

**SUBSTITUTE FOR
SENATE BILL NO. 540**

(As amended July 3, 2003)

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:

PART 1

LINE-ITEM APPROPRIATIONS FOR FISCAL YEAR 2002-2003

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

APPROPRIATION SUMMARY:

GROSS APPROPRIATION..... \$ <<497,613,200>>

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

Senate Bill No. 540 as amended July 3, 2003

1	transfers.....	41,588,700
2	ADJUSTED GROSS APPROPRIATION.....	\$ <<456,024,500>>
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.....	\$ <<(15,514,900)>>

10 **Sec. 102. CAPITAL OUTLAY**11 **(1) APPROPRIATION SUMMARY**

12	GROSS APPROPRIATION.....	\$ <<16,712,400>>
13	Interdepartmental grant revenues:	
14	Total interdepartmental grants and intradepartmental	
15	transfers.....	\$ 0
16	ADJUSTED GROSS APPROPRIATION.....	\$ <<16,712,400>>
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.....	\$ <<0>>

24 <<

25

26

Senate Bill No. 540 as amended July 3, 2003

>>

<<(2)>> DEPARTMENT OF NATURAL RESOURCES

MICHIGAN NATURAL RESOURCES TRUST FUND

Natural resources trust fund projects..... \$ 8,980,400

Trust fund acquisition projects by priority:

Macomb orchard trail, Macomb County (grand-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)

1 (#02-002)
2 Boardman Lake trail - east, Grand Traverse County
3 (grant-in-aid to city of Traverse City) (#02-151)
4 Osceola Township sandy bottom park, Houghton County
5 (grant-in-aid to Osceola Township) (#02-172)
6 Point Au Gres park improvements, Arenac County
7 (grant-in-aid to Arenac County) (#02-077)
8 Johnson center improvements, Wexford County (#02-194)
9 Rifle River recreation area, Ogemaw County (#02-197)
10 Brady street/riverfront boardwalk development, Allegan
11 County (grant-in-aid to city of Allegan) (#02-137)
12 Paint Creek trail enhancement project, Oakland County
13 (grant-in-aid to Paint Creek trailways commission)
14 (#02-125)
15 Bike path - Riverland drive to Van Dyke avenue, Macomb
16 County (grant-in-aid to city of Sterling Heights)
17 (#02-030)
18 Pioneer county park, Muskegon County (grant-in-aid to
19 Muskegon County) (#02-062)
20 Moores park improvements, Ingham County (grant-in-aid
21 to city of Lansing) (#02-127)
22 Clinton River trail development, Oakland County
23 (grant-in-aid to city of Rochester) (#02-043)
24 Scidmore park riverwalk and renovations, St. Joseph
25 County (grant-in-aid to city of Three Rivers)
26 (#02-174)
27 Wahlfield park development, Kent County (grant-in-aid

Senate Bill No. 540 as amended July 3, 2003

1	to Kent County) (#02-126)		
2	Davison regional park trailways, Genesee County		
3	(grant-in-aid to city of Davison) (#02-139)		
4	Van Buren Township natural area, Wayne County		
5	(grant-in-aid to Van Buren Township) (#02-081)		
6	Bysterveld county park development, Allegan County		
7	(grant-in-aid to Allegan County) (#02-117)		
8	Chippewa landing park and trail improvements, Tuscola		
9	County (grant-in-aid to village of Caro) (#02-165)		
10	Bicentennial park improvements, Genesee County		
11	(grant-in-aid to Mount Morris Township) (#02-064)		
12	Recreation park improvements, Osceola County		
13	(grant-in-aid to Reed City) (#02-063)		
14	Wolverine lumbermen's memorial park development,		
15	Cheboygan County (grant-in-aid to village of		
16	Wolverine) (#02-052)		
17	GROSS APPROPRIATION.....	\$	8,980,400
18	Appropriated from:		
19	Special revenue funds:		
20	Michigan natural resources trust fund.....		8,980,400
21	State general fund/general purpose.....	\$	0
22	<<(3)>> DEPARTMENT OF TRANSPORTATION		
23	AERONAUTICS FUND: AIRPORT PROGRAMS		
24	Airport improvement programs.....	\$	7,732,000
25	East Tawas - Iosco County airport		
26	Holland - tulip city airport		
27	Lake Isabella - Lake Isabella airport		

1	Linden - Price airport		
2	Lowell - Lowell City airport		
3	Mio - Oscoda County airport		
4	Pontiac - Oakland County international airport		
5	Romeo - Romeo state airport		
6	Saint James - Beaver Island airport		
7	Statewide - various sites - automated weather		
8	observation systems		
9	GROSS APPROPRIATION.....	\$	7,732,000
10	Appropriated from:		
11	Federal revenues:		
12	DOT, federal aviation administration.....		2,200,000
13	Special revenue funds:		
14	Local aeronautics match.....		532,000
15	State aeronautics fund.....		5,000,000
16	State general fund/general purpose.....	\$	0
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

Senate Bill No. 540 as amended July 3, 2003

Sec. 105. DEPARTMENT OF ENVIRONMENTAL QUALITY**(1) APPROPRIATION SUMMARY**

GROSS APPROPRIATION..... \$ <<2,500,100>>

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers..... \$ 0

ADJUSTED GROSS APPROPRIATION..... \$ <<2,500,100>>

Federal revenues:

Total federal revenues..... 0

Special revenue funds:

Total local revenues..... 0

Total private revenues..... 0

Total other state restricted revenues..... 2,500,000

State general fund/general purpose..... \$ <<100>>

(2) GRANTS

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

<<Lead abatement effectiveness program..... 100>>

GROSS APPROPRIATION..... \$ <<2,500,100>>

Appropriated from:

Special revenue funds:

Scrap tire regulatory fund..... 2,500,000

State general fund/general purpose..... \$ <<100>>

Sec. 106. FAMILY INDEPENDENCE AGENCY**(1) APPROPRIATION SUMMARY**

GROSS APPROPRIATION..... \$ 52,421,000

Interdepartmental grant revenues:

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

1 **Sec. 107. HIGHER EDUCATION**

2 **(1) APPROPRIATION SUMMARY**

3	GROSS APPROPRIATION.....	\$	3,400,000
4	Interdepartmental grant revenues:		
5	Total interdepartmental grants and intradepartmental		
6	transfers.....	\$	0
7	ADJUSTED GROSS APPROPRIATION.....	\$	3,400,000
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.....		3,400,000
14	State general fund/general purpose.....	\$	0
15	(2) GRANTS AND FINANCIAL AID		
16	Tuition incentive program.....	\$	<u>3,400,000</u>
17	GROSS APPROPRIATION.....	\$	3,400,000
18	Appropriated from:		
19	Special revenue funds:		
20	Michigan merit award trust fund.....		3,400,000
21	State general fund/general purpose.....	\$	0

22 **Sec. 108. DEPARTMENT OF INFORMATION TECHNOLOGY**

23 **(1) APPROPRIATION SUMMARY**

24	GROSS APPROPRIATION.....	\$	41,588,700
25	Interdepartmental grant revenues:		

Senate Bill No. 540 as amended July 3, 2003

(1 of 2)

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

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION..... \$ <<8,269,500>>

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental
transfers..... \$ 0

ADJUSTED GROSS APPROPRIATION..... \$ <<8,269,500>>

Federal revenues:

Total federal revenues..... 2,769,500

Senate Bill No. 540 as amended July 3, 2003

(1 of 2)

1	Special revenue funds:		
2	Total local revenues.....		0
3	Total private revenues.....		0
4	Total other state restricted revenues.....	4,000,000	
5	State general fund/general purpose..... \$	<<1,500,000>>	
6	(2) ADMINISTRATIVE SERVICES		
7	Retail sales system replacement..... \$	<u>4,000,000</u>	
8	GROSS APPROPRIATION..... \$	4,000,000	
9	Appropriated from:		
10	Special revenue funds:		
11	Game and fish protection fund.....	4,000,000	
12	State general fund/general purpose..... \$	0	
13	(3) GRANTS		
14	Federal - land and water conservation fund payments. \$	<u>2,769,500</u>	
15	GROSS APPROPRIATION..... \$	2,769,500	
16	Appropriated from:		
17	Federal revenues:		
18	DOI, federal.....	2,769,500	
19	Special revenue funds:		
20	State general fund/general purpose..... \$	0	
	<< (4) PAYMENTS IN LIEU OF TAXES		
	Purchased lands taxes..... \$	<u>1,500,000</u>	
	GROSS APPROPRIATION..... \$	1,500,000	
	Appropriated from:		
	Special revenue funds:		
	State general fund/general purpose..... \$	1,500,000>>	
	Sec. 109a. DEPARTMENT OF STATE		
	(1) APPROPRIATION SUMMARY		
	GROSS APPROPRIATION..... \$	47,565,000	
	Interdepartmental grant revenues:		
	Total interdepartmental grants and intradepartmental transfers..... \$	0	
	ADJUSTED GROSS APPROPRIATION..... \$	47,565,000	
	Federal revenues:		
	Total federal revenues.....	45,300,000	
	Special revenue funds:		
	Total local revenues.....	0	

Senate Bill No. 540 as amended July 3, 2003	14	(2 of 2)
Total private revenues.....		0
Total other state restricted revenues.....		0
State general fund/general purpose..... \$		2,265,000
(2) ELECTION REGULATION		
Help America vote act..... \$		47,565,000
GROSS APPROPRIATION..... \$		47,565,000
Appropriated from:		
Federal revenues:		
Total federal revenues.....		45,300,000
Special revenue funds:		
State general fund/general purpose..... \$		2,265,000>>

21 **Sec. 110. DEPARTMENT OF STATE POLICE**

22 **(1) APPROPRIATION SUMMARY**

23	GROSS APPROPRIATION..... \$	12,270,000
24	Interdepartmental grant revenues:	
25	Total interdepartmental grants and intradepartmental	
26	transfers..... \$	0
27	ADJUSTED GROSS APPROPRIATION..... \$	12,270,000

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

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

1	GROSS APPROPRIATION.....	\$	351,200
2	Appropriated from:		
3	Federal revenues:		
4	Total federal revenues.....		351,200
5	Special revenue funds:		
6	State general fund/general purpose.....	\$	0

PART 1A

LINE-ITEM APPROPRIATIONS FOR FISCAL YEAR 2003-2004

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

12 APPROPRIATION SUMMARY:

13	GROSS APPROPRIATION.....	\$	308,152,100
14	Interdepartmental grant revenues:		
15	Total interdepartmental grants and intradepartmental		
16	transfers.....		0
17	ADJUSTED GROSS APPROPRIATION.....	\$	308,152,100
18	Federal revenues:		
19	Total federal revenues.....		0
20	Special revenue funds:		
21	Total local revenues.....		0
22	Total private revenues.....		0
23	Total other state restricted revenues.....		3,850,000
24	State general fund/general purpose.....	\$	304,302,100
25	Sec. 152. CAPITAL OUTLAY		

1 **(1) APPROPRIATION SUMMARY**

2	GROSS APPROPRIATION.....	\$	308,152,100
3	Interdepartmental grant revenues:		
4	Total interdepartmental grants and intradepartmental		
5	transfers.....	\$	0
6	ADJUSTED GROSS APPROPRIATION.....	\$	308,152,100
7	Total federal revenues.....		0
8	Total local revenues.....		0
9	Total private revenues.....		0
10	Total state restricted revenues.....		3,850,000
11	State general fund/general purpose.....	\$	304,302,100
12	(2) STATE BUILDING AUTHORITY RENT		
13	State building authority rent - state agencies.....	\$	68,706,000
14	State building authority rent - department of		
15	corrections.....		79,219,300
16	State building authority rent - universities.....		139,325,600
17	State building authority rent - community colleges..		<u>20,901,200</u>
18	GROSS APPROPRIATION.....	\$	308,152,100
19	Appropriated from:		
20	Special revenue funds:		
21	Grand tower facility reimbursement.....		1,905,000
22	Roosevelt parking reimbursement.....		275,000
23	State building authority, University of Michigan,		
24	third party reimbursement.....		150,000
25	State lottery funds.....		1,520,000
26	State general fund/general purpose.....	\$	304,302,100
27	PART 2		

Senate Bill No. 540 as amended July 3, 2003

PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 2002-2003

GENERAL SECTIONS

Sec. 201. In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for the fiscal year ending September 30, 2003 is <<\$17,485,700.00>> and state appropriations paid to local units of government are <<\$11,545,000.00>>. The itemized statement below identifies appropriations from which spending to local units of government will occur:

CAPITAL OUTLAY

Natural resources trust fund projects.....	\$	7,545,000
DEPARTMENT OF ENVIRONMENTAL QUALITY		
Scrap tire grants.....	\$	2,500,000
<<DEPARTMENT OF NATURAL RESOURCES		
Purchased lands taxes.....	\$	<u>1,500,000>></u>
Total payments to local units of government.....	\$	<<11,545,000>>

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

CAPITAL OUTLAY

<<

Senate Bill No. 540 as amended July 3, 2003

>>

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

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

26 Sec. 254. The amount appropriated in part 1 to the department of
27 transportation for the airport improvement program shall be used

Senate Bill No. 540 as amended July 3, 2003 (1 of 2)

1 exclusively for safety and security projects at state airport
2 facilities.

<<Sec. 255. State payments to Eastern Michigan University authorized under PA 144 of 2002 shall be suspended on the effective date of this act, pending approval of a use and finance statement by the joint capital outlay subcommittee for the president's house construction project at Eastern Michigan University. Payments shall resume in their entirety once the use and finance statement, as required by section 501 of PA 518 of 2002, is approved by the joint capital outlay subcommittee.

DEPARTMENT OF COMMUNITY HEALTH

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

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

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

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

3 DEPARTMENT OF ENVIRONMENTAL QUALITY

4 Sec. 351. Unexpended and unencumbered amounts remaining from
5 appropriations from the environmental protection bond fund, part 195
6 of the natural resources and environmental protection act, 1994 PA
7 451, MCL 324.19501 to 324.19513, the cleanup and redevelopment fund,
8 part 201 of the natural resources and environmental protection act,
9 1994 PA 451, MCL 324.20101 to 324.20142, the clean Michigan initiative
10 bond fund, part 196 of the natural resources and environmental
11 protection act, 1994 PA 451, MCL 324.19601 to 324.19616, and the state
12 sites cleanup fund, section 20108c of the natural resources and
13 environmental protection act, 1994 PA 451, MCL 324.20108c, contained
14 in 1989 PA 180, 1990 PA 55, 1990 PA 194, 1991 PA 31, 1991 PA 160, 1993
15 PA 74, 1993 PA 353, 1994 PA 265, 1994 PA 442, 1996 PA 319, 1996 PA

16 353, the natural resources and environmental protection act, 1994 PA
17 451, MCL 324.101 to 324.90106, 1997 PA 113, 1997 PA 114, 1998 PA 292,
18 and 1999 PA 111 shall not lapse pursuant to section 451a of the
19 management and budget act, 1984 PA 431, MCL 18.1451a, but instead are
20 reappropriated for expenditure as originally intended and are
21 considered work projects for meeting the following criteria:

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

23 (b) The projects contain specific plans to accomplish their
24 objectives.

25 (c) The total estimated completion cost of all projects has been
26 identified.

(d) The estimated completion date is September 30, 2008.

Sec. 352. The unexpended portion of funds appropriated in part 1 of 2000 PA 52 for environmental education curriculum, contaminated lake and river sediments cleanup, voluntary stormwater permit grants, failing on-site septic systems, protecting high-quality waters, illicit storm sewer connection grants, remedial action plan and lakewide management plan implementation grants, brownfield grants and loans, waterfront redevelopment, and abandoned well management grants are appropriated for the same purpose for fiscal year 2003-04. Any unexpended or unencumbered funds shall lapse to the clean Michigan initiative fund and be subject to reappropriation.

<<Sec. 353. Of the funds appropriated in section 105 for lead abatement effectiveness programs, the department shall give priority to local programs which meet the following criteria:

(a) Have abated units at a rate greater than 15 in the previous 6-month period.

(b) Have a percentage of greater than 15% of children tested for lead in counties with more than 1,000 children under the age of 6 years of age.

(c) Have more than 4% of children tested with elevated blood lead levels in counties with more than 1,000 children.>>

FAMILY INDEPENDENCE AGENCY

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

(2) In addition to the amount retained in subsection (1), additional incentives may be retained and used by the state for special, enhanced, or centralized initiatives or services that are reasonably calculated by the department, in consultation with the state court administrative office and the state budget office, to result in an equivalent or greater increase in child support collections or child support incentive payments received from the

24 federal government. If payment from the federal government for
25 collection performance incentives exceeds the amount received by the
26 state for the fiscal year 1999-2000, the total amount paid to counties

1 shall be no less than the total amount paid from federal performance
2 incentives in fiscal year 2000-2001.

3 (3) At the end of the current fiscal year, the department may,
4 when it is cost-beneficial to the state and counties, withhold from
5 submitting to the federal office of child support administrative
6 expenses eligible for federal financial participation. The department
7 may recoup earned but unclaimed federal funds from the resulting
8 increased federal child support incentive. The recoupment by the
9 department shall be made prior to distribution of the increased
10 incentive to the counties. Any incentive funds retained by the state
11 under this section shall be separate and apart from incentive funds
12 retained in any other section of this act.

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

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

19 (b) The county and the friend of the court are fully and timely
20 cooperating with the work plan outlined in the child support
21 enforcement memorandum of understanding between the department and the
22 county.

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

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

Senate Bill No. 540 as amended July 3, 2003 (1 of 3)

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

<<MICHIGAN STRATEGIC FUND

Sec. 381. (1) The biosciences research and commercialization center shall be located in Kalamazoo County. The center will coordinate research initiatives and provide an organizational home for scientists as they work to establish new businesses, obtain extramural funding to support research programs, and develop a center of excellence in pharmaceutical development to support commercialization of the life sciences in Michigan. The mission of the center will be to discover new knowledge, to generate and acquire intellectual property, to commercialize intellectual property, to catalyze economic development, and to enrich the intellectual culture of the community. There shall be 3 partners in the organization of the center, as follows:

(a) The life sciences consortium: The consortium shall be a regional coordinating group composed of Western Michigan University, other educational organizations, medical organizations, economic developers, corporate partners, and governmental entities. The purpose of the consortium is to strengthen research and development in the life sciences in west Michigan.

(b) The center: The center shall coordinate and promote life sciences research and commercialization at Western Michigan University and within the business technology park; provide an organizational structure for research scientists and engineers; provide an entity to receive and license intellectual property; and provide a vehicle for entrepreneurial activities required for commercialization.

(c) The research foundation: The foundation is a non-for-profit entity that supports the research activities of Western Michigan University, including the center, other research centers within Western Michigan University, and research activities of students, faculty, and staff. The foundation has the ability to sponsor entrepreneurial activities, and will ultimately mimic the Wisconsin alumni research foundation in its ability to sponsor research.

(2) The life sciences steering committee shall provide advice and oversight of the center, including the development of criteria for awarding allocations from this appropriation and review and approval of any grants or contracts. The criteria for awarding allocations shall include the following:

(a) The local community and the center shall submit a proposal that demonstrates the ability to leverage significant additional public or private investment, and provides a minimum of 25% of each allocation in matching funds.

(b) 5% of any royalties or return on investment directly related to research or commercialization activities developed by the center shall be

(c) The proposal submitted by the local community and the center shall demonstrate a commitment to enter into collaborative research projects with Michigan universities or private research facilities.

(d) From the funds appropriated for this initiative, any unexpended or unencumbered balance shall be deposited into a work project account and be subject to the management and budget act, 1984 PA 431, MCL 18.1451a.

(e) The center shall provide to the Michigan economic development corporation and the life sciences steering committee reasonable access to the records of the center.

(3) The Michigan economic development corporation shall provide a report to the senate majority leader, the speaker of the house, the chairs of the senate and house appropriations committees, the members of the senate and house subcommittees, the senate and house fiscal agencies, and the state budget director by February 1, 2004. The report shall include the following information:

(a) The status of the center.

(b) The status of the appropriation for the center.

(c) A listing of the activities of the center that have been paid for with any allocation from the appropriation.

(d) A listing of the number of employees at the center as of the date of the report and a listing of the number of employees at the center as of the date of the application for each allocation of the appropriation. If the employment at the center, or at any entity controlled by the center, has been reduced, the report shall include a detailed explanation as to why employment has been reduced.

(e) A listing of any individuals, corporations, or other entities that have received any grants from the center. If any grants have been made, the report shall include a description of the activities undertaken by the grant recipient.>>

6 DEPARTMENT OF NATURAL RESOURCES

7 Sec. 401. After the fiscal year ending September 30, 2002, the
8 department may transfer available residual proceeds and accumulated
9 unspent interest to the department of treasury for debt service
10 payments related to any of the bonds issued under part 713 of the
11 natural resources and environmental protection act, 1994 PA 451, MCL
12 324.71301 to 324.71307, which may remain outstanding. In the event
13 that the debt service requirements on those bonds authorized by part
14 713 of the natural resources and environmental protection act, 1994 PA
15 451, MCL 324.71301 to 324.71307, is less than the residual amount
16 available in the fund, the excess may be used to meet the debt service
S03830'03 (S-1) JLB

17 requirements of other bonds outstanding that were issued pursuant to
18 former 1988 PA 327. Funds shall not be used in any way which would
19 cause the interest on those bonds to be included in gross income for
20 federal income tax purposes.

21 Sec. 402. The appropriation contained in part 1 for federal land
22 and water conservation fund payments shall be considered a work
23 project pursuant to section 451a of the management and budget act,
24 1984 PA 431, MCL 18.1451a. The project will be accomplished by the
25 use of department of natural resources personnel and by contracting
26 with private consultants with an estimated completion date of

Senate Bill No. 540 as amended July 3, 2003

(1 of 2)

1 September 30, 2006.

<<DEPARTMENT OF STATE

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

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

(b) These projects will be accomplished by state employees, by contracts with private vendors, or by grants to local units of government.

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

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

2 REPEALERS

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

4 PART 2A

5 PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 2003-2004

6 GENERAL SECTIONS

7 Sec. 1201. In accordance with the provisions of section 30 of
8 article IX of the state constitution of 1963, total state spending
9 from state resources under part 1A for the fiscal year ending
10 September 30, 2004 is \$308,152,100.00 and state appropriations paid to
11 local units of government are \$0.

12 Sec. 1202. The appropriations made and expenditures authorized
13 under this part and the departments, commissions, boards, offices, and
14 programs for which appropriations are made under this part are subject
15 to the management and budget act, 1984 PA 431, MCL 18.1101 to
16 18.1594.

17 CAPITAL OUTLAY

18 Sec. 1301. (1) Subject to section 242 of the management and
19 budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the
20 state building authority, the department may expend from the general
21 fund of the state during the fiscal year ending September 30, 2004 an
22 amount to meet the cash-flow requirements of those state building
23 authority projects solely for lease to a state agency identified in
24 both part 1A and this section, and for which state building authority

1 bonds or notes have not been issued, and for the sole acquisition by
2 the state building authority of equipment and furnishings for lease to
3 a state agency as permitted by 1964 PA 183, MCL 830.411 to 830.425,
4 for which the issuance of bonds or notes is authorized by a
5 legislative concurrent resolution that is effective for a fiscal year
6 ending September 30, 2004. Any general fund advances for which state
7 building authority bonds have not been issued shall bear an interest
8 cost to the state building authority at a rate not to exceed that
9 earned by the state treasurer's common cash fund during the period in
10 which the advances are outstanding and are repaid to the general fund
11 of the state.

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

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

25 (4) In the event that a project identified in part 1A is
26 terminated after final design is complete, advances made on behalf of
27 the state building authority for the costs of final design shall be

1 repaid to the general fund in a manner recommended by the director and
2 approved by the JCOS.

3 Sec. 1302. (1) State building authority funding to finance
4 construction or renovation of a facility that collects revenue in
5 excess of money required for the operation of that facility shall not
6 be released to a university or community college unless the
7 institution agrees to reimburse that excess revenue to the state
8 building authority. The excess revenue shall be credited to the
9 general fund to offset rent obligations associated with the retirement
10 of bonds issued for that facility. The auditor general shall annually
11 identify and present an audit of those facilities that are subject to
12 this section. Costs associated with the administration of the audit
13 shall be charged against money recovered pursuant to this section.

14 (2) As used in this section, "revenue" includes state
15 appropriations, facility opening money, other state aid, indirect cost
16 reimbursement, and other revenue generated by the activities of the
17 facility.

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

23 (2) If the amount appropriated in part 1A for state building
24 authority rent is not sufficient to pay the rent obligations and
25 insurance premiums and deductibles identified in subsection (1) for
26 state building authority projects, there is appropriated from the
27 general fund of the state the amount necessary to pay those

1 obligations.

2 Sec. 1304. It is the intention of the legislature that the
3 University of Michigan take the necessary actions to ensure that
4 eligible interest reimbursements from Medicare and Medicaid programs
5 are made available to the state to satisfy part of the amount
6 appropriated for the University of Michigan adult general hospital
7 facility rent appropriation of \$27,917,000.00 contained within the
8 state building authority rent appropriation in part 1A. To the extent
9 of a difference between the estimated and actual amount received,
10 there is appropriated from the general fund of the state the amounts
11 necessary to satisfy the hospital rental requirements of the state
12 building authority's 1986 revenue refunding bonds, series I. To the
13 extent payments made to the state by the University of Michigan are
14 required to be reimbursed pursuant to the agreement with the
15 University of Michigan, there is appropriated from the general fund
16 the amount necessary for that reimbursement.