

Act No. 180
Public Acts of 1995
Approved by the Governor
October 17, 1995
Filed with the Secretary of State
October 17, 1995

**STATE OF MICHIGAN
88TH LEGISLATURE
REGULAR SESSION OF 1995**

Introduced by Senator Gast

ENROLLED SENATE BILL No. 334

AN ACT to make appropriations for various state departments and agencies, certain local units of government, and certain other state purposes for the fiscal year ending September 30, 1996; to adjust certain appropriations for the fiscal year ending September 30, 1995; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.

The People of the State of Michigan enact:

Sec. 101. There is appropriated for various state departments and agencies to supplement former appropriations for the fiscal year ending September 30, 1996, from the following funds:

BILL SUMMARY

APPROPRIATION SUMMARY:

Full-time equated classified positions.....	0	
GROSS APPROPRIATION.....	\$	68,707,400
Interdepartmental grant revenues:		
Less: Total interdepartmental grants intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION.....	\$	68,707,400
Federal revenues:		
Total federal revenues.....		24,986,100
Special revenue funds:		
Total local and private revenues.....		17,126,700
Total other state restricted revenues.....		13,904,700
State general fund/general purpose	\$	12,689,900

COMMUNITY COLLEGES

APPROPRIATION SUMMARY:

GROSS APPROPRIATION.....	\$	4,200,000
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION.....	\$	4,200,000
State general fund/general purpose	\$	4,200,000

GRANTS

Highland Park Community College - public school academy transition funding.....	\$	2,900,000
Highland Park Community College - education initiative		1,300,000
GROSS APPROPRIATION	\$	<u>4,200,000</u>
Appropriated from:		
State general fund/general purpose	\$	4,200,000

DEPARTMENT OF LABOR

APPROPRIATION SUMMARY:

GROSS APPROPRIATION	\$	3,100,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	\$	3,100,000
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		2,000,000
Total private revenues.....		100,000
Total other state restricted revenues.....		1,000,000
State general fund/general purpose	\$	0

MICHIGAN EMPLOYMENT SECURITY COMMISSION

Local contingency funds.....	\$	2,000,000
Private contingency funds.....		100,000
State restricted contingency funds.....		1,000,000
GROSS APPROPRIATION	\$	<u>3,100,000</u>
Appropriated from:		
Special revenue funds:		
Local revenues		2,000,000
Private revenues.....		100,000
State restricted revenues.....		1,000,000
State general fund/general purpose	\$	0

DEPARTMENT OF NATURAL RESOURCES

APPROPRIATION SUMMARY:

GROSS APPROPRIATION	\$	14,176,700
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	\$	14,176,700
Federal revenues:		
Total federal revenues.....		0
Special revenue funds:		
Total local revenues		0
Total private revenues.....		0
Total other state restricted revenues.....		14,176,700
State general fund/general purpose	\$	0

SOLID WASTE ALTERNATIVES PROGRAM

Market Development Grants (Subtotal).....	\$	12,644,221
-St. Joseph county-Simplex Products		2,873,221
-Schoolcraft county-Manistique Papers, Inc.		5,000,000
-Wayne county-National Rubber, Inc.		4,771,000
Recycling Projects (Subtotal).....		973,163
-Clinton county-Daggett Sand and Gravel, Inc.		250,233

For Fiscal Year
Ending Sept. 30,
1996

Isabella county-Central Michigan University	\$	72,144
Macomb county-King of the Wind Farms, Inc.		241,986
Oakland county-Compound Technologies		408,800
Statewide Projects (Subtotal)		494,098
Ingham county-MI Association of Counties		235,775
Ingham county-MI Recycling Coalition		158,523
Ingham county-Public Sector Consultants		99,800
Household Hazardous Waste Projects (Subtotal).....		65,218
Lapeer county-Lapeer County Solid Waste Authority.....		65,218
GROSS APPROPRIATION	\$	<u>14,176,700</u>
Appropriated from:		
Special revenue funds:		
Environmental bond fund		14,176,700
State general fund/general purpose	\$	0

DEPARTMENT OF PUBLIC HEALTH

APPROPRIATIONS SUMMARY:

GROSS APPROPRIATION	\$	100,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	\$	100,000
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues.....		0
Total other state restricted revenues		0
State general fund/general purpose	\$	100,000

HEALTH SYSTEMS LOCAL GRANTS

Implementation of Act 133, P.A. of 1993.....	\$	<u>100,000</u>
GROSS APPROPRIATION	\$	100,000
Appropriated from:		
State general fund/general purpose	\$	100,000

DEPARTMENT OF SOCIAL SERVICES

APPROPRIATIONS SUMMARY:

GROSS APPROPRIATION	\$	46,736,700
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers	\$	0
ADJUSTED GROSS APPROPRIATION	\$	46,736,700
Federal revenues:		
Total federal revenues		24,986,100
Special revenue funds:		
Total private revenues.....		0
Total local revenues		15,026,700
Total other state restricted revenues		0
State general fund/general purpose	\$	6,723,900

FAMILY SERVICES ADMINISTRATION

State supplemental assistance subgrantees.....	\$	<u>2,723,900</u>
GROSS APPROPRIATION	\$	2,723,900
Appropriated from:		
State general fund/general purpose	\$	2,723,900

MEDICAL SERVICES

Outpatient hospital adjustor.....	\$	44,012,800
GROSS APPROPRIATION.....	\$	44,012,800
Appropriated from:		
Interdepartmental grant revenues:		
ADJUSTED GROSS APPROPRIATION.....	\$	44,012,800
Appropriated from:		
Federal revenues:		
Total federal revenues.....		24,986,100
Special revenue funds:		
Local funds.....		15,026,700
State general fund/general purpose	\$	4,000,000

DEPARTMENT OF STATE POLICE

APPROPRIATION SUMMARY:

GROSS APPROPRIATION.....	\$	0
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION.....	\$	0
Federal revenues:		
Total federal revenues.....		0
Special revenue funds:		
Total local revenues		0
Total private revenues.....		0
Total other state restricted revenues.....		(1,272,000)
State general fund/general purpose	\$	1,272,000

FIRE MARSHAL

GROSS APPROPRIATION.....	\$	0
Appropriated from:		
Special revenue funds:		
Fire service fees		(1,272,000)
State general fund/general purpose	\$	1,272,000

DEPARTMENT OF TREASURY

APPROPRIATION SUMMARY:

GROSS APPROPRIATION.....	\$	394,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION.....	\$	394,000
Federal revenues:		
Total federal revenues.....		0
Special revenue funds:		
Total local revenues		0
Total private revenues.....		0
Total other state restricted revenues.....		0
State general fund/general purpose	\$	394,000

GRANTS

Special census revenue sharing payments.....	\$	394,000
GROSS APPROPRIATION.....	\$	394,000
Appropriated from:		
State general fund/general purpose	\$	394,000

GENERAL SECTIONS

Sec. 201. In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total spending from state resources in this appropriation act is \$26,594,600.00 and state appropriations to be paid to units of local government in section 101 are \$4,759,218.00.

Sec. 202. The appropriations made and expenditures authorized under this act and the departments, agencies, commissions, boards, offices, and programs for which an appropriation is made under this act are subject to Act No. 431 of the Public Acts of 1984, being sections 18.1101 to 18.1594 of the Michigan Compiled Laws.

Sec. 203. (1) Departments and state agencies that receive funds under Act No. 158 of the Public Acts of 1995 may receive and expend federal funds for purposes allowed by the federal government and these funds are appropriated, if the funds are provided as block grants or other similar replacements for or consolidations of prior federal funding sources.

(2) Departments and state agencies may use the funds described in subsection (1) to continue existing programs and shall not establish new programs utilizing these funds unless the legislature has enacted modifications to the existing program or enacted a new program.

Sec. 204. (1) If total state revenues for the fiscal year ending September 30, 1995 have exceeded the revenue limit established under section 26 of article IX of the state constitution of 1963 by less than 1%, the appropriation contained in Act No. 288 of the Public Acts of 1994 to the countercyclical budget and economic stabilization fund for the fiscal year ending September 30, 1995 is hereby adjusted in order to comply with the requirements of section 26 of article IX of the state constitution of 1963.

(2) If total state revenues for the fiscal year ending September 30, 1995 have exceeded the revenue limit established under section 26 of article IX of the state constitution of 1963 by 1% or more, the appropriation contained in Act No. 288 of the Public Acts of 1994 to the countercyclical budget and economic stabilization fund for the fiscal year ending September 30, 1995 is transferred back to the general fund. This transfer shall occur before the final bookclosing for the fiscal year ending September 30, 1995 is completed.

Sec. 205. None of the money appropriated in section 101 in the line item identified as "federal, state restricted, local, or private contingency funds" is available for expenditure until that money is transferred to another line item in this act pursuant to section 393(2) of the management and budget act, Act No. 431 of the Public Acts of 1984, being section 18.1393 of the Michigan Compiled Laws.

COMMUNITY COLLEGES

Sec. 251. Of the \$4,200,000.00 appropriated for Highland Park Community College in section 101, \$2,900,000.00 shall be used, if necessary, to retire any outstanding debts to the Highland Park K-12 school system. If any of the \$2,900,000.00 remains, it may be used for transition expenses associated with the cessation of operations of the school, or phase-in of new educational programs associated with charter school, trade academy, or other locally developed alternatives to closure.

Sec. 252. Of the \$4,200,000.00 appropriated for Highland Park Community College in section 101, \$1,300,000.00 shall be appropriated for the Highland Park education initiative to address 1-time costs for the transition of the community college to operate as a trade school or public school academy. These funds shall not be expended until the approval of a plan submitted by the Highland Park Community College board of trustees to the director of the department of management and budget according to a schedule to be agreed upon by the director and the designated representative of the Highland Park Community College board of trustees.

DEPARTMENT OF LABOR

Sec. 301. Of the appropriation in section 101 of Act No. 157 of the Public Acts of 1995 to the department of labor for the commission for the blind, business enterprise program, operator fee revenue shall not be used to fund salaries and wages of classified positions for the program.

Sec. 302. The Michigan employment security commission shall report annually to the chairpersons of the regulatory subcommittees of the senate and house appropriations committees the amount of additional taxes collected by the

special audit and collections program. If additional tax collections exceed \$2,000,000.00, the Michigan employment security commission shall use an amount equivalent to 15% of the amount of additional taxes collected for additional audit and collections staff up to an additional \$1,000,000.00.

DEPARTMENT OF NATURAL RESOURCES

Sec. 501. The appropriation for solid waste alternative projects contained in this act shall be the final appropriations for the SWAP program.

Sec. 502. The department of natural resources shall annually report to the governor, the house and senate appropriations committees, the house and senate appropriations subcommittees on natural resources, the house and senate standing committees on natural resources, and the house and senate fiscal agencies the progress of resource recovery projects for which appropriations have been made under this act. This report shall include a listing of applicants for grant money; the criteria used for project selection; a list of projects funded including the name, address, county, and telephone number of the recipient or participant; bond funded actions taken on each project; other sources of funds used on each project in addition to bond proceeds, including private actions; the amount of funds expended for each project; progress toward accomplishing the project's performance goals; further actions anticipated on each project; and other information considered pertinent by the department of natural resources.

Sec. 503. A grant or loan recipient shall submit project performance reports to the department of natural resources in a format specified by the department annually for not less than 10 years, except for statewide projects which shall report annually for not less than 3 years. A solid waste market development grant recipient shall be required to share the technology and processing information directly relating to the functions for which the grant was awarded with the department and other interested parties. A solid waste market development grant recipient shall not be required to share information which constitutes a proprietary interest that was unique to the recipient.

Sec. 504. The unexpended portion of the appropriation in section 101 for the environmental bond and recreational bond projects are considered work project appropriations and any unencumbered or unallotted funds are carried forward into the succeeding fiscal year. The following is in compliance with section 451(3) of the management and budget act, Act No. 431 of the Public Acts of 1984, being section 18.1451 of the Michigan Compiled Laws:

(a) The purpose of the environmental bond projects to be carried forward is to provide management of solid wastes. The purpose of the recreational bond projects to be carried forward is to improve the development of the state's recreational base.

(b) These projects will be accomplished by contract.

(c) The total estimated costs of all projects is identified in each line item appropriation.

(d) The tentative completion date for these projects is September 30, 1997.

Sec. 505. The department of natural resources shall include consideration of the overall financial solvency of a private business entity, and the percentage of state investment in project funding, when, as part of solid waste alternatives program requirement, an applicant demonstrates his or her capability to carry out a proposed project. The department of natural resources shall make provisions in each grant or loan project contract to protect the state's investment in the project.

Sec. 506. (1) On or before October 31, 1995, the department of environmental quality and the department of natural resources shall report their implementation of the transfers executing Executive Order No. 1995-18 to the house and senate appropriations committees and the house and senate fiscal agencies. The report shall include the amounts transferred from the department of natural resources to the department of environmental quality and shall be based on programmatic line items within the organizational divisions established for each department including all associated revenue sources, classified and unclassified full-time equivalent employee positions supporting each line item, and summary totals of all divisions for each department. The transfers to the department of environmental quality and remaining allocations to the department of natural resources shall not exceed the total appropriations contained in Act No. 110 of the Public Acts of 1995.

(2) It is the intent of the legislature that the report shall constitute the fiscal year 1995-96 baseline appropriation to the department of natural resources and the department of environmental quality until such time as new appropriations are approved by the legislature. All subsequent transfers shall be based on each department's fiscal year 1995-96 baseline appropriation and shall conform to the provisions of the management and budget act, Act No. 431 of the Public Acts of 1984, being sections 18.1101 to 18.1594 of the Michigan Compiled Laws.

DEPARTMENT OF PUBLIC HEALTH

Sec. 601. The amount appropriated in section 101 for implementation of Act No. 133 of the Public Acts of 1993 shall reimburse local health departments for costs incurred related to implementation of section 17015(15) of the public health code, Act No. 368 of the Public Acts of 1978, being section 333.17015 of the Michigan Compiled Laws.

DEPARTMENT OF SOCIAL SERVICES

Sec. 701. (1) From the funds appropriated in section 101 for the outpatient hospital adjustor, the department, subject to the requirements and limitations in this section, shall establish a funding pool of up to \$44,012,800.00 for the purpose of enhancing the aggregate payment for medicaid hospital outpatient services. Such payments, if any, may be made as a gross adjustment to hospital outpatient payments or by another mechanism or schedule as determined by the department, which meets the intent of this section.

(2) For counties with populations of more than 2,000,000, the department shall distribute \$44,012,800.00 to hospitals if \$15,026,700.00 is received by the state from such counties, which meets the criteria of an allowable state matching share as determined by applicable federal laws and regulations. If the state receives a lesser sum of an allowable state matching share from these counties, the amount distributed shall be reduced accordingly.

Sec. 702. Indigent burial reimbursement rates shall be equal to the fiscal year 1995 rates.

Sec. 703. For the purpose of guardian and conservator charges, the department of social services may deduct up to \$60.00 per month as an allowable expense against a recipient's income when determining medicaid eligibility and patient pay amounts.

Sec. 704. From the funds appropriated in section 101 of Act No. 156 of the Public Acts of 1995 for foster care payments, the department shall increase the rate of payments for foster care services by 3% effective April 1, 1996.

Sec. 705. Notwithstanding section 702, beginning April 1, 1996 the reimbursement rate for a vault for indigent burials shall be \$200.00.

Sec. 706. An institutional provider that is required to submit a cost report under the medicaid program shall submit cost reports completed in full within 5 months after the end of its fiscal year.

Sec. 707. Social security income state supplementation payments shall not be made by the department to a person defined as disabled under social security income if his or her drug addiction or alcoholism is a contributing factor material to the determination of disability. Pursuant to federal regulation 20 C.F.R. 404.1535, "material to the determination of disability" means that, if the person stopped using drugs or alcohol, his or her remaining physical or mental limitations would not be disabling. If his or her remaining physical or mental limitations would be disabling under social security income regulations, then the drug addiction or alcoholism is not material to the determination of disability.

DEPARTMENT OF STATE POLICE

Sec. 801. (1) The department may receive and expend federal funds for purposes allowed by the federal government and these funds are appropriated, if the funds are provided as block grants or other similar replacements for or consolidations of prior federal funding sources.

(2) The department may use the funds described in subsection (1) to continue existing programs and shall not establish new programs utilizing these funds unless the legislature has enacted modifications to the existing program or enacted a new program.

Sec. 802. (1) The department of state police shall submit to the legislature by November 1, 1995 a proposal to generate fee revenues consistent with the level of fee revenues appropriated for the fire marshal division in Act No. 109 of the Public Acts of 1995.

(2) It is the intent of the legislature that general fund/general purpose supplantation of fee revenues contained in Act No. 109 of the Public Acts of 1995 shall not be permitted beyond the 1995-96 fiscal year.

DEPARTMENT OF TREASURY

Sec. 901. The appropriation contained in section 101 for special census revenue sharing payments is to make special census revenue sharing payments to eligible cities, villages, townships, and counties pursuant to the state revenue sharing act of 1971, Act No. 140 of the Public Acts of 1971, being sections 141.901 to 141.921 of the Michigan Compiled Laws. The department of treasury shall transmit special census revenue sharing payments to eligible cities, villages, townships, and counties by December 1, 1995. These payments shall be made to cities, villages, townships, and counties who were certified to be eligible by July 1, 1995. The payments shall reflect the amount of special census revenue sharing payment each eligible city, village, township, and county would have received in the fiscal year ending September 30, 1995.

REPEALS

Sec. 1001. Sections 212, 213, and 214 of Act No. 109 of the Public Acts of 1995 are repealed.

Sec. 1002. Section 214 of Act No. 150 of the Public Acts of 1995 is repealed.

Sec. 1003. Sections 628, 702, and 706 of Act No. 156 of the Public Acts of 1995 are repealed.

Sec. 1004. Sections 209, 210, and 211 of Act No. 158 of the Public Acts of 1995 are repealed.

This act is ordered to take immediate effect.

Secretary of the Senate.

Clerk of the House of Representatives.

Approved -----

Governor.

