Act No. 173
Public Acts of 2003
Approved by the Governor*
August 12, 2003

Filed with the Secretary of State
August 14, 2003

EFFECTIVE DATE: August 14, 2003

*Item Vetoes

Sec. 102. CAPITAL OUTLAY
(4) STATE BUILDING AUTHORITY FINANCED CONSTRUCTION PROJECTS
Department of corrections – western Wayne correctional facility, 400-bed drop-in unit, for design and construction (total authorized cost $4,800,000; state building authority share $4,799,900; state general fund share $100)........ $ 100 (Page 3)

Sec. 251.
Entire Section. (Page 10)

STATE OF MICHIGAN
92ND LEGISLATURE
REGULAR SESSION OF 2003

Introduced by Senator Johnson

ENROLLED SENATE BILL No. 540

AN ACT 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	$	499,813,300
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		41,588,700
ADJUSTED GROSS APPROPRIATION	$	458,224,600
Federal revenues:		
Total federal revenues		439,143,500
Special revenue funds:		
Total local revenues		(604,700)
Total private revenues		0
Total other state restricted revenues		33,000,600
State general fund/general purpose	$	(13,314,800)

		For Fiscal Year Ending Sept. 30, 2003
Sec. 102. CAPITAL OUTLAY		
(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	$	16,712,500
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers	$	0
ADJUSTED GROSS APPROPRIATION	$	16,712,500
Federal revenues:		
Total federal revenues		2,200,000
Special revenue funds:		
Total local revenues		532,000
Total private revenues		0
Total state restricted revenues		13,980,400
State general fund/general purpose	$	100
(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 (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)		
Paint Creek trail enhancement project, Oakland County (grant-in-aid to Paint Creek trailways commission) (#02-125)		
Bike path - Riverland drive to Van Dyke avenue, Macomb County (grant-in-aid to city of Sterling Heights) (#02-030)		
Pioneer county park, Muskegon County (grant-in-aid to Muskegon County) (#02-062)		
Moores park improvements, Ingham County (grant-in-aid to city of Lansing) (#02-127)		
Clinton River trail development, Oakland County (grant-in-aid to city of Rochester) (#02-043)		
Scidmore park riverwalk and renovations, St. Joseph County (grant-in-aid to city of Three Rivers) (#02-174)		
Wahlfield park development, Kent County (grant-in-aid to Kent County) (#02-126)		
Davison regional park trailways, Genesee County (grant-in-aid to city of Davison) (#02-139)		
Van Buren Township natural area, Wayne County (grant-in-aid to Van Buren Township) (#02-081)		
Bysterveld county park development, Allegan County (grant-in-aid to Allegan County) (#02-117)		
Chippewa landing park and trail improvements, Tuscola County (grant-in-aid to village of Caro) (#02-165)		
Bicentennial park improvements, Genesee County (grant-in-aid to Mount Morris Township) (#02-064)		
Recreation park improvements, Osceola County (grant-in-aid to Reed City) (#02-063)		
Wolverine lumbermen's memorial park development, Cheboygan County (grant-in-aid to village of Wolverine) (#02-052)		
GROSS APPROPRIATION	$	8,980,400
Appropriated from:		
Special revenue funds:		
Michigan natural resources trust fund		8,980,400
State general fund/general purpose	$	0
(3) DEPARTMENT OF TRANSPORTATION		
AERONAUTICS FUND: AIRPORT PROGRAMS		
Airport improvement programs	$	7,732,000
East Tawas - Iosco County airport		
Holland - tulip city airport		

	For Fiscal Year Ending Sept. 30, 2003
Lake Isabella - Lake Isabella airport	
Linden - Price airport	
Lowell - Lowell city airport	
Mio - Oscoda County airport	
Pontiac - Oakland County international airport	
Romeo - Romeo state airport	
Saint James - Beaver Island airport	
Statewide - various sites - automated weather observation systems	
GROSS APPROPRIATION	$ 7,732,000
Appropriated from:	
Federal revenues:	
DOT, federal aviation administration	2,200,000
Special revenue funds:	
Local aeronautics match	532,000
State aeronautics fund	5,000,000
State general fund/general purpose	$ 0
(4) STATE BUILDING AUTHORITY FINANCED CONSTRUCTION PROJECTS	
Department of corrections - western Wayne correctional facility, 400-bed drop-in unit, for design and construction (total authorized cost $4,800,000; state building authority share $4,799,900; state general fund share $100)	$ 100
GROSS APPROPRIATION	$ 100
Appropriated from:	
Special revenue funds:	
State general fund/general purpose	$ 100
Sec. 103. DEPARTMENT OF COMMUNITY HEALTH	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	$ 269,835,300
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	$ 0
ADJUSTED GROSS APPROPRIATION	$ 269,835,300
Federal revenues:	
Total federal revenues	300,252,000
Special revenue funds:	
Total local revenues	(1,136,700)
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	$ (29,280,000)
(2) COMMUNITY MENTAL HEALTH/SUBSTANCE ABUSE SERVICES PROGRAMS	
CMHSP, purchase of state services contracts	$ (1,136,700)
Community substance abuse prevention, education and treatment programs	2,862,000
GROSS APPROPRIATION	$ 1,725,300
Appropriated from:	
Federal revenues:	
Total federal revenues	29,138,300
Special revenue funds:	
State general fund/general purpose	$ (27,413,000)
(3) STATE PSYCHIATRIC HOSPITALS, CENTERS FOR PERSONS WITH DEVELOPMENTAL DISABILITIES, AND FORENSIC AND PRISON MENTAL HEALTH SERVICES	
GROSS APPROPRIATION	$ 0
Appropriated from:	
Federal revenues:	
Total federal revenues	$ 1,136,700
Special revenue funds:	
CMHSP, purchase of state services contracts	(1,136,700)
State general fund/general purpose	$ 0

		For Fiscal Year Ending Sept. 30, 2003
(4) COMMUNITY LIVING, CHILDREN, AND FAMILIES		
GROSS APPROPRIATION	$	0
Appropriated from:		
Federal revenues:		
Total federal revenues		503,100
Special revenue funds:		
State general fund/general purpose	$	(503,100)
(5) CHILDREN'S SPECIAL HEALTH CARE SERVICES		
GROSS APPROPRIATION	$	0
Appropriated from:		
Federal revenues:		
Total federal revenues	$	2,362,900
Special revenue funds:		
State general fund/general purpose	$	(2,362,900)
(6) MEDICAL SERVICES		
Hospital services and therapy	$	24,890,000
Physician services		39,300,000
Medicare premium payments		12,750,000
Pharmaceutical services		67,200,000
Home health services		9,450,000
Auxiliary medical services		5,250,000
Ambulance services		2,000,000
Long-term care services		14,870,000
Health plan services		92,400,000
Subtotal basic medical services program		268,110,000
GROSS APPROPRIATION	$	268,110,000
Appropriated from:		
Federal revenues:		
Total federal revenues		267,111,000
Special revenue funds:		
State general fund/general purpose	$	999,000
Sec. 104. DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES		
(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	$	37,700,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers	$	0
ADJUSTED GROSS APPROPRIATION	$	37,700,000
Federal revenues:		
Total federal revenues		37,700,000
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	$	0
(2) MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY		
Payments on behalf of tenants	$	32,000,000
Housing and rental assistance program		5,700,000
GROSS APPROPRIATION	$	37,700,000
Appropriated from:		
Federal revenues:		
HUD, lower income housing assistance program		37,700,000
Special revenue funds:		
State general fund/general purpose	$	0
Sec. 105. DEPARTMENT OF ENVIRONMENTAL QUALITY		
(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	$	2,500,100

		For Fiscal Year Ending Sept. 30, 2003
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:		
Total interdepartmental grants and intradepartmental transfers	$	0
ADJUSTED GROSS APPROPRIATION	$	52,421,000
Federal revenues:		
Total federal revenues		38,300,800
Special revenue funds:		
Total private revenues		0
Total local revenues		0
Total other state restricted revenues		14,120,200
State general fund/general purpose	$	0
(2) PUBLIC ASSISTANCE		
Low-income home energy assistance program	$	10,832,300
GROSS APPROPRIATION	$	10,832,300
Appropriated from:		
Federal revenues:		
Total federal revenues		10,832,300
Special revenue funds:		
State general fund/general purpose	$	0
(3) INFORMATION TECHNOLOGY		
Child support automation	$	41,588,700
GROSS APPROPRIATION	$	41,588,700
Appropriated from:		
Federal revenues:		
Total federal revenues		27,468,500
Special revenue funds:		
Total other state restricted revenue		14,120,200
State general fund/general purpose	$	0

Sec. 107. HIGHER EDUCATION

(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	$	3,400,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers	$	0
ADJUSTED GROSS APPROPRIATION	$	3,400,000
Federal revenues:		
Total federal revenues		0

	For Fiscal Year Ending Sept. 30, 2003
Special revenue funds:	
Total local revenues	$ 0
Total private revenues	0
Total other state restricted revenues	3,400,000
State general fund/general purpose	$ 0
(2) GRANTS AND FINANCIAL AID	
Tuition incentive program	$ 3,400,000
GROSS APPROPRIATION	$ 3,400,000
Appropriated from:	
Special revenue funds:	
Michigan merit award trust fund	3,400,000
State general fund/general purpose	$ 0
Sec. 108. DEPARTMENT OF INFORMATION TECHNOLOGY	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	$ 41,588,700
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	$ 41,588,700
ADJUSTED GROSS APPROPRIATION	$ 0
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	$ 0
(2) ADMINISTRATION	
Health and human services	$ 41,588,700
GROSS APPROPRIATION	$ 41,588,700
Appropriated from:	
Interdepartmental grant revenues:	
IDG from user fees	41,588,700
State general fund/general purpose	$ 0
Sec. 108a. MICHIGAN STRATEGIC FUND	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	$ 12,200,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	$ 0
ADJUSTED GROSS APPROPRIATION	$ 12,200,000
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	$ 12,200,000
(2) MICHIGAN STRATEGIC FUND	
Automotive technological accelerator grants	$ 2,200,000
Biosciences research and commercialization center	10,000,000
GROSS APPROPRIATION	$ 12,200,000
Appropriated from:	
Special revenue funds:	
State general fund/general purpose	$ 12,200,000
Sec. 109. DEPARTMENT OF NATURAL RESOURCES	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	$ 8,269,500

		For Fiscal Year Ending Sept. 30, 2003
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers	$	0
ADJUSTED GROSS APPROPRIATION	$	8,269,500
Federal revenues:		
Total federal revenues		2,769,500
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		4,000,000
State general fund/general purpose	$	1,500,000
(2) ADMINISTRATIVE SERVICES		
Retail sales system replacement	$	4,000,000
GROSS APPROPRIATION	$	4,000,000
Appropriated from:		
Special revenue funds:		
Game and fish protection fund		4,000,000
State general fund/general purpose	$	0
(3) GRANTS		
Federal - land and water conservation fund payments	$	2,769,500
GROSS APPROPRIATION	$	2,769,500
Appropriated from:		
Federal revenues:		
DOI, federal		2,769,500
Special revenue funds:		
State general fund/general purpose	$	0
(4) PAYMENTS IN LIEU OF TAXES		
Purchased lands taxes	$	1,500,000
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
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

Sec. 110. DEPARTMENT OF STATE POLICE

(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	$	12,270,000

	For Fiscal Year Ending Sept. 30, 2003
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	$ 0
ADJUSTED GROSS APPROPRIATION	$ 12,270,000
Federal revenues:	
Total federal revenues	12,270,000
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total state restricted revenues	0
State general fund/general purpose	$ 0
(2) EMERGENCY MANAGEMENT	
Hazardous materials program	$ 12,270,000
GROSS APPROPRIATION	$ 12,270,000
Appropriated from:	
Federal revenues:	
DOJ	12,270,000
Special revenue funds:	
State general fund/general purpose	$ 0

Sec. 111. DEPARTMENT OF TRANSPORTATION

(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	$ (5,000,000)
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	$ 0
ADJUSTED GROSS APPROPRIATION	$ (5,000,000)
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	(5,000,000)
State general fund/general purpose	$ 0
(2) DEBT SERVICE	
Airport safety and protection plan	$ (5,000,000)
GROSS APPROPRIATION	$ (5,000,000)
Appropriated from:	
Special revenue funds:	
State aeronautics fund	(5,000,000)
State general fund/general purpose	$ 0

Sec. 112. DEPARTMENT OF TREASURY

(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	$ 351,200
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	$ 0
ADJUSTED GROSS APPROPRIATION	$ 351,200
Federal revenues:	
Total federal revenues	351,200
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	$ 0
(2) HOME HEATING ASSISTANCE	
HHS-SSA, low-income energy assistance	$ 351,200
GROSS APPROPRIATION	$ 351,200

		For Fiscal Year Ending Sept. 30, 2003
Appropriated from:		
Federal revenues:		
Total federal revenues	$	351,200
Special revenue funds:		
State general fund/general purpose	$	0

PART 1A

LINE-ITEM APPROPRIATIONS FOR FISCAL YEAR 2003-2004

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

APPROPRIATION SUMMARY:		
GROSS APPROPRIATION	$	50,520,000
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	$	50,520,000
Total federal revenues		0
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		322,500
State general fund/general purpose	$	50,197,500

Sec. 152. CAPITAL OUTLAY

(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	$	50,000,000
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	$	50,000,000
Total federal revenues		0
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		322,500
State general fund/general purpose	$	49,677,500
(2) STATE BUILDING AUTHORITY RENT		
State building authority rent - state agencies	$	11,150,000
State building authority rent - department of corrections		12,850,000
State building authority rent - universities		22,600,000
State building authority rent - community colleges		3,400,000
GROSS APPROPRIATION	$	50,000,000
Appropriated from:		
Special revenue funds:		
Grand tower facility reimbursement		160,000
State building authority - University of Michigan - third-party reimbursement		12,500
State lottery funds		127,000
Roosevelt parking facility reimbursement		23,000
State general fund/general purpose	$	49,677,500

Sec. 153. DEPARTMENT OF ENVIRONMENTAL QUALITY

(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	$	520,000
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	$	520,000
Total federal revenues		0
Total local revenues		0
Total private revenues		0

		For Fiscal Year Ending Sept. 30, 2004
Total other state restricted revenues	$	0
State general fund/general purpose	$	520,000
(2) WATER		
NPDES nonstormwater program	$	420,000
Groundwater discharge		100,000
GROSS APPROPRIATION	$	520,000
Appropriated from:		
State general fund/general purpose	$	520,000

PART 2

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 $19,685,800.00 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	$	1,500,000
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.

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

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

CAPITAL OUTLAY

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

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

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

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

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.

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

DEPARTMENT OF ENVIRONMENTAL QUALITY

Sec. 351. Unexpended and unencumbered amounts remaining from appropriations from the environmental protection bond fund, part 195 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19501 to 324.19513, the cleanup and redevelopment fund, part 201 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101 to 324.20142, the clean Michigan initiative bond fund, part 196 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.19601 to 324.19616, and the state sites cleanup fund, section 20108c of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20108c, contained in 1989 PA 180, 1990 PA 55, 1990 PA 194, 1991 PA 31, 1991 PA 160, 1993 PA 74, 1993 PA 353, 1994 PA 265, 1994 PA 442, 1996 PA 319, 1996 PA 353, the natural resources and environmental protection act, 1994 PA 451, MCL 324.101 to 324.90106, 1997 PA 113, 1997 PA 114, 1998 PA 292, and 1999 PA 111 shall not lapse pursuant to section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a, but instead are reappropriated for expenditure as originally intended and are considered work projects for meeting the following criteria:

(a) The projects are for a specific purpose.

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

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

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

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.

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 federal government. If payment from the federal government for collection performance incentives exceeds the amount received by the state for the fiscal year 1999-2000, the total amount paid to counties shall be no less than the total amount paid from federal performance incentives in fiscal year 2000-2001.

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

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

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

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

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

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

(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 at Western Michigan University in Kalamazoo. The center shall 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 to promote life sciences research and commercialization in this state. The center shall also undertake collaborative efforts with private sector entities to develop novel pharmaceutical products in specialized therapeutic areas. The center shall provide an organizational structure for research scientists and engineers, an entity to receive and license intellectual property, and a vehicle for entrepreneurial activities required for commercialization. The mission of the center will be to discover new knowledge, to generate and acquire intellectual property, to commercialize intellectual property, and to enrich the intellectual culture of the community. In order to receive funding, the center shall do all of the following:

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

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

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

(*iii*) Intellectual property commercialization plans.

(*iv*) A marketing plan.

(*v*) A plan for private sector collaboration.

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

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

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

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

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

(*ii*) Director of the Van Andel Institute.

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

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

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

(2) From the funds appropriated to the center, any unexpended or unencumbered balance shall be deposited into a work project account and subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

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

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

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

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

(7) If the center fails to return royalties or return on investment to the life sciences commercial development fund within 5 years, a plan shall be developed between the center and the Michigan economic development corporation to provide repayment of the $10,000,000.00 initial appropriation.

Sec. 382. The appropriation for the automotive technology accelerator grants is a work project appropriation and any unencumbered or unallotted funds are to be carried forward into the following 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 grants is to provide for the research, development, and commercialization of innovative automotive technologies and products.

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

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

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

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

DEPARTMENT OF NATURAL RESOURCES

Sec. 401. After the fiscal year ending September 30, 2002, the department may transfer available residual proceeds and accumulated unspent interest to the department of treasury for debt service payments related to any of the bonds issued under part 713 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71301 to 324.71307, which may remain outstanding. In the event that the debt service requirements on those bonds authorized by part 713 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71301 to 324.71307, is less than the residual amount available in the fund, the excess may be used to meet the debt service requirements of other bonds outstanding that were issued pursuant to former 1988 PA 327. Funds shall not be used in any way which would cause the interest on those bonds to be included in gross income for federal income tax purposes.

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

DEPARTMENT OF TREASURY

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

REPEALERS

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

PART 2A

PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 2003-2004

GENERAL SECTIONS

Sec. 1201. 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 1A for the fiscal year ending September 30, 2004 is $50,520,000.00 and state appropriations paid to local units of government are $0.

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

DEPARTMENT OF ATTORNEY GENERAL

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

CAPITAL OUTLAY

Sec. 1301. (1) Subject to section 242 of the management and budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the state building authority, the department may expend from the general fund of the state during the fiscal year ending September 30, 2004 an amount to meet the cash-flow requirements of those state building authority projects solely for lease to a state agency identified in both part 1A and this section, and for which state building authority bonds or notes have not been issued, and for the sole acquisition by the state building authority of equipment and furnishings for lease to a state agency as permitted by 1964 PA 183, MCL 830.411 to 830.425, for which the issuance of bonds or notes is authorized by a legislative concurrent resolution that is effective for a fiscal year ending September 30, 2004. Any general fund advances for which state building authority bonds have not been issued shall bear an interest cost to the state building authority at a rate not to exceed that earned by the state treasurer's common cash fund during the period in which the advances are outstanding and are repaid to the general fund of the state.

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

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

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

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

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

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

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

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

DEPARTMENT OF ENVIRONMENTAL QUALITY

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

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

(a) To collect source and supply data for groundwater resources in conflict areas between high capacity wells and small quantity wells, including hydrogeological studies.

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

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

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

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

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

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

REPEALERS

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

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Gary E Randall

Clerk of the House of Representatives

Approved ....

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Governor