

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 540

A bill to make, supplement, and adjust appropriations for capital outlay and certain state departments and agencies for the fiscal year ending September 30, 2003 and the fiscal year ending September 30, 2004; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 PART 1

2 LINE-ITEM APPROPRIATIONS FOR FISCAL YEAR 2002-2003

3 Sec. 101. There is appropriated for capital outlay and certain
4 state departments and agencies appropriations for the fiscal year
5 ending September 30, 2003, from the following funds:

6 APPROPRIATION SUMMARY:

7	GROSS APPROPRIATION.....	\$	499,813,200
----------	--------------------------	----	-------------

8 Interdepartmental grant revenues:

9 Total interdepartmental grants and intradepartmental

1	transfers.....		41,588,700
2	ADJUSTED GROSS APPROPRIATION.....	\$	458,224,600
3	Federal revenues:		
4	Total federal revenues.....		439,143,500
5	Special revenue funds:		
6	Total local revenues.....		(604,700)
7	Total private revenues.....		0
8	Total other state restricted revenues.....		33,000,600
9	State general fund/general purpose.....	\$	(13,314,800)

10 **Sec. 102. CAPITAL OUTLAY**

11 **(1) APPROPRIATION SUMMARY**

12	GROSS APPROPRIATION.....	\$	16,712,500
13	Interdepartmental grant revenues:		
14	Total interdepartmental grants and intradepartmental		
15	transfers.....	\$	0
16	ADJUSTED GROSS APPROPRIATION.....	\$	16,712,500
17	Federal revenues:		
18	Total federal revenues.....		2,200,000
19	Special revenue funds:		
20	Total local revenues.....		532,000
21	Total private revenues.....		0
22	Total state restricted revenues.....		13,980,400
23	State general fund/general purpose.....	\$	100

24 **(2) DEPARTMENT OF NATURAL RESOURCES**

25 **MICHIGAN NATURAL RESOURCES TRUST FUND**

26	Natural resources trust fund projects.....	\$	<u>8,980,400</u>
----	--	----	------------------

Trust fund acquisition projects by priority:

Macomb orchard trail, Macomb County (grant-in-aid to
Macomb County) (#02-166)

Waterfront land acquisition, Houghton County
(grant-in-aid to city of Houghton) (#02-211)

Alpena-Hawks-Rogers City trail acquisition, Presque
Isle County (#02-181)

Au Sable Township finish line park, Iosco County
(grant-in-aid to Au Sable Township) (#02-096)

Trust fund development projects by priority:

Big Rapids river walk development, Mecosta County
(grant-in-aid to city of Big Rapids) (#02-163)

Houghton Nara area nature trail, Houghton County
(grant-in-aid to city of Houghton) (#02-141)

Major city park riverfront improvement project II,
Cheboygan County (grant-in-aid to city of Cheboygan)
(#02-002)

Boardman Lake trail - east, Grand Traverse County
(grant-in-aid to city of Traverse City) (#02-151)

Osceola Township sandy bottom park, Houghton County
(grant-in-aid to Osceola Township) (#02-172)

Point Au Gres park improvements, Arenac County
(grant-in-aid to Arenac County) (#02-077)

Johnson center improvements, Wexford County (#02-194)

Rifle River recreation area, Ogemaw County (#02-197)

Brady street/riverfront boardwalk development, Allegan
County (grant-in-aid to city of Allegan) (#02-137)

1 Paint Creek trail enhancement project, Oakland County
2 (grant-in-aid to Paint Creek trailways commission)
3 (#02-125)
4 Bike path - Riverland drive to Van Dyke avenue, Macomb
5 County (grant-in-aid to city of Sterling Heights)
6 (#02-030)
7 Pioneer county park, Muskegon County (grant-in-aid to
8 Muskegon County) (#02-062)
9 Moores park improvements, Ingham County (grant-in-aid
10 to city of Lansing) (#02-127)
11 Clinton River trail development, Oakland County
12 (grant-in-aid to city of Rochester) (#02-043)
13 Scidmore park riverwalk and renovations, St. Joseph
14 County (grant-in-aid to city of Three Rivers)
15 (#02-174)
16 Wahlfield park development, Kent County (grant-in-aid
17 to Kent County) (#02-126)
18 Davison regional park trailways, Genesee County
19 (grant-in-aid to city of Davison) (#02-139)
20 Van Buren Township natural area, Wayne County
21 (grant-in-aid to Van Buren Township) (#02-081)
22 Bysterveld county park development, Allegan County
23 (grant-in-aid to Allegan County) (#02-117)
24 Chippewa landing park and trail improvements, Tuscola
25 County (grant-in-aid to village of Caro) (#02-165)
26 Bicentennial park improvements, Genesee County
27 (grant-in-aid to Mount Morris Township) (#02-064)

1	Recreation park improvements, Osceola County		
2	(grant-in-aid to Reed City) (#02-063)		
3	Wolverine lumbermen's memorial park development,		
4	Cheboygan County (grant-in-aid to village of		
5	Wolverine) (#02-052)		
6	GROSS APPROPRIATION.....	\$	8,980,400
7	Appropriated from:		
8	Special revenue funds:		
9	Michigan natural resources trust fund.....		8,980,400
10	State general fund/general purpose.....	\$	0
11	(3) DEPARTMENT OF TRANSPORTATION		
12	AERONAUTICS FUND: AIRPORT PROGRAMS		
13	Airport improvement programs.....	\$	<u>7,732,000</u>
14	East Tawas - Iosco County airport		
15	Holland - tulip city airport		
16	Lake Isabella - Lake Isabella airport		
17	Linden - Price airport		
18	Lowell - Lowell City airport		
19	Mio - Oscoda County airport		
20	Pontiac - Oakland County international airport		
21	Romeo - Romeo state airport		
22	Saint James - Beaver Island airport		
23	Statewide - various sites - automated weather		
24	observation systems		
25	GROSS APPROPRIATION.....	\$	7,732,000
26	Appropriated from:		
27	Federal revenues:		

1	DOT, federal aviation administration.....	2,200,000
2	Special revenue funds:	
3	Local aeronautics match.....	532,000
4	State aeronautics fund.....	5,000,000
5	State general fund/general purpose..... \$	0
6	(4) STATE BUILDING AUTHORITY FINANCED CONSTRUCTION	
7	PROJECTS	
8	Department of corrections - western Wayne	
9	correctional facility, 400-bed drop-in unit, for	
10	design and construction (total authorized cost	
11	\$4,800,000; state building authority share	
12	\$4,799,900; state general fund share \$100)..... \$	<u>100</u>
13	GROSS APPROPRIATION..... \$	100
14	Appropriated from:	
15	Special revenue funds:	
16	State general fund/general purpose..... \$	100
17	Sec. 103. DEPARTMENT OF COMMUNITY HEALTH	
18	(1) APPROPRIATION SUMMARY	
19	GROSS APPROPRIATION..... \$	269,835,300
20	Interdepartmental grant revenues:	
21	Total interdepartmental grants and intradepartmental	
22	transfers..... \$	0
23	ADJUSTED GROSS APPROPRIATION..... \$	269,835,300
24	Federal revenues:	
25	Total federal revenues.....	300,252,000
26	Special revenue funds:	

1	Total local revenues.....	(1,136,700)
2	Total private revenues.....	0
3	Total other state restricted revenues.....	0
4	State general fund/general purpose..... \$	(29,280,000)
5	(2) COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE	
6	SERVICES PROGRAMS	
7	CMHSP, purchase of state services contracts..... \$	(1,136,700)
8	Community substance abuse prevention, education and	
9	treatment programs.....	<u>2,862,000</u>
10	GROSS APPROPRIATION..... \$	1,725,300
11	Appropriated from:	
12	Federal revenues:	
13	Total federal revenues.....	29,138,300
14	Special revenue funds:	
15	State general fund/general purpose..... \$	(27,413,000)
16	(3) STATE PSYCHIATRIC HOSPITALS, CENTERS FOR	
17	PERSONS WITH DEVELOPMENTAL DISABILITIES, AND FORENSIC	
18	AND PRISON MENTAL HEALTH SERVICES	
19	GROSS APPROPRIATION..... \$	0
20	Appropriated from:	
21	Federal revenues:	
22	Total federal revenues..... \$	1,136,700
23	Special revenue funds:	
24	CMHSP, purchase of state services contracts.....	(1,136,700)
25	State general fund/general purpose..... \$	0
26	(4) COMMUNITY LIVING, CHILDREN, AND FAMILIES	
27	GROSS APPROPRIATION..... \$	0

1	Appropriated from:		
2	Federal revenues:		
3	Total federal revenues.....	\$	503,100
4	Special revenue funds:		
5	State general fund/general purpose.....	\$	(503,100)
6	(5) CHILDREN'S SPECIAL HEALTH CARE SERVICES		
7	GROSS APPROPRIATION.....	\$	0
8	Appropriated from:		
9	Federal revenues:		
10	Total federal revenues.....	\$	2,362,900
11	Special revenue funds:		
12	State general fund/general purpose.....	\$	(2,362,900)
13	(6) MEDICAL SERVICES		
14	Hospital services and therapy.....	\$	24,890,000
15	Physician services.....		39,300,000
16	Medicare premium payments.....		12,750,000
17	Pharmaceutical services.....		67,200,000
18	Home health services.....		9,450,000
19	Auxiliary medical services.....		5,250,000
20	Ambulance services.....		2,000,000
21	Long-term care services.....		14,870,000
22	Health plan services.....		92,400,000
23	Subtotal basic medical services program.....		<u>268,110,000</u>
24	GROSS APPROPRIATION.....	\$	268,110,000
25	Appropriated from:		
26	Federal revenues:		
27	Total federal revenues.....		267,111,000

1	Special revenue funds:		
2	State general fund/general purpose.....	\$	999,000
3	Sec. 104. DEPARTMENT OF CONSUMER AND INDUSTRY		
4	SERVICES		
5	(1) APPROPRIATION SUMMARY		
6	GROSS APPROPRIATION.....	\$	37,700,000
7	Interdepartmental grant revenues:		
8	Total interdepartmental grants and intradepartmental		
9	transfers.....	\$	0
10	ADJUSTED GROSS APPROPRIATION.....	\$	37,700,000
11	Federal revenues:		
12	Total federal revenues.....		37,700,000
13	Special revenue funds:		
14	Total local revenues.....		0
15	Total private revenues.....		0
16	Total other state restricted revenues.....		0
17	State general fund/general purpose.....	\$	0
18	(2) MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY		
19	Payments on behalf of tenants.....	\$	32,000,000
20	Housing and rental assistance program.....		<u>5,700,000</u>
21	GROSS APPROPRIATION.....	\$	37,700,000
22	Appropriated from:		
23	Federal revenues:		
24	HUD, lower income housing assistance program.....		37,700,000
25	Special revenue funds:		
26	State general fund/general purpose.....	\$	0

1	Sec. 105. DEPARTMENT OF ENVIRONMENTAL QUALITY		
2	(1) APPROPRIATION SUMMARY		
3	GROSS APPROPRIATION.....	\$	2,500,100
4	Interdepartmental grant revenues:		
5	Total interdepartmental grants and intradepartmental		
6	transfers.....	\$	0
7	ADJUSTED GROSS APPROPRIATION.....	\$	2,500,100
8	Federal revenues:		
9	Total federal revenues.....		0
10	Special revenue funds:		
11	Total local revenues.....		0
12	Total private revenues.....		0
13	Total other state restricted revenues.....		2,500,000
14	State general fund/general purpose.....	\$	100
15	(2) GRANTS		
16	Scrap tire grants.....	\$	2,500,000
17	Lead abatement effectiveness program.....		<u>100</u>
18	GROSS APPROPRIATION.....	\$	2,500,100
19	Appropriated from:		
20	Special revenue funds:		
21	Scrap tire regulatory fund.....		2,500,000
22	State general fund/general purpose.....	\$	100
23	Sec. 106. FAMILY INDEPENDENCE AGENCY		
24	(1) APPROPRIATION SUMMARY		
25	GROSS APPROPRIATION.....	\$	52,421,000

1	Interdepartmental grant revenues:		
2	Total interdepartmental grants and intradepartmental		
3	transfers.....	\$	0
4	ADJUSTED GROSS APPROPRIATION.....	\$	52,421,000
5	Federal revenues:		
6	Total federal revenues.....		38,300,800
7	Special revenue funds:		
8	Total private revenues.....		0
9	Total local revenues.....		0
10	Total other state restricted revenues.....		14,120,200
11	State general fund/general purpose.....	\$	0
12	(2) PUBLIC ASSISTANCE		
13	Low-income home energy assistance program.....	\$	<u>10,832,300</u>
14	GROSS APPROPRIATION.....	\$	10,832,300
15	Appropriated from:		
16	Federal revenues:		
17	Total federal revenues.....		10,832,300
18	Special revenue funds:		
19	State general fund/general purpose.....	\$	0
20	(3) INFORMATION TECHNOLOGY		
21	Child support automation.....	\$	<u>41,588,700</u>
22	GROSS APPROPRIATION.....	\$	41,588,700
23	Appropriated from:		
24	Federal revenues:		
25	Total federal revenues.....		27,468,500
26	Special revenue funds:		
27	Total other state restricted revenue.....		14,120,200

1	State general fund/general purpose.....	\$	0
2	Sec. 107. HIGHER EDUCATION		
3	(1) APPROPRIATION SUMMARY		
4	GROSS APPROPRIATION.....	\$	3,400,000
5	Interdepartmental grant revenues:		
6	Total interdepartmental grants and intradepartmental		
7	transfers.....	\$	0
8	ADJUSTED GROSS APPROPRIATION.....	\$	3,400,000
9	Federal revenues:		
10	Total federal revenues.....		0
11	Special revenue funds:		
12	Total local revenues.....		0
13	Total private revenues.....		0
14	Total other state restricted revenues.....		3,400,000
15	State general fund/general purpose.....	\$	0
16	(2) GRANTS AND FINANCIAL AID		
17	Tuition incentive program.....	\$	<u>3,400,000</u>
18	GROSS APPROPRIATION.....	\$	3,400,000
19	Appropriated from:		
20	Special revenue funds:		
21	Michigan merit award trust fund.....		3,400,000
22	State general fund/general purpose.....	\$	0
23	Sec. 108. DEPARTMENT OF INFORMATION TECHNOLOGY		
24	(1) APPROPRIATION SUMMARY		
25	GROSS APPROPRIATION.....	\$	41,588,700

1	Interdepartmental grant revenues:		
2	Total interdepartmental grants and intradepartmental		
3	transfers.....	\$	41,588,700
4	ADJUSTED GROSS APPROPRIATION.....	\$	0
5	Federal revenues:		
6	Total federal revenues.....		0
7	Special revenue funds:		
8	Total local revenues.....		0
9	Total private revenues.....		0
10	Total other state restricted revenues.....		0
11	State general fund/general purpose.....	\$	0
12	(2) ADMINISTRATION		
13	Health and human services.....	\$	<u>41,588,700</u>
14	GROSS APPROPRIATION.....	\$	41,588,700
15	Appropriated from:		
16	Interdepartmental grant revenues:		
17	IDG from user fees.....		41,588,700
18	State general fund/general purpose.....	\$	0
19	Sec. 108a. MICHIGAN STRATEGIC FUND		
20	(1) APPROPRIATION SUMMARY		
21	GROSS APPROPRIATION.....	\$	12,200,000
22	Interdepartmental grant revenues:		
23	Total interdepartmental grants and intradepartmental		
24	transfers.....	\$	0
25	ADJUSTED GROSS APPROPRIATION.....	\$	12,200,000
26	Federal revenues:		
27	Total federal revenues.....		0

1	Special revenue funds:		
2	Total local revenues.....		0
3	Total private revenues.....		0
4	Total other state restricted revenues.....		0
5	State general fund/general purpose.....	\$	12,200,000
6	(2) MICHIGAN STRATEGIC FUND		
7	Automotive technological accelerator grants.....	\$	2,200,000
8	Biosciences research and commercialization center...		<u>10,000,000</u>
9	GROSS APPROPRIATION.....	\$	12,200,000
10	Appropriated from:		
11	Special revenue funds:		
12	State general fund/general purpose.....	\$	12,200,000
13	Sec. 109. DEPARTMENT OF NATURAL RESOURCES		
14	(1) APPROPRIATION SUMMARY		
15	GROSS APPROPRIATION.....	\$	8,269,500
16	Interdepartmental grant revenues:		
17	Total interdepartmental grants and intradepartmental		
18	transfers.....	\$	0
19	ADJUSTED GROSS APPROPRIATION.....	\$	8,269,500
20	Federal revenues:		
21	Total federal revenues.....		2,769,500
22	Special revenue funds:		
23	Total local revenues.....		0
24	Total private revenues.....		0
25	Total other state restricted revenues.....		4,000,000
26	State general fund/general purpose.....	\$	1,500,000

1	(2) ADMINISTRATIVE SERVICES		
2	Retail sales system replacement.....	\$	<u>4,000,000</u>
3	GROSS APPROPRIATION.....	\$	4,000,000
4	Appropriated from:		
5	Special revenue funds:		
6	Game and fish protection fund.....		4,000,000
7	State general fund/general purpose.....	\$	0
8	(3) GRANTS		
9	Federal - land and water conservation fund payments. \$		<u>2,769,500</u>
10	GROSS APPROPRIATION.....	\$	2,769,500
11	Appropriated from:		
12	Federal revenues:		
13	DOI, federal.....		2,769,500
14	Special revenue funds:		
15	State general fund/general purpose.....	\$	0
16	(4) PAYMENTS IN LIEU OF TAXES		
17	Purchased lands taxes.....	\$	<u>1,500,000</u>
18	GROSS APPROPRIATION.....	\$	1,500,000
19	Appropriated from:		
20	Special revenue funds:		
21	State general fund/general purpose.....	\$	1,500,000
22	Sec. 109a. DEPARTMENT OF STATE		
23	(1) APPROPRIATION SUMMARY		
24	GROSS APPROPRIATION.....	\$	47,565,000
25	Interdepartmental grant revenues:		
26	Total interdepartmental grants and intradepartmental		
27	transfers.....	\$	0

1	ADJUSTED GROSS APPROPRIATION.....	\$	47,565,000
2	Federal revenues:		
3	Total federal revenues.....		45,300,000
4	Special revenue funds:		
5	Total local revenues.....		0
6	Total private revenues.....		0
7	Total other state restricted revenues.....		0
8	State general fund/general purpose.....	\$	2,265,000
9	(2) ELECTION REGULATION		
10	Help America vote act.....	\$	<u>47,565,000</u>
11	GROSS APPROPRIATION.....	\$	47,565,000
12	Appropriated from:		
13	Federal revenues:		
14	Total federal revenues.....		45,300,000
15	Special revenue funds:		
16	State general fund/general purpose.....	\$	2,265,000
17	Sec. 110. DEPARTMENT OF STATE POLICE		
18	(1) APPROPRIATION SUMMARY		
19	GROSS APPROPRIATION.....	\$	12,270,000
20	Interdepartmental grant revenues:		
21	Total interdepartmental grants and intradepartmental		
22	transfers.....	\$	0
23	ADJUSTED GROSS APPROPRIATION.....	\$	12,270,000
24	Federal revenues:		
25	Total federal revenues.....		12,270,000
26	Special revenue funds:		

1	Total local revenues.....		0
2	Total private revenues.....		0
3	Total state restricted revenues.....		0
4	State general fund/general purpose.....	\$	0
5	(2) EMERGENCY MANAGEMENT		
6	Hazardous materials program.....	\$	<u>12,270,000</u>
7	GROSS APPROPRIATION.....	\$	12,270,000
8	Appropriated from:		
9	Federal revenues:		
10	DOJ.....		12,270,000
11	Special revenue funds:		
12	State general fund/general purpose.....	\$	0
13	Sec. 111. STATE TRANSPORTATION DEPARTMENT		
14	(1) APPROPRIATION SUMMARY		
15	GROSS APPROPRIATION.....	\$	(5,000,000)
16	Interdepartmental grant revenues:		
17	Total interdepartmental grants and intradepartmental		
18	transfers.....	\$	0
19	ADJUSTED GROSS APPROPRIATION.....	\$	(5,000,000)
20	Federal revenues:		
21	Total federal revenues.....		0
22	Special revenue funds:		
23	Total local revenues.....		0
24	Total private revenues.....		0
25	Total other state restricted revenues.....		(5,000,000)
26	State general fund/general purpose.....	\$	0

1	(2) DEBT SERVICE		
2	Airport safety and protection plan.....	\$	<u>(5,000,000)</u>
3	GROSS APPROPRIATION.....	\$	(5,000,000)
4	Appropriated from:		
5	Special revenue funds:		
6	State aeronautics fund.....		(5,000,000)
7	State general fund/general purpose.....	\$	0
8	Sec. 112. DEPARTMENT OF TREASURY		
9	(1) APPROPRIATION SUMMARY		
10	GROSS APPROPRIATION.....	\$	351,200
11	Interdepartmental grant revenues:		
12	Total interdepartmental grants and intradepartmental		
13	transfers.....	\$	0
14	ADJUSTED GROSS APPROPRIATION.....	\$	351,200
15	Federal revenues:		
16	Total federal revenues.....		351,200
17	Special revenue funds:		
18	Total local revenues.....		0
19	Total private revenues.....		0
20	Total other state restricted revenues.....		0
21	State general fund/general purpose.....	\$	0
22	(2) HOME HEATING ASSISTANCE		
23	HHS-SSA, low-income energy assistance.....	\$	<u>351,200</u>
24	GROSS APPROPRIATION.....	\$	351,200
25	Appropriated from:		
26	Federal revenues:		

Senate Bill No. 540 as amended July 17, 2003

1	Total federal revenues.....	351,200
2	Special revenue funds:	
3	State general fund/general purpose..... \$	0

4 PART 1A

5 LINE-ITEM APPROPRIATIONS FOR FISCAL YEAR 2003-2004

6 Sec. 151. There is appropriated for capital outlay and certain
 7 state departments and agencies appropriations for the fiscal year
 8 ending September 30, 2004, from the following funds:

9 APPROPRIATION SUMMARY:

10	GROSS APPROPRIATION.....	\$	[50,520,000]
11	Total interdepartmental grants and intradepartmental		
12	transfers.....		0
13	ADJUSTED GROSS APPROPRIATION.....	\$	[50,520,000]
14	Total federal revenues.....		0
15	Total local revenues.....		0
16	Total private revenues.....		0
17	Total other state restricted revenues.....		322,500
18	State general fund/general purpose.....	\$	[50,197,500]

19 Sec. 152. CAPITAL OUTLAY

20 (1) APPROPRIATION SUMMARY

21	GROSS APPROPRIATION.....	\$	50,000,000
22	Total interdepartmental grants and intradepartmental		
23	transfers.....		0
24	ADJUSTED GROSS APPROPRIATION.....	\$	50,000,000

Senate Bill No. 540 as amended July 17, 2003

1	Total federal revenues.....	0
2	Total local revenues.....	0
3	Total private revenues.....	0
4	Total other state restricted revenues.....	322,500
5	State general fund/general purpose..... \$	49,677,500
6	(2) STATE BUILDING AUTHORITY RENT	
7	State building authority rent - state agencies..... \$	11,150,000
8	State building authority rent - department of	
9	corrections.....	12,850,000
10	State building authority rent - universities.....	22,600,000
11	State building authority rent - community colleges..	<u>3,400,000</u>
12	GROSS APPROPRIATION..... \$	50,000,000
13	Appropriated from:	
14	Special revenue funds:	
15	Grand tower facility reimbursement.....	160,000
16	State building authority-University of	
17	Michigan-third party reimbursement.....	12,500
18	State lottery funds.....	127,000
19	Roosevelt parking facility reimbursement.....	23,000
20	State general fund/general purpose..... \$	49,677,500

21 **Sec. 153. DEPARTMENT OF ENVIRONMENTAL QUALITY**22 **(1) APPROPRIATION SUMMARY**

23	GROSS APPROPRIATION..... \$	[520,000]
24	Total interdepartmental grants and intradepartmental	
25	transfers.....	0
26	ADJUSTED GROSS APPROPRIATION..... \$	[520,000]
27	Total federal revenues.....	0

Senate Bill No. 540 as amended July 17, 2003

1	Total local revenues.....	0
2	Total private revenues.....	0
3	Total other state restricted revenues.....	0
4	State general fund/general purpose..... \$	[520,000]
5	(2) WATER []	
6	NPDES nonstormwater program..... \$	[420,000]
	[Groundwater discharge.....	100,000]
7	GROSS APPROPRIATION..... \$	[520,000]
8	Appropriated from:	
9	State general fund/general purpose..... \$	[520,000]

10 PART 2

11 PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 2002-2003

12 GENERAL SECTIONS

13 Sec. 201. In accordance with the provisions of section 30 of
 14 article IX of the state constitution of 1963, total state spending
 15 from state resources under part 1 for the fiscal year ending
 16 September 30, 2003 is \$19,685,800.00 and state appropriations paid to
 17 local units of government are \$11,545,000.00. The itemized statement
 18 below identifies appropriations from which spending to local units of
 19 government will occur:

20 CAPITAL OUTLAY

21	Natural resources trust fund projects..... \$	7,545,000
----	---	-----------

22 DEPARTMENT OF ENVIRONMENTAL QUALITY

23	Scrap tire grants..... \$	2,500,000
----	---------------------------	-----------

24 DEPARTMENT OF NATURAL RESOURCES

25	Purchased lands taxes..... \$	1,500,000
----	-------------------------------	-----------

1 Total payments to local units of government..... \$ 11,545,000

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

7 Sec. 203. If the unreserved general fund balance after final
8 bookclosing for the fiscal year ending September 30, 2003 is
9 \$350,000,000.00 or more, \$73,100,000.00 is appropriated from the
10 general fund and deposited into the countercyclical budget and
11 economic stabilization fund no later than December 31, 2003 for the
12 fiscal year ending September 30, 2004.

13 Sec. 204. Temporary state fiscal relief funds received under
14 section 401(b) of title IV of the jobs and growth tax relief
15 reconciliation act of 2003, Public Law 108-27, for the fiscal year
16 ending September 30, 2003 shall be deposited in the general fund as
17 general purpose revenue and shall be expended to support essential
18 state services provided by the Michigan state police.

19 **CAPITAL OUTLAY**

20 Sec. 251. The total project cost for the appropriation in 2002
21 PA 530 for the construction of a 336-bed housing unit and replacement
22 food services building at Camp Brighton is reduced from \$10,750,000.00
23 to \$0. The federal share is decreased from \$7,075,000.00 to \$0, and
24 the state building authority share of \$3,675,000.00 is transferred to
25 construction of the 400-bed housing unit at the western Wayne
26 correctional facility included in part 1.

1 Sec. 252. The department of natural resources shall require
2 local units of government to enter into agreements with the department
3 for the purpose of administering the natural resources trust fund
4 grants identified in part 1 of this act. Among other provisions, the
5 agreements shall require that grant recipients agree to dedicate to
6 public outdoor recreation uses in perpetuity the land acquired or
7 developed; to replace lands converted or lost to other than public
8 outdoor recreation use and for parcels acquired that are over 5 or
9 more acres in size; to provide the state with a nonparticipating 1/6
10 minimum royalty interest in any acquired minerals that are retained by
11 the grant recipient. The agreements shall also provide that the full
12 payments of grants can be made only after proof of acquisition or
13 completion of the development project is submitted by the grant
14 recipient and all costs are verified by the department of natural
15 resources.

16 Sec. 253. Any unobligated balance in any natural resources trust
17 fund appropriation made under part 1 of this act shall not revert to
18 the funds from which appropriated at the close of the fiscal year, but
19 shall continue until the purpose for which it was appropriated is
20 completed for a period not to exceed 3 fiscal years. The unexpended
21 balance of any natural resources trust fund appropriation made in part
22 1 of this act remaining after the purpose for which it was
23 appropriated is completed shall revert to the Michigan natural
24 resources trust fund and be made available for appropriation.

25 Sec. 254. The amount appropriated in part 1 to the department of
26 transportation for the airport improvement program shall be used
27 exclusively for safety and security projects at state airport

1 facilities.

2 **DEPARTMENT OF COMMUNITY HEALTH**

3 Sec. 301. (1) The department shall undertake a national state by
4 state survey of pharmaceutical based disease management and health
5 management programs.

6 (2) The department shall compile this survey into a report, with
7 recommendations, and make this report available to the senate and
8 house subcommittees on community health and the senate and house
9 fiscal agencies no later than January 1, 2004.

10 Sec. 302. (1) The department in conjunction with pharmaceutical
11 manufacturers, or their agents, may establish pilot projects to test
12 the efficacy of disease management and health management programs.

13 (2) The department may negotiate a plan that uses the savings
14 resulting from the services rendered from these programs, in lieu of
15 requiring a supplemental rebate for the inclusion of those
16 participating parties' products on the department's preferred drug
17 list.

18 Sec. 303. General fund/general purpose savings resulting from
19 retroactive practitioner special financing payments above the amount
20 appropriated in 2003 PA 39 are appropriated from the general fund and
21 deposited into the Medicaid benefits trust fund for the fiscal year
22 ending September 30, 2003.

23 **DEPARTMENT OF ENVIRONMENTAL QUALITY**

24 Sec. 351. Unexpended and unencumbered amounts remaining from
25 appropriations from the environmental protection bond fund, part 195
26 of the natural resources and environmental protection act, 1994 PA

1 451, MCL 324.19501 to 324.19513, the cleanup and redevelopment fund,
2 part 201 of the natural resources and environmental protection act,
3 1994 PA 451, MCL 324.20101 to 324.20142, the clean Michigan initiative
4 bond fund, part 196 of the natural resources and environmental
5 protection act, 1994 PA 451, MCL 324.19601 to 324.19616, and the state
6 sites cleanup fund, section 20108c of the natural resources and
7 environmental protection act, 1994 PA 451, MCL 324.20108c, contained
8 in 1989 PA 180, 1990 PA 55, 1990 PA 194, 1991 PA 31, 1991 PA 160, 1993
9 PA 74, 1993 PA 353, 1994 PA 265, 1994 PA 442, 1996 PA 319, 1996 PA
10 353, the natural resources and environmental protection act, 1994 PA
11 451, MCL 324.101 to 324.90106, 1997 PA 113, 1997 PA 114, 1998 PA 292,
12 and 1999 PA 111 shall not lapse pursuant to section 451a of the
13 management and budget act, 1984 PA 431, MCL 18.1451a, but instead are
14 reappropriated for expenditure as originally intended and are
15 considered work projects for meeting the following criteria:

16 (a) The projects are for a specific purpose.

17 (b) The projects contain specific plans to accomplish their
18 objectives.

19 (c) The total estimated completion cost of all projects has been
20 identified.

21 (d) The estimated completion date is September 30, 2007.

22 Sec. 352. The unexpended portion of funds appropriated in part 1
23 of 2000 PA 52 for environmental education curriculum, contaminated
24 lake and river sediments cleanup, voluntary stormwater permit grants,
25 failing on-site septic systems, protecting high-quality waters,
26 illicit storm sewer connection grants, remedial action plan and
27 lakewide management plan implementation grants, brownfield grants and

1 loans, waterfront redevelopment, and abandoned well management grants
2 are appropriated for the same purpose for fiscal year 2003-04. Any
3 unexpended or unencumbered funds shall lapse to the clean Michigan
4 initiative fund and be subject to reappropriation.

5 **FAMILY INDEPENDENCE AGENCY**

6 Sec. 371. (1) From the federal money received for child support
7 incentive payments, up to \$29,517,600.00 may be retained by the state
8 and expended for legal support contracts, child support program
9 expenses, and the statewide child support enforcement system.

10 (2) In addition to the amount retained in subsection (1),
11 additional incentives may be retained and used by the state for
12 special, enhanced, or centralized initiatives or services that are
13 reasonably calculated by the department, in consultation with the
14 state court administrative office and the state budget office, to
15 result in an equivalent or greater increase in child support
16 collections or child support incentive payments received from the
17 federal government. If payment from the federal government for
18 collection performance incentives exceeds the amount received by the
19 state for the fiscal year 1999-2000, the total amount paid to counties
20 shall be no less than the total amount paid from federal performance
21 incentives in fiscal year 2000-2001.

22 (3) At the end of the current fiscal year, the department may,
23 when it is cost-beneficial to the state and counties, withhold from
24 submitting to the federal office of child support administrative
25 expenses eligible for federal financial participation. The department
26 may recoup earned but unclaimed federal funds from the resulting

1 increased federal child support incentive. The recoupment by the
2 department shall be made prior to distribution of the increased
3 incentive to the counties. Any incentive funds retained by the state
4 under this section shall be separate and apart from incentive funds
5 retained in any other section of this act.

6 (4) A county shall not be penalized due to the failure to comply
7 with federal child support enforcement system requirements if the
8 department determines that all of the following conditions are met:

9 (a) The county, the friend of the court, and the department have a
10 written agreement that outlines the county's commitment to participate
11 in the system.

12 (b) The county and the friend of the court are fully and timely
13 cooperating with the work plan outlined in the child support
14 enforcement memorandum of understanding between the department and the
15 county.

16 (c) The county and the friend of the court are implementing the
17 child support enforcement system required for federal certification.

18 (d) The friend of the court and county prosecuting attorney's
19 office use the statewide system upon availability to monitor and
20 process title IV-D cases.

21 (5) In addition to the amount specified in subsection (1), the
22 family independence agency may retain any federal title IV-D incentive
23 payment revenues withheld from counties pursuant to the imposition of
24 financial penalties and may use the federal revenues retained for any
25 child support program purpose.

26 **MICHIGAN STRATEGIC FUND**

1 Sec. 381. (1) The biosciences research and commercialization
2 center shall be located at Western Michigan University in Kalamazoo.
3 The center shall coordinate research initiatives and provide an
4 organizational home for scientists as they work to establish new
5 businesses, obtain extramural funding to support research programs,
6 and develop a center of excellence to promote life sciences research
7 and commercialization in this state. The center shall also undertake
8 collaborative efforts with private sector entities to develop novel
9 pharmaceutical products in specialized therapeutic areas. The center
10 shall provide an organizational structure for research scientists and
11 engineers, an entity to receive and license intellectual property, and
12 a vehicle for entrepreneurial activities required for
13 commercialization. The mission of the center will be to discover new
14 knowledge, to generate and acquire intellectual property, to
15 commercialize intellectual property, and to enrich the intellectual
16 culture of the community. In order to receive funding, the center
17 shall do all of the following:

18 (a) Submit a proposal and detailed business plan to the life
19 sciences steering committee that shows the center's ability to
20 implement the activities established in this subsection. The proposal
21 shall be reviewed by an independent peer review committee and approved
22 by the life sciences steering committee. The proposal shall include
23 all of the following:

24 (i) A business plan for the operations of the center, including
25 5-year budget forecasts.

26 (ii) A plan for management oversight of the center.

27 (iii) Intellectual property commercialization plans.

1 (iv) A marketing plan.

2 (v) A plan for private sector collaboration.

3 (b) Demonstrate the ability to leverage significant additional
4 public and private investment and provide a minimum of 25% matching
5 funds.

6 (c) Ensure that 10% of any royalties or return on investment
7 directly related to research or commercialization activities developed
8 by the center shall be provided to the life sciences commercial
9 development fund until the initial \$10,000,000.00 appropriation is
10 repaid. Once the initial \$10,000,000.00 investment is repaid, 3% of
11 any royalties or return on investment directly related to research or
12 commercialization activities developed by the center shall be provided
13 to the commercial development fund.

14 (d) Demonstrate a commitment to enter into collaborative research
15 projects with universities or private research facilities in this
16 state.

17 (e) Establish a separate governing board of directors that
18 includes the following members:

19 (i) Chief executive officer of the Michigan economic development
20 corporation.

21 (ii) Director of the Van Andel Institute.

22 (iii) Director of the department of consumer and industry
23 services.

24 (iv) One private sector member of the life sciences steering
25 committee.

26 (v) Other members from the public and private sectors.

27 (2) From the funds appropriated to the center, any unexpended or

1 unencumbered balance shall be deposited into a work project account
2 and subject to the management and budget act, 1984 PA 431, MCL 18.1101
3 to 18.1594.

4 (3) The Michigan economic development corporation shall provide a
5 report to the senate majority leader, speaker of the house of
6 representatives, chairs of the appropriations committees and members
7 of the related subcommittees, the senate and house fiscal agencies,
8 and the state budget director by February 1 in each year on the status
9 of the center, the status of the appropriation for the center, and a
10 listing of the activities of the center that have been paid for with
11 any allocation from the appropriation.

12 (4) The center shall provide progress reports not later than
13 February 1 and July 1 to the Michigan economic development corporation
14 for the duration of the award to the center.

15 (5) The Michigan economic development corporation and life
16 sciences steering committee shall have access at all reasonable times
17 to the records of the center in order to monitor the project and
18 prepare progress reports.

19 (6) If the center fails to provide the Michigan economic
20 development corporation with the information or access required under
21 this section, the center is liable to this state for a penalty of not
22 less than \$500.00 per day to commence within 10 days after the
23 February 1 or July 1 reporting date and not less than \$1,000.00 per
24 day to commence 20 days after that deadline. A penalty under this
25 subsection may be withheld from future appropriations.

26 (7) If the center fails to return royalties or return on
27 investment to the life sciences commercial development fund within 5

1 years, a plan shall be developed between the center and the Michigan
2 economic development corporation to provide repayment of the
3 \$10,000,000.00 initial appropriation.

4 Sec. 382. The appropriation for the automotive technology
5 accelerator grants is a work project appropriation and any
6 unencumbered or unallotted funds are to be carried forward into the
7 following fiscal year. The following is in compliance with section
8 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

9 (a) The purpose of the grants is to provide for the research,
10 development, and commercialization of innovative automotive
11 technologies and products.

12 (b) The Michigan economic development corporation shall determine
13 the grant recipients and grant amounts.

14 (c) Prior to grantee notification, the Michigan economic
15 development corporation shall report the recipient names and grant
16 amounts to the chairs of the house and senate appropriations
17 committees.

18 (d) The total estimated completion cost of the project is
19 \$2,200,000.00.

20 (e) The estimated completion date is September 30, 2007.

21 DEPARTMENT OF NATURAL RESOURCES

22 Sec. 401. After the fiscal year ending September 30, 2002, the
23 department may transfer available residual proceeds and accumulated
24 unspent interest to the department of treasury for debt service
25 payments related to any of the bonds issued under part 713 of the
26 natural resources and environmental protection act, 1994 PA 451, MCL

1 324.71301 to 324.71307, which may remain outstanding. In the event
2 that the debt service requirements on those bonds authorized by part
3 713 of the natural resources and environmental protection act, 1994 PA
4 451, MCL 324.71301 to 324.71307, is less than the residual amount
5 available in the fund, the excess may be used to meet the debt service
6 requirements of other bonds outstanding that were issued pursuant to
7 former 1988 PA 327. Funds shall not be used in any way which would
8 cause the interest on those bonds to be included in gross income for
9 federal income tax purposes.

10 Sec. 402. The appropriation contained in part 1 for federal land
11 and water conservation fund payments shall be considered a work
12 project pursuant to section 451a of the management and budget act,
13 1984 PA 431, MCL 18.1451a. The project will be accomplished by the
14 use of department of natural resources personnel and by contracting
15 with private consultants with an estimated completion date of
16 September 30, 2006.

17 **DEPARTMENT OF STATE**

18 Sec. 501. The unexpended funds appropriated in part 1 for the
19 help America vote act of 2002, Public Law 107-252, 116 Stat. 1666, are
20 considered work project appropriations and any unencumbered or
21 unallotted funds are carried over into the succeeding fiscal year.
22 The following is in compliance with section 451a(1) of the management
23 and budget act, 1984 PA 431, MCL 18.1451a:

24 (a) The purpose of the project is to implement provisions of the
25 help America vote act, section 37 of 2002 PA 91, MCL 168.37, and other
26 election reforms.

27 (b) These projects will be accomplished by state employees, by

Senate Bill No. 540 as amended July 17, 2003

1 contracts with private vendors, or by grants to local units of
2 government.

3 (c) The total estimated cost of this project is \$47,565,000.00.

4 (d) The tentative completion date for this project is September
5 30, 2007.

6 TREASURY

7 Sec. 601. There is appropriated to the department of treasury an
8 amount not to exceed \$1,000,000.00 from the homestead property tax
9 audit fund created under Enrolled Senate Bill No. 520 of the 92nd
10 Legislature for the purpose of auditing homestead exemption
11 affidavits.

12 REPEALERS

13 Sec. 1001. Section 401 of 2002 PA 529 is repealed.

14 PART 2A

15 PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 2003-2004

16 GENERAL SECTIONS

17 Sec. 1201. In accordance with the provisions of section 30 of
18 article IX of the state constitution of 1963, total state spending
19 from state resources under part 1A for the fiscal year ending
20 September 30, 2004 is [\$50,520,000.00] and state appropriations paid to
21 local units of government are \$0.

22 Sec. 1202. The appropriations made and expenditures authorized
23 under this part and the departments, commissions, boards, offices, and

1 programs for which appropriations are made under this part are subject
2 to the management and budget act, 1984 PA 431, MCL 18.1101 to
3 18.1594.

4 DEPARTMENT OF ATTORNEY GENERAL

5 Sec. 1251. From the prisoner reimbursement funds appropriated in
6 part 1 of Enrolled Senate Bill No. 270 of the 92nd Legislature, the
7 department may spend up to \$301,700.00 on activities related to the
8 state correctional facilities reimbursement act, 1935 PA 253, MCL
9 800.401 to 800.406. If the department of attorney general collects in
10 excess of \$1,131,000.00 in prisoner reimbursements, the excess may be
11 spent on defense of litigation against the state, its departments, or
12 employees in civil actions filed by prisoners.

13 CAPITAL OUTLAY

14 Sec. 1301. (1) Subject to section 242 of the management and
15 budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the
16 state building authority, the department may expend from the general
17 fund of the state during the fiscal year ending September 30, 2004 an
18 amount to meet the cash-flow requirements of those state building
19 authority projects solely for lease to a state agency identified in
20 both part 1A and this section, and for which state building authority
21 bonds or notes have not been issued, and for the sole acquisition by
22 the state building authority of equipment and furnishings for lease to
23 a state agency as permitted by 1964 PA 183, MCL 830.411 to 830.425,
24 for which the issuance of bonds or notes is authorized by a
25 legislative concurrent resolution that is effective for a fiscal year
26 ending September 30, 2004. Any general fund advances for which state

1 building authority bonds have not been issued shall bear an interest
2 cost to the state building authority at a rate not to exceed that
3 earned by the state treasurer's common cash fund during the period in
4 which the advances are outstanding and are repaid to the general fund
5 of the state.

6 (2) Upon sale of bonds or notes for the projects identified in
7 part 1A or for equipment as authorized by legislative concurrent
8 resolution and in this section, the state building authority shall
9 credit the general fund of the state an amount equal to that expended
10 from the general fund plus interest, if any, as defined in this
11 section.

12 (3) For state building authority projects for which bonds or notes
13 have been issued and upon the request of the state building authority,
14 the state treasurer shall make advances without interest from the
15 general fund as necessary to meet cash-flow requirements for the
16 projects, which advances shall be reimbursed by the state building
17 authority when the investments earmarked for the financing of the
18 projects mature.

19 (4) In the event that a project identified in part 1A is
20 terminated after final design is complete, advances made on behalf of
21 the state building authority for the costs of final design shall be
22 repaid to the general fund in a manner recommended by the director and
23 approved by the JCOS.

24 Sec. 1302. (1) State building authority funding to finance
25 construction or renovation of a facility that collects revenue in
26 excess of money required for the operation of that facility shall not
27 be released to a university or community college unless the

1 institution agrees to reimburse that excess revenue to the state
2 building authority. The excess revenue shall be credited to the
3 general fund to offset rent obligations associated with the retirement
4 of bonds issued for that facility. The auditor general shall annually
5 identify and present an audit of those facilities that are subject to
6 this section. Costs associated with the administration of the audit
7 shall be charged against money recovered pursuant to this section.

8 (2) As used in this section, "revenue" includes state
9 appropriations, facility opening money, other state aid, indirect cost
10 reimbursement, and other revenue generated by the activities of the
11 facility.

12 Sec. 1303. (1) The state building authority rent appropriations
13 in part 1A may also be expended for the payment of required premiums
14 for insurance on facilities owned by the state building authority or
15 payment of costs that may be incurred as the result of any deductible
16 provisions in such insurance policies.

17 (2) If the amount appropriated in part 1A for state building
18 authority rent is not sufficient to pay the rent obligations and
19 insurance premiums and deductibles identified in subsection (1) for
20 state building authority projects, there is appropriated from the
21 general fund of the state the amount necessary to pay those
22 obligations.

23 Sec. 1304. It is the intention of the legislature that the
24 University of Michigan take the necessary actions to ensure that
25 eligible interest reimbursements from Medicare and Medicaid programs
26 are made available to the state to satisfy part of the amount
27 appropriated for the University of Michigan adult general hospital

1 facility rent appropriation of \$27,917,000.00 contained within the
2 state building authority rent appropriation in part 1A. To the extent
3 of a difference between the estimated and actual amount received,
4 there is appropriated from the general fund of the state the amounts
5 necessary to satisfy the hospital rental requirements of the state
6 building authority's 1986 revenue refunding bonds, series I. To the
7 extent payments made to the state by the University of Michigan are
8 required to be reimbursed pursuant to the agreement with the
9 University of Michigan, there is appropriated from the general fund
10 the amount necessary for that reimbursement.

11 **DEPARTMENT OF ENVIRONMENTAL QUALITY**

12 Sec. 1401. (1) The appropriation in section 109 of Enrolled
13 House Bill No. 4393 of the 92nd Legislature for aquifer protection and
14 dispute resolution shall be used to cover program costs related to the
15 resolution of conflicts between owners of high capacity wells and
16 small quantity wells as provided in Enrolled House Bill No. 4087 of
17 the 92nd Legislature. These funds shall be used by the department of
18 environmental quality and the department of agriculture to assist
19 affected parties in mediation proceedings. Funds described in this
20 subsection shall not be used for any other purpose.

21 (2) The appropriation in section 109 of Enrolled House Bill
22 No. 4393 of the 92nd Legislature for the aquifer protection revolving
23 fund capitalizes the revolving fund created in Enrolled House Bill
24 No. 4087 of the 92nd Legislature. These funds may be used for the
25 following purposes:

26 (a) To collect source and supply data for groundwater resources in

1 conflict areas between high capacity wells and small quantity wells,
2 including hydrogeological studies.

3 (b) To secure expert assistance considered necessary to resolve
4 groundwater use conflicts between owners of high capacity wells and
5 small quantity wells.

6 (c) To distribute and provide emergency potable water supplies to
7 persons considered to have a small quantity well that is impacted by a
8 high capacity well.

9 (d) Other reasonable activities considered necessary by the
10 department of environmental quality and the department of agriculture
11 to achieve appropriate resolution and groundwater conflict
12 accommodations between owners of high capacity wells and small
13 quantity wells.

14 (3) The department of environmental quality shall seek
15 reimbursement for any expenses paid for from this appropriation,
16 provided water conflicts are documented.

17 Sec. 1402. Of the funds appropriated in part 1 of Enrolled House
18 Bill No. 4393 of the 92nd Legislature for drinking water, \$65,100.00
19 from water use reporting fees is provided for preparation of the
20 statewide groundwater inventory and map established in Senate Bill
21 No. 289 of the 92nd Legislature.

22 Sec. 1403. The appropriation in part 1 of Enrolled House Bill
23 No. 4393 of the 92nd Legislature for drinking water includes
24 \$1,000,000.00 from the clean Michigan initiative - clean water fund
25 for preparation of the statewide groundwater inventory and map
26 established in Senate Bill No. 289 of the 92nd Legislature.

1 **REPEALERS**

2 Sec. 1501. Section 308 of Enrolled Senate Bill No. 270 of the
3 92nd Legislature is repealed.