

**SENATE SUBSTITUTE FOR  
HOUSE BILL NO. 4655**

A bill to revise the priority of allocation of funds for certain programs and services administered by the department of community health; and to prescribe the powers and duties of certain state agencies and departments.

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

1       Sec. 1. (1) Except as otherwise provided in this section,  
2   it is the policy of this state for the department of community  
3   health to give priority under this subsection in the allocation  
4   of funds through grants or contracts for educational and other  
5   programs and services administered by the department of community  
6   health and primarily pertaining to family planning or reproduc-  
7   tive health services, or both. This subsection applies to grants  
8   or contracts awarded to a qualified entity that does not engage  
9   in 1 or more of the following activities:



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1           (a) Performing elective abortions or allowing the  
2 performance of elective abortions within a facility owned or  
3 operated by the qualified entity.

4           (b) Referring a pregnant woman to an abortion provider for  
5 an elective abortion.

6           (c) Adopting or maintaining a policy in writing that elec-  
7 tive abortion is considered part of a continuum of family plan-  
8 ning or reproductive health services, or both.

9           (2) If each of the entities applying for a grant or contract  
10 described in subsection (1) engages in 1 or more of the activi-  
11 ties listed in subsection (1)(a) to (c), the department of commu-  
12 nity health shall give priority to those entities that engage in  
13 the least number of activities listed in subsection (1)(a) to  
14 (c).

15           (3) Subsection (1) does not apply if the only applying  
16 entity for a grant or contract described in subsection (1)  
17 engages in 1 or more of the activities listed in subsection  
18 (1)(a) to (c).

19           (4) Subsection (1) does not apply to grants or contracts  
20 awarded by the department of community health other than family  
21 planning and pregnancy prevention awards under subpart a of part  
22 59 of title 42 of the Code of Federal Regulations or state appro-  
23 priated family planning or pregnancy prevention funds.

24           (5) In applying the priority established in subsection (1),  
25 the department of community health shall not take into considera-  
26 tion an activity listed in subsection (1)(a) to (c) if



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1 participating in that activity is required under federal law as a  
2 qualification for receiving federal funding.

3 (6) If an entity applying for a contract or grant described  
4 in subsection (1) is affiliated with another entity that engages  
5 in 1 or more of the activities listed in subsection (1)(a) to  
6 (c), the applying entity shall, for purposes of awarding a grant  
7 or contract under subsection (1), be considered independent of  
8 the affiliated entity if all of the following conditions are  
9 met:

10 (a) The physical properties and equipment of the applying  
11 entity are separate and not shared with the affiliated entity.

12 (b) The financial records of the applying entity and affili-  
13 ated entity demonstrate that the affiliated entity receives no  
14 funds from the applying entity.

15 (c) The paid personnel of the applying entity do not perform  
16 any function or duty on behalf of the affiliated entity while on  
17 the physical property of the applying entity or during the hours  
18 the personnel are being paid by the applying entity.

19 (7) The department of community health shall award grants  
20 and contracts to qualified entities under this act to ensure that  
21 family planning services are adequately available and distributed  
22 in a manner that is reflective of the geographic and population  
23 diversity of this state. A qualified entity that is awarded a  
24 grant or contract must also be capable of serving the patient  
25 census reflected in the contract or grant for which the qualified  
26 entity is applying.



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1 (8) As used in this act:

2 (a) "Affiliated" means the sharing between entities of 1 or  
3 more of the following:

4 (i) A common name or other identifier.

5 (ii) Members of a governing board.

6 (iii) A director.

7 (iv) Paid personnel.

8 (b) "Elective abortion" means the performance of a procedure  
9 involving the intentional use of an instrument, drug, or other  
10 substance or device to terminate a woman's pregnancy for a pur-  
11 pose other than to increase the probability of a live birth, to  
12 preserve the life or health of the child after live birth, or to  
13 remove a dead fetus. Elective abortion does not include either  
14 of the following:

15 (i) The use or prescription of a drug or device intended as  
16 a contraceptive.

17 (ii) The intentional use of an instrument, drug, or other  
18 substance or device by a physician to terminate a woman's preg-  
19 nancy if the woman's physical condition, in the physician's rea-  
20 sonable medical judgment, necessitates the termination of the  
21 woman's pregnancy to avert her death.

22 (c) "Entity" means a local agency, organization, or corpora-  
23 tion or a subdivision, contractee, subcontractee, or grant recip-  
24 ient of a local agency, organization, or corporation.

25 (d) "Qualified entity" means an entity reviewed and deter-  
26 mined by the department of community health to be technically and  
27 logistically capable of providing the quality and quantity of



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1 services required within a cost range considered appropriate by  
2 the department.