affiliate.

24 (ii) A majority of the members of the board of the affiliate  
25 also are members of the board of the grant award recipient.

26 (13) Except as otherwise provided in subsection (14), the  
27 Michigan strategic fund shall require the recipient of a grant  
28 award under this section to report annually to the Michigan  
29 strategic fund regarding its activities under this section



1 beginning on the May 1 following the calendar year in which the  
2 grant award was received by the recipient. The Michigan strategic  
3 fund shall publish on its website a standard form for the report.  
4 Except as otherwise provided in subsection (14), the report must  
5 include all of the following information:

6 (a) A copy of the recipient's most recent confirmation of  
7 recertification as a community development financial institution  
8 issued by the community development financial institutions fund  
9 under 12 CFR 1805.201, which may include the list of community  
10 development financial institutions in good standing maintained and  
11 published by the federal fund.

12 (b) A list of financial products and services provided during  
13 the prior calendar year that includes all of the following:

14 (i) The name of each transaction.

15 (ii) A transition tracking number for each transaction.

16 (iii) The date of each transaction.

17 (iv) The amount of each transaction.

18 (v) The total project cost for each transaction if other  
19 funding was involved.

20 (vi) The physical address of the borrower or customer for each  
21 transaction.

22 (vii) The census tract of the borrower or customer for each  
23 transaction.

24 (viii) An indication of whether the census tract in which the  
25 transaction is located is an eligible investment area.

26 (ix) A description of the projected economic impact of the  
27 transaction.

28 (x) A description of any financial products or financial  
29 services provided.



1 (c) A description of technical assistance provided during the  
2 prior calendar year.

3 (d) A summary of expenditures for administration and  
4 operations provided during the prior calendar year that includes  
5 all of the following:

6 (i) A description of administration and operations costs  
7 incurred.

8 (ii) Professional fees and expenses incurred.

9 (iii) A summary of any other eligible expenses for  
10 administration and operation.

11 (14) A grant award recipient is not required to provide a  
12 report under this section for any calendar year in which it did not  
13 loan or otherwise commit or disburse grant award money. The  
14 Michigan strategic fund shall not include information in the report  
15 required under subsection (13) if information that otherwise would  
16 be included in a report under subsection (13) is either of the  
17 following:

18 (a) Exempt from disclosure or confidential as proprietary  
19 business or financial information under the community development  
20 banking and financial institutions act of 1994, 12 USC 4701 to  
21 4719.

22 (b) Exempt from disclosure under the freedom of information  
23 act, 1976 PA 442, MCL 15.231 to 15.246.

24 (15) Except as otherwise provided in subsection (3), the  
25 Michigan strategic fund may expend up to 4% of the appropriation  
26 provided from the CDFI fund for the costs it incurs in  
27 administering the programs and activities under this section.

28 (16) The unexpended portion of money in the CDFI fund provided  
29 for grants under this section is considered a work project



1 appropriation in accordance with section 451a of the management and  
2 budget act, 1984 PA 431, MCL 18.1451a. The following apply to the  
3 work project:

4 (a) The purpose of the project is to provide grants to  
5 eligible community development financial institutions under this  
6 section.

7 (b) All grants will be distributed in accordance with this  
8 section and the grant guidelines as part of the application process  
9 and grant agreements between the Michigan strategic fund and grant  
10 recipients.

11 (c) The estimated cost of the work project is \$75,000,000.00.

12 (d) The tentative completion date for the work project is  
13 September 30, 2027.

14 (17) As used in this section:

15 (a) "CDFI fund" means the Michigan community development  
16 financial institutions fund created in subsection (1).

17 (b) "Community development financial institution" means that  
18 term as defined in section 103 of the community development banking  
19 and financial institutions act of 1994, 12 USC 4702, but is limited  
20 to a community development financial institution that satisfies all  
21 of the following:

22 (i) Is an entity that meets the eligibility requirements  
23 described in 12 CFR 1805.200.

24 (ii) Is certified as a community development financial  
25 institution that meets the eligibility requirements under 12 CFR  
26 1805.201 by the community development financial institutions fund  
27 established under section 104 of the community development banking  
28 and financial institutions act of 1994, 12 USC 4703.

29 (iii) Maintains 1 or more physical offices within this state.



1 (iv) Employs 2 or more individuals at a physical office within  
2 this state, including employees of an affiliate of the community  
3 development financial institution that provides services to the  
4 community development financial institution.

5 (v) Is a Michigan CDFI or a multistate CDFI.

6 (c) "Depository institution" means any of the following:

7 (i) A bank as that term is defined in section 3(a) of the  
8 federal deposit insurance act, 12 USC 1813.

9 (ii) A savings association as that term is defined in section  
10 3(b) of the federal deposit insurance act, 12 USC 1813.

11 (iii) A credit union as that term is defined in section 102 of  
12 the credit union act, 2003 PA 215, MCL 490.102.

13 (iv) A depository institution holding company as that term is  
14 defined in 12 CFR 1805.104.

15 (d) "Eligible activities" means activities described in 12 CFR  
16 1805.301, and includes credit enhancements, loan loss reserves,  
17 equity investments, expenditures of money or commitments to expend  
18 money to reduce the interest rate otherwise applicable under a loan  
19 agreement or funding agreement, and grants related to these  
20 activities.

21 (e) "Federal fund" means the federal community development  
22 financial institutions fund within the United States Department of  
23 Treasury.

24 (f) "Financial products" means that term as defined in 12 CFR  
25 1805.104.

26 (g) "Financial services" means that term as defined in 12 CFR  
27 1805.104.

28 (h) "Michigan CDFI" means a community development financial  
29 institution that satisfies all of the following:



1 (i) Is certified as a community development financial  
 2 institution that meets the eligibility requirements under 12 CFR  
 3 1805.201 by the community development financial institutions fund  
 4 established under section 104 of the community development banking  
 5 and financial institutions act of 1994, 12 USC 4703.

6 (ii) Is headquartered at an address in this state, as  
 7 recognized by the federal fund.

8 (iii) Has a target market that includes this state, as  
 9 recognized by the federal fund.

10 (iv) Serves 1 or more targeted populations located within this  
 11 state.

12 (i) "Multistate CDFI" means a community development financial  
 13 institution that is not a Michigan CDFI but is a community  
 14 development financial institution that committed under a loan  
 15 agreement or other funding agreement of at least \$10,000,000.00 in  
 16 financial products and financial services to a target market within  
 17 this state under the community development banking and financial  
 18 institutions act of 1994, 12 USC 4701 to 4719, during the 5  
 19 calendar years preceding the calendar year in which an application  
 20 for a grant is submitted.

21 (j) "Qualifying commitment" means funding committed by a  
 22 community development financial institution under a loan agreement  
 23 or other funding agreement in target markets or targeted  
 24 populations in this state that is either of the following:

25 (i) Financial products or financial services committed under  
 26 the community development banking and financial institutions act of  
 27 1994, 12 USC 4701 to 4719.

28 (ii) An additional credit enhancement, loan loss reserve, or  
 29 equity investment committed by the community development financial



1 institution or an affiliate of the community development financial  
2 institution.

3 (k) "Target market" means that term as defined in 12 CFR  
4 1805.104.

5 (l) "Targeted population" means that term as defined in 12 CFR  
6 1805.104.

7 Sec. 404. (1) Up to \$100,000,000.00 in funds from COVID-19  
8 emergency rental assistance that were appropriated in 2021 PA 133  
9 and 2022 PA 53 is appropriated for the creation or rehabilitation  
10 of affordable housing, in accordance with federal regulations and  
11 as specified by the United States Department of Treasury.

12 (2) The funds appropriated in subsection (1) are designated as  
13 a work project appropriation, and any unencumbered or unallotted  
14 funds shall not lapse at the end of the fiscal year and shall be  
15 available for expenditures for projects under this section until  
16 the projects have been completed. The following is in compliance  
17 with section 451a of the management and budget act, 1984 PA 431,  
18 MCL 18.1451a:

19 (a) The purpose of the work project is to support the creation  
20 or rehabilitation of affordable housing.

21 (b) The projects will be accomplished by utilizing state  
22 employees or by contracts.

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

25 (d) The tentative completion date is September 30, 2027.

26 Sec. 405. The Michigan state housing development authority may  
27 increase capacity by a total of 25.0 limited-term FTE positions for  
28 housing programs administered by the Michigan state housing  
29 development authority.



1           Sec. 406. In addition to the funds appropriated in part 1,  
2 there is appropriated an amount not to exceed \$846,100,000.00 for  
3 state restricted contingency authorization for the department of  
4 labor and economic opportunity. These funds are not available for  
5 expenditure until they have been transferred to another line item  
6 in part 1 under section 393(2) of the management and budget act,  
7 1984 PA 431, MCL 18.1393.

8           Sec. 407. The funds appropriated in part 1 for the critical  
9 industry program must be used for program activities pursuant to  
10 section 88s of the Michigan strategic fund act, 1984 PA 270, MCL  
11 125.2088s.

12           Sec. 408. (1) The funds appropriated in part 1 for the  
13 Michigan strategic site readiness program must be used for program  
14 activities pursuant to section 88t of the Michigan strategic fund  
15 act, 1984 PA 270, MCL 125.2088t. It is the intent of the  
16 legislature that funds transferred from the strategic outreach and  
17 attraction reserve fund to the Michigan strategic site readiness  
18 program under this act must be used as outlined under subsections  
19 (2), (3), (4), (5), and (6).

20           (2) From the funds in part 1 for the Michigan strategic site  
21 readiness program, \$25,000,000.00 shall be used by the Michigan  
22 strategic fund to make grants to regional and local economic  
23 development organizations as provided for under section 88t(11) of  
24 the Michigan strategic fund act, 1984 PA 270, MCL 125.2088t, or  
25 other eligible applicant as provided for under section 88t(16)(b)  
26 of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088t,  
27 which may be used for site assessments to identify the improvements  
28 and associated costs required to bring each site to a state of  
29 readiness; for engineering, design, and other predevelopment work



1 required to commence construction on site improvements; and to  
2 develop a spending plan and proposal for capital investments in  
3 site readiness. Subject to the approval of the Michigan strategic  
4 fund or its designee, local and regional economic development  
5 organizations may also use such funds for the acquisition of  
6 property or interests in property. Pursuant to section 88t(11) of  
7 the Michigan strategic fund act, 1984 PA 270, MCL 125.2088t, the  
8 grantee for each site receiving funding under this program must use  
9 a consistent statewide rating system to identify the level of  
10 readiness for each site and must submit each site to a statewide  
11 inventory of large strategic sites.

12 (3) From the funds in part 1 for the Michigan strategic site  
13 readiness program, \$100,000,000.00 shall be used by the Michigan  
14 strategic fund to make grants to eligible applicants for  
15 improvements to strategic sites for which an end-user has not been  
16 identified, as provided for under section 88t(5) of the Michigan  
17 strategic fund act, 1984 PA 270, MCL 125.2088t. Eligible applicants  
18 receiving funding under this subsection may enter into subgrant  
19 agreements with other entities as necessary and expedient to  
20 implement the improvements. Of the funds appropriated through this  
21 subsection, not less than \$75,000,000.00 shall be allocated to  
22 eligible applicants applying based on a site assessment and  
23 investment proposal developed pursuant to the Michigan strategic  
24 site readiness program. The Michigan strategic fund shall otherwise  
25 follow the evaluation and selection criteria set forth in section  
26 88t(5) of the Michigan strategic fund act, 1984 PA 270, MCL  
27 125.2088t, and the procedures and conditions set forth in the  
28 Michigan strategic fund act, 1984 PA 270, MCL 125.2001 to 125.2094.

29 (4) From the funds in part 1 for Michigan strategic site



1 readiness program, \$75,000,000.00 shall be used by the Michigan  
2 strategic fund for the assessment and development of mega-strategic  
3 sites as set forth in this subsection. Of the funds appropriated  
4 through this subsection, up to \$1,500,000.00 shall be used for the  
5 development of a mega-strategic site strategic plan that addresses  
6 the criteria in section 88t(6) of the Michigan strategic fund act,  
7 1984 PA 270, MCL 125.2088t. The mega-strategic site strategic plan  
8 shall be developed utilizing a national site selection consultant  
9 that specializes in mega-strategic sites and in consultation with  
10 strategic industry and utility partners, and shall be submitted to  
11 the governor, the speaker of the house of representatives, and the  
12 senate majority leader not later than 180 days after the date of  
13 enactment of this act. Upon the completion and submission of such  
14 plan, the remaining funds provided through this subsection shall be  
15 used for grants to eligible applicants for land assembly and  
16 improvements to mega-strategic sites for which an end-user has not  
17 been identified, as provided for in section 88t of the Michigan  
18 strategic fund act, 1984 PA 270, MCL 125.2088t. Eligible applicants  
19 receiving funding under this subsection may enter into subgrant  
20 agreements with other entities as necessary and expedient to  
21 implement the improvements. The Michigan strategic fund shall  
22 otherwise follow the procedures and requirements set forth in the  
23 Michigan strategic fund act, 1984 PA 270, MCL 125.2001 to 125.2094,  
24 in making grants to eligible applicants using funds under this  
25 subsection.

26 (5) From the funds in part 1 for Michigan strategic site  
27 readiness program, \$50,000,000.00 shall be used by the Michigan  
28 strategic fund to make grants to eligible applicants for  
29 improvements to strategic sites for which an end-user has been



1 identified, as provided for under section 88t(7) of the Michigan  
2 strategic fund act, 1984 PA 270, MCL 125.2088t. Eligible applicants  
3 receiving funding under this subsection may enter into subgrant  
4 agreements with other entities as necessary and expedient to  
5 implement the improvements. Funds appropriated through this  
6 subsection must be used to make multiple awards. The Michigan  
7 strategic fund shall otherwise follow the evaluation and selection  
8 criteria set forth in section 88t of the Michigan strategic fund  
9 act, 1984 PA 270, MCL 125.2088t, and the procedures and  
10 requirements set forth in the Michigan strategic fund act, 1984 PA  
11 270, MCL 125.2001 to 125.2094.

12 (6) From the funds in part 1 for Michigan strategic site  
13 readiness program, \$100,000,000.00 shall be used by the Michigan  
14 strategic fund to make grants to eligible applicants to remediate  
15 or redevelop landfill facilities for future economic development,  
16 or both. The Michigan strategic fund shall give priority to  
17 projects located at sites that meet all of the following criteria:

18 (a) The site was used as a landfill and contains solid waste  
19 placed on or under the property.

20 (b) The site has not been actively used for solid waste  
21 disposal in the immediately preceding 15 years.

22 (c) The current owner of the site did not cause or contribute  
23 to the solid waste disposal at the site.

24 (d) The current owner of the site has agreed to contribute an  
25 amount equal to at least 10% of the total grant amount toward  
26 necessary environmental remediation costs.

27 (e) Private investment into the project will total at least  
28 \$15,000,000.00, exclusive of environmental remediation costs.

29 Sec. 409. The funds appropriated in part 1 for the strategic



1 outreach and attraction reserve fund must be deposited into the  
2 strategic outreach and attraction reserve fund established in  
3 section 4 of the Michigan trust fund act, 2000 PA 489, MCL 12.254.

4 Sec. 410. The legislature finds and declares that  
5 appropriations described in part 1 for the critical industry  
6 program and the Michigan strategic site readiness program are for a  
7 public purpose and serve the health, safety, and general welfare of  
8 the residents of this state.

9 Sec. 411. (1) Funds appropriated in part 1 for workforce and  
10 infrastructure grant shall be awarded to a township with a  
11 population between 11,800 and 11,950 according to the most recent  
12 federal decennial census for sewer and other infrastructure  
13 improvements in that township or within the jurisdiction of another  
14 local unit of government under an agreement with that local unit of  
15 government, or both, to facilitate private investment of at least  
16 \$200,000,000.00.

17 (2) A grant award under subsection (1) shall be issued no  
18 earlier than November 29, 2022 and shall not be awarded to an  
19 otherwise eligible recipient that has received or been approved to  
20 receive a grant under section 88t of the Michigan strategic fund  
21 act, 1984 PA 270, MCL 125.2088t, after September 15, 2022.

22 Sec. 412. The funds appropriated in part 1 for infrastructure  
23 improvement grant shall be awarded to a city with a population of  
24 60,000 to 63,000 according to the most recent decennial census.  
25 Grant funds must be used for the construction of a new bypass road  
26 that would directly or indirectly result in the city's acquisition  
27 of at least 40 acres of land to use for public recreation purposes.

28 Sec. 413. The funds appropriated in part 1 for downtown  
29 placemaking grant shall be awarded to a city with a population of



1 20,600 to 20,700 located in a county with a population of 99,000 to  
2 100,000 according to the most recent federal decennial census to  
3 work with the city's downtown development authority to remove  
4 blight; incentivize new residential development; create new parks,  
5 open spaces, trails, and other public amenities; and provide for  
6 river cleanup to improve recreation and drinking water.

7 Sec. 414. The funds appropriated in part 1 for municipal  
8 information technology and cybersecurity upgrades shall be awarded  
9 to a city with a population of 100,000 to 110,000 according to the  
10 most recent federal decennial census for information technology  
11 upgrades including, but not limited to, physical security for data  
12 centers, information technology infrastructure, and cybersecurity  
13 upgrades.

14 Sec. 415. (1) From the funds appropriated in part 1 for  
15 Michigan enhancement grants and economic development and workforce  
16 grants, the department shall execute a grant agreement with each  
17 recipient, pursuant to subsection (2). All grant funds are  
18 considered direct appropriations and, subject to receipt of all  
19 information under subsections (2) and (3), shall be disbursed by  
20 the department, as determined by the grant agreement. Any funds  
21 that are granted to a state department are appropriated in that  
22 department for the purpose of the intended grant. An initial  
23 disbursement of 50% shall be provided to the grantee upon execution  
24 of the grant agreement.

25 (2) The department shall execute a grant agreement with each  
26 recipient in order to receive funding. The grant agreement shall  
27 include, but is not limited to, all of the following:

28 (a) All necessary identifying information for the recipient,  
29 including any necessary tax identification information.



1 (b) A description of the project for which the grant funds  
2 will be expended, including tentative timelines and the estimated  
3 budget. No expenditures outside of the project purpose, as stated  
4 in the executed grant agreement, shall be reimbursed from  
5 appropriations in part 1. Funds appropriated in part 1 may be used  
6 only for expenditures that occur on or after the effective date of  
7 this act, unless specifically authorized in section 401 or 402.

8 (c) A requirement that after the initial 50% disbursement,  
9 additional funds shall be disbursed only after verification that  
10 the initial payment has been fully expended, in accordance with the  
11 project purpose. The remaining funds shall be disbursed in a manner  
12 specified in the grant agreement. The grantee must provide  
13 sufficient documentation, as determined by the department, to  
14 verify that all expenditures were made in accordance with the  
15 project purpose.

16 (d) A requirement for quarterly reports from the recipient to  
17 the department that provide the status of the project and an  
18 accounting of all funds expended by the recipient.

19 (e) A clawback provision that allows this state to recoup or  
20 otherwise collect any funds that are declined, unspent, or  
21 otherwise misused.

22 (3) The grantee shall respond to all reasonable information  
23 requests from the department related to grant expenditures and  
24 retain grant records for a period of not less than 3 years, and the  
25 grant may be subject to audit and site visits as determined by the  
26 department. The grant agreement required under subsection (2) shall  
27 include signed assurance by the chief executive officer or other  
28 executive officer of the grant recipient that this requirement will  
29 be met.



1 (4) All funds awarded shall be expended by the recipient, and  
 2 projects completed, by September 30, 2026. If at that time, as  
 3 evidenced by the quarterly reports, any unexpended funds remain,  
 4 those funds shall be returned by the grantee to the state treasury.  
 5 The state budget director may, on a case-by-case basis, extend this  
 6 deadline, upon request by a grant recipient.

7 (5) If a grantee does not provide information sufficient to  
 8 execute a grant agreement by May 1, 2023, funds associated with  
 9 that grant shall be returned to the state treasury.

10 (6) The department shall provide quarterly updates on the  
 11 accounting and status of each project to the senate and house  
 12 appropriations committees, the senate and house fiscal agencies,  
 13 and the state budget office.

14

#### 15 **REPEALERS**

16 Section 501. (1) Sections 991 and 1097 of article 5 of 2022 PA  
 17 166 are repealed.

18 (2) Section 818 of article 5 of 2021 PA 87 is repealed.

19

20

#### PART 2A

21

#### PROVISIONS CONCERNING APPROPRIATIONS

22

#### FOR FISCAL YEAR 2021-2022

23

#### **GENERAL SECTIONS**

24 Sec. 1201. Pursuant to section 30 of article IX of the state  
 25 constitution of 1963, total state spending from state sources under  
 26 part 1A for the fiscal year ending September 30, 2022 is  
 27 \$6,300,000.00 and total state spending from state sources to be  
 28 paid to local units of government is \$2,800,000.00. The itemized  
 29 statement below identifies appropriations from which spending to



1 local units of government will occur:

2 **DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND**  
 3 **ENERGY**

4	Drinking water declaration of emergency	\$	2,800,000
5	<b>TOTAL</b>	<b>\$</b>	<b>2,800,000</b>

6 Sec. 1202. The appropriations made and expenditures authorized  
 7 under this part and part 1A and the departments, commissions,  
 8 boards, offices, and programs for which appropriations are made  
 9 under this part and part 1A are subject to the management and  
 10 budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

11 Sec. 1203. If the state administrative board, acting under  
 12 section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount  
 13 appropriated under this part and part 1A, the legislature may, by a  
 14 concurrent resolution adopted by a majority of the members elected  
 15 to and serving in each house, inter-transfer funds within this part  
 16 and part 1A for the particular department, board, commission,  
 17 office, or institution.

18 Sec. 1204. Funds appropriated in part 1A must be allocated and  
 19 expended in a manner consistent with federal rules and regulations.

20 Sec. 1205. Funds appropriated in part 1A are subject to  
 21 applicable federal audit and reporting requirements. Prompt action  
 22 shall be taken if instances of noncompliance are identified,  
 23 including noncompliance identified in an audit finding. If any  
 24 instance of noncompliance is identified, including noncompliance  
 25 identified in an audit finding, the state budget director shall  
 26 take necessary and immediate action to rectify it. The state budget  
 27 director shall notify the senate and house appropriations  
 28 committees and the senate and house fiscal agencies when an  
 29 instance of noncompliance is identified.



1           Sec. 1206. The state budget director shall report on the  
2 status of funds appropriated in part 1A, and all funds appropriated  
3 related to the coronavirus relief effort, to the senate and house  
4 appropriations committees and the senate and house fiscal agencies  
5 on a monthly basis until all funds are exhausted.

6  
7 **DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY**

8           Sec. 1301. The unexpended funds appropriated in part 1A for  
9 drinking water declaration of emergency are designated as a work  
10 project appropriation, and any unencumbered or unallotted funds  
11 shall not lapse at the end 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 of the management and budget act, 1984 PA 431,  
15 MCL 18.1451a:

16           (a) The purpose of the project is for lead service line  
17 replacement and restoration, mandatory filter replacement, and  
18 water testing for the city of Flint.

19           (b) The project will be accomplished by utilizing state  
20 employees or contracts with service providers, or both.

21           (c) The total estimated cost of the project is \$2,800,000.00.

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

23  
24 **DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY**

25           Sec. 1401. The federal funds appropriated in part 1A for the  
26 unemployment insurance agency come from Michigan's distribution of  
27 federal Reed act dollars, authorized in the temporary extended  
28 unemployment compensation act of 2002, Public Law 107-147, and  
29 shall be used to cover administrative costs of the unemployment



1 insurance agency. Pursuant to section 26(c)(2) of the Michigan  
2 employment security act, 1936 (Ex Sess) PA 1, MCL 421.26, these  
3 funds shall be transferred from the unemployment trust fund to the  
4 administration fund created in section 10 of the Michigan  
5 employment security act, 1936 (Ex Sess) PA 1, MCL 421.10. The state  
6 budget director is authorized to make the accounting transactions  
7 necessary for the implementation of this appropriation.

8 Sec. 1402. The unexpended funds appropriated in part 1A for  
9 the unemployment insurance agency are designated as a work project  
10 appropriation, and any unencumbered or unallotted funds shall not  
11 lapse at the end 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 of the management and budget act, 1984 PA 431, MCL 18.1451a:

15 (a) The purpose of the work project is to support  
16 administrative costs of the unemployment insurance agency.

17 (b) The projects will be accomplished by utilizing state  
18 employees or by contracts.

19 (c) The total estimated cost of the work project is  
20 \$21,627,100.00.

21 (d) The tentative completion date is September 30, 2023.  
22

### 23 **DEPARTMENT OF NATURAL RESOURCES**

24 Sec. 1451. The unexpended funds appropriated in part 1A for  
25 wildlife management are designated as a work project appropriation,  
26 and any unencumbered or unallotted funds shall not lapse at the end  
27 of the fiscal year and shall be available for expenditures for  
28 projects under this section until the projects have been completed.  
29 The following is in compliance with section 451a of the management



1 and budget act, 1984 PA 431, MCL 18.1451a:

2 (a) The purpose of the work project is to support the pheasant  
3 release program.

4 (b) The projects will be accomplished by utilizing state  
5 employees or by contracts.

6 (c) The total estimated cost of the work project is  
7 \$100,000.00.

8 (d) The tentative completion date is September 30, 2023.  
9

10 **DEPARTMENT OF STATE POLICE**

11 Sec. 1501. The unexpended funds appropriated in part 1A for  
12 federal ineligible expenses are designated as a work project  
13 appropriation, and any unencumbered or unallotted funds shall not  
14 lapse at the end of the fiscal year and shall be available for  
15 expenditures for projects under this section until the projects  
16 have been completed. The following is in compliance with section  
17 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

18 (a) The purpose of the project is to support expenses that are  
19 determined to be ineligible for federal reimbursement.

20 (b) The project will be accomplished by utilizing state  
21 employees, contracts with vendors, or local partners.

22 (c) The estimated cost of the project is \$105,200,000.00.

23 (d) The tentative completion date is September 30, 2026.  
24

25 **DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET**

26 Sec. 1601. In addition to the funds appropriated in part 1A,  
27 the department of technology, management, and budget may receive  
28 and expend money from the Michigan law enforcement officers  
29 memorial monument fund as provided in the Michigan law enforcement



1 officers memorial act, 2004 PA 177, MCL 28.781 to 28.786. Any  
2 deposits made under this section and unencumbered funds are  
3 restricted revenues and shall be carried over into succeeding  
4 fiscal years.

