

Act No. 360
Public Acts of 2004
Approved by the Governor
September 30, 2004
Filed with the Secretary of State
September 30, 2004
EFFECTIVE DATE: September 30, 2004

**STATE OF MICHIGAN
92ND LEGISLATURE
REGULAR SESSION OF 2004**

Introduced by Rep. Shulman

ENROLLED HOUSE BILL No. 5527

AN ACT to make, supplement, and adjust appropriations for various state departments and agencies and capital outlay for the fiscal years ending September 30, 2004 and September 30, 2005; 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

Sec. 101. There is appropriated for the various state departments and agencies to supplement appropriations for the fiscal year ending September 30, 2004 from the following funds:

APPROPRIATION SUMMARY:

GROSS APPROPRIATION.....	\$	19,950,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION.....	\$	19,950,000
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues.....		0
Total other state restricted revenues		36,700,000
State general fund/general purpose	\$	(16,750,000)

Sec. 102. CAPITAL OUTLAY

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION.....	\$	16,700,000
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION.....	\$	16,700,000

		For Fiscal Year Ending Sept. 30, 2004
Total federal revenues	\$	0
Total local revenues		0
Total private revenues.....		0
Total state restricted revenues.....		16,700,000
State general fund/general purpose	\$	0
(2) DEPARTMENT OF MANAGEMENT AND BUDGET		
Hawthorne center utility separation from former Northville psychiatric hospital.....	\$	3,000,000
Department of corrections major maintenance projects		10,950,000
State agency major maintenance projects		2,000,000
Purchase of Valley school building and property		750,000
GROSS APPROPRIATION.....	\$	16,700,000
Appropriated from:		
Special revenue funds:		
Escrow restructuring revenues		16,700,000
State general fund/general purpose	\$	0
Sec. 103. DEPARTMENT OF NATURAL RESOURCES		
(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION.....	\$	3,250,000
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION.....	\$	3,250,000
Total federal revenues		0
Total local revenues		0
Total private revenues.....		0
Total state restricted revenues.....		0
State general fund/general purpose	\$	3,250,000
(2) PAYMENTS IN LIEU OF TAXES		
Purchased lands	\$	3,250,000
GROSS APPROPRIATION.....	\$	3,250,000
Appropriated from:		
Special revenue funds:		
State general fund/general purpose	\$	3,250,000
Sec. 104. DEPARTMENT OF STATE		
(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION.....	\$	0
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION.....	\$	0
Total federal revenues		0
Total local revenues		0
Total private revenues.....		0
Total state restricted revenues.....		(10,000,000)
State general fund/general purpose	\$	10,000,000
(2) CUSTOMER DELIVERY SERVICES		
Branch operations.....	\$	0
GROSS APPROPRIATION.....	\$	0
Appropriated from:		
Special revenue funds:		
Transportation administration collection fund		(10,000,000)
State general fund/general purpose	\$	10,000,000
Sec. 105. DEPARTMENT OF TREASURY		
(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION.....	\$	0
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION.....	\$	0
Total federal revenues		0
Total local revenues		0

		For Fiscal Year Ending Sept. 30, 2004
Total private revenues.....	\$	0
Total state restricted revenues.....		30,000,000
State general fund/general purpose	\$	(30,000,000)
(2) DEBT SERVICE		
Quality of life bond	\$	0
GROSS APPROPRIATION.....	\$	0
Appropriated from:		
Special revenue funds:		
Refined petroleum fund.....		30,000,000
State general fund/general purpose	\$	(30,000,000)

PART 1A
LINE-ITEM APPROPRIATIONS
FISCAL YEAR 2004-2005

Sec. 151. There is appropriated for the various state departments and agencies to supplement appropriations for the fiscal year ending September 30, 2005, from the following funds:

APPROPRIATION SUMMARY:

GROSS APPROPRIATION.....	\$	7,689,600
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION.....	\$	7,689,600
Federal revenues:		
Total federal revenues		5,842,400
Special revenue funds:		
Total local revenues		0
Total private revenues.....		0
Total other state restricted revenues		1,847,200
State general fund/general purpose	\$	0

Sec. 152. FAMILY INDEPENDENCE AGENCY

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION.....	\$	6,614,600
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION.....	\$	6,614,600
Federal revenues:		
Total federal revenues		5,842,400
Special revenue funds:		
Total local revenues		0
Total private revenues.....		0
Total other state restricted revenues		772,200
State general fund/general purpose	\$	0

(2) INFORMATION TECHNOLOGY

Information technology services and projects.....	\$	2,129,400
Child support automation.....		3,263,200
Client services system		549,800
Data system enhancement		672,200
GROSS APPROPRIATION.....	\$	6,614,600
Appropriated from:		
Federal revenues:		
Total federal revenues		5,842,400
Special revenue funds:		
Total other state restricted revenues		772,200
State general fund/general purpose	\$	0

Sec. 155. DEPARTMENT OF TREASURY

(1) APPROPRIATION SUMMARY

GROSS APPROPRIATION.....	\$	1,075,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION.....	\$	1,075,000
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues.....		0
Total other state restricted revenues		1,075,000
State general fund/general purpose	\$	0

(2) GRANTS

State sports tourism.....	\$	1,075,000
GROSS APPROPRIATION.....	\$	1,075,000
Appropriated from:		
Special revenue funds:		
Convention facility development fund		1,075,000
State general fund/general purpose	\$	0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending under part 1 for fiscal year 2003-2004 is \$19,950,000.00. State payments to local units of government under part 1 are \$3,250,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF NATURAL RESOURCES

Purchased lands	\$	3,250,000
TOTAL	\$	3,250,000

Sec. 202. The appropriations made and the expenditures authorized under this part and the departments, agencies, commissions, boards, offices, and programs for which an appropriation is made under part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. For fiscal year 2004-2005 only, there is hereby transferred and appropriated from the Michigan merit award trust fund to the general fund an amount of \$5,250,000.00.

Sec. 204. For fiscal year 2004-2005 only, there is hereby transferred and appropriated from the Michigan tobacco settlement trust fund to the general fund an amount of \$1,750,000.00.

Sec. 205. Effective on October 1, 2004, a licensed hospital bed that is under contract with this state for ventilator dependent care shall be considered an acute care bed for purposes of the hospital quality assessment program and shall be assessed and reimbursed under the quality assessment program the same as an acute care bed regardless of payment methodology. This policy change shall be implemented after the department of community health secures the necessary state plan amendment from the federal government.

Sec. 206. (1) If a community mental health services program, currently established as a community mental health agency under MCL 330.1204, is required by statute to become a community mental health authority by a specified date in order to be eligible to continue to contract with the department of community health as a specialty prepaid health plan, or to continue to receive state financial support as a community mental health services program, the department of community health shall monitor the progress of the community mental health services program to ensure that it is

able to properly operate as a community mental health authority by the required specified date. In carrying out its monitoring activities, the department of community health may require such plans, reports, and other evidence from the community mental health services program that it deems necessary to properly monitor and evaluate the progress of the community mental health services program toward the establishment and operation of a community mental health authority. Such plans, reports, and evidence shall include, at the minimum, the following:

(a) A copy of the enabling resolution adopted by the board of commissioners creating the authority, addressing the required provisions set forth in MCL 330.1205, and duly filed with the secretary of state and the county clerk of the county establishing the authority.

(b) A detailed transition plan, describing how the community mental health services program proposes to carry out administrative, personnel, finance, accounting, management information, data reporting, regulatory compliance, quality assurance, recipient rights, clinical services, and any other managerial tasks or activities necessary for the successful operation of a community mental health authority.

(2) If the department of community health determines that, in its judgment, the community mental health services program is not making sufficient progress to ensure a functioning community mental health authority by the date specified in statute, the department of community health may withhold such current year appropriated funds as it deems appropriate from the community mental health services program to assure that the department of community health has sufficient capacity to directly operate necessary programs and services within the county should the community mental health authority fail to become fully operational on the required specified date.

DEPARTMENT OF ATTORNEY GENERAL

Sec. 250. For fiscal year 2004-2005 any unobligated antitrust enforcement revenue, securities fraud revenue, consumer protection or class action enforcement revenues, or attorney fees recovered by the department of attorney general, not to exceed \$250,000.00, may be carried forward and is available for appropriation to the department of attorney general in the succeeding fiscal year.

AGRICULTURE

Sec. 251. (1) Effective October 1, 2004, a hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-time state classified civil service employees and prohibited from filling any vacant state classified civil service positions. This hiring freeze does not apply to internal transfers of classified employees from 1 position to another within a department.

(2) The state budget director shall grant exceptions to this hiring freeze when the state budget director believes the hiring freeze will result in rendering a state department or agency unable to deliver basic services, cause a loss of revenue to the state, result in the inability of the state to receive federal funds, or would necessitate additional expenditures that exceed any savings from maintaining the vacancy. The state budget director shall report quarterly to the chairpersons of the senate and house of representatives standing committees on appropriations the numbers of exceptions to the hiring freeze approved during the previous quarter and the reasons to justify the exception.

CAPITAL OUTLAY

Sec. 301. (1) From the funds appropriated in part 1, the department is authorized to expend an amount not to exceed \$750,000.00 inclusive of amounts necessary for any appraisal fees, real estate taxes, and other closing costs, if applicable, for the purchase of the Valley school building and property located adjacent to the Michigan schools for the deaf and blind, in the city of Flint, Genesee County, Michigan, and more particularly described as follows:

Parcel A:

A parcel of land lying in Section 8 of Indian Reservation of 11 sections at near the Grand Traverse on Flint River, Genesee County, Michigan, described as follows: Commencing at the Northwest Corner of Record Plat of "Woodcroft No. 1", recorded in Liber 8, Pages 34, 35 and 36, of the Genesee County, Michigan records; thence along the Center Line of Miller Road, so-called, as established by the Michigan State Highway Department, N 58° 51' 00" E 1103.54 feet and on a curve to the left, having a radius of 637.27 feet, with a chord bearing and distance of N 39° 42' 00" E 418.10 feet AND N 20° 33' 00" E 244.83 feet AND on a curve to the right, having a radius of 637.27 feet, with a chord bearing and

distance of N 36° 04' 45" E 341.23 feet AND N 51° 36' 30" E 158.66 feet to a point on the Center Line of West Court Street, so-called, as established by the Michigan State Highway Department; thence, along the said Center Line of West Court Street, S 89° 32' 30" E 837.65 feet AND N 58° 50' 00" E 50.34 feet; thence S 31° 10' 00" E 60.00 feet to the place of beginning of this description; thence continuing S 31° 10' 00" E 234.17 feet; thence S 59° 08' 34" E 70.27 feet; thence N 61° 41' 37" E 28.99 feet; thence S 44° 00' 10" E 154.71 feet; thence S 22° 19' 40" W 78.32 feet; thence S 45° 59' 50" W 301.63 feet; thence N 44° 00' 10" W 263.34 feet; thence N 00° 33' 18" E 225.08 feet; thence N 16° 21' 46" W 174.50 feet; thence S 89° 32' 30" E 104.51 feet; thence N 58° 50' 00" E 67.33 feet to the place of the beginning, containing 3.60 net acres of land, more or less; and

Parcel B:

A parcel of land lying in Section 8 of Indian Reservation of 11 sections at near the Grand Traverse on Flint River, Genesee County, Michigan, described as follows: Commencing at the Northeast Corner of record Plat of "Woodcroft No. 1", recorded in Liber 8, Pages 34, 35 and 36, of the Genesee County, Michigan records; thence, along the Center Line of Miller Road, so-called, as established by the Michigan State Highway Department, N 58° 51' 00" E 1103.54 feet AND on a curve to the left, having a radius of 637.27 feet, with a chord bearing and distance of N 39° 42' 00" E 418.10 feet AND N 20° 33' 00" E 244.83 feet AND on a curve to the right, having a radius of 637.27 feet, with a chord bearing and distance of N 36° 04' 45" E 341.23 feet AND N 51° 36' 30" E 158.66 feet to a point on the Center Line of West Court Street, so-called, as established by the Michigan State Highway Department; thence S 89° 32' 30" E, along the said Center Line of West Court Street, 201.43 feet; thence S 00° 27' 30" W 310.00 feet to the place of beginning of this description; thence S 30° 37' 24" E 182.05 feet; thence S 38° 55' 37" E 66.55 feet; thence S 21° 25' 10" W 47.92 feet; thence S 59° 22' 37" W 511.03 feet; thence N 30° 37' 24" W 5.79 feet; thence on a curve to the left having a radius of 125.00 feet, with a chord bearing and distance of N 24° 25' 29" E 107.29 feet; thence N 00° 59' 23" W 65.14 feet; thence on a curve to the right, having a radius of 175.00 feet, with a chord bearing and distance of N 12° 28' 39" E 81.51 feet; thence N 30° 37' 24" W 93.99 feet; thence N 59° 22' 37" E 363.36 feet to the place of beginning, containing 2.64 net acres of land, more or less.

(2) The description of the property in subsection (1) is approximate and for purposes of the purchase is subject to adjustment as the department or attorney general considers necessary by survey or other legal description.

(3) All documents regarding the acquisition of the property described in subsection (1) shall be approved by the attorney general.

Sec. 302. (1) This state is authorized to acquire title to property for the purpose of providing office space for state agencies by exercising the purchase option in state lease number 10533, and to transfer title to the state building authority, with the approval of the state administrative board, for an amount necessary to defease outstanding certificates of participation, in an aggregate cost not to exceed \$140,000,000.00. This state is also authorized to pay any ancillary costs including estimated real estate taxes.

(2) All documents regarding the acquisition of the property described in subsection (1) shall be approved by the attorney general.

(3) The acquisition by the state and subsequent conveyance to the state building authority shall conform to the provisions of 1964 PA 183, MCL 830.411 to 830.425.

DEPARTMENT OF LABOR AND ECONOMIC GROWTH

Sec. 351. For fiscal year 2004-2005 there is appropriated to the public service commission, administration planning and regulation, an additional 8.0 FTE positions bringing the total number of authorized FTE positions to 154.0.

FAMILY INDEPENDENCE AGENCY

Sec. 401. It is the intent of the legislature that the administration's proposal for the Adrian training school be implemented, except that the W.J. Maxey training school Sequoyah center shall be closed and residents at the Sequoyah center and the male residents at the Adrian training school shall be relocated to alternative public or private facilities or community settings, unless a formal solicitation of bids, in accordance with the Management and Budget Act, 1984 PA 431, from all Michigan private providers of juvenile justice residential services reveals that there is insufficient private sector capacity to comply with this section. The department shall notify the legislature at least 30 days before closing or making any change in the status of a state juvenile justice facility.

DEPARTMENT OF TREASURY

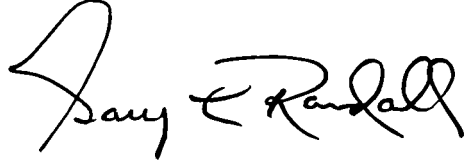
Sec. 500. The unexpended funds appropriated in part 1A to the department of treasury for state sports tourism shall not lapse at the end of the fiscal year and shall be carried over into the succeeding fiscal year and made available for expenditure.

Enacting section 1. The following sections are repealed:

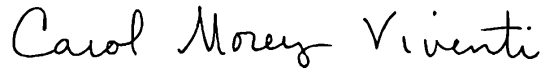
- (a) Section 205 of Enrolled House Bill No. 5509 of the 92nd Legislature.
- (b) Section 452 of 2003 PA 237.

Enacting section 2. Section 719 of Enrolled House Bill No. 5516 of the 92nd Legislature is repealed.

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved _____

Governor