

HOUSE BILL No. 5727

EXECUTIVE BUDGET BILL

February 21, 2006, Introduced by Rep. Brown and referred to the Committee on Appropriations.

A bill to make, supplement, and adjust appropriations for the departments of attorney general, civil rights, civil service, information technology, management and budget, state, and treasury, the executive office, and the legislative branch for the fiscal year ending September 30, 2007; to provide for the expenditure of these appropriations; to provide for the funding of certain work projects; to provide for the imposition of certain fees; to establish or continue certain funds, programs, and categories; to transfer certain funds; to prescribe certain requirements for bidding on state contracts; to provide for disposition of year-end balances; to prescribe the powers and duties of certain principal executive departments and state agencies, officials, and employees;

and to provide for the disposition of fees and other income received by the various principal executive departments and state agencies.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 PART 1

2 LINE-ITEM APPROPRIATIONS

3 Sec. 101. Subject to the conditions set forth in this bill,
4 the amounts listed in this part are appropriated for the
5 departments of attorney general, civil rights, civil service,
6 information technology, management and budget, state, and treasury,
7 the executive office, the legislative branch, and certain other
8 state purposes, for the fiscal year ending September 30, 2007, from
9 the funds indicated in this part. The following is a summary of the
10 appropriations in this part:

11 **TOTAL GENERAL GOVERNMENT**

12 APPROPRIATION SUMMARY:

13	Full-time equated unclassified positions.....	49.0	
14	Full-time equated classified positions.....	7,238.4	
15	GROSS APPROPRIATION.....		\$ 3,007,324,600
16	Interdepartmental grant revenues:		
17	Total interdepartmental grants and intradepartmental		
18	transfers		589,646,200
19	ADJUSTED GROSS APPROPRIATION.....		\$ 2,417,678,400
20	Federal revenues:		
21	Total federal revenues.....		103,227,200
22	Special revenue funds:		
23	Total local revenues.....		2,766,200

1	Total private revenues.....	1,250,100
2	Total other state restricted revenues.....	1,664,653,800
3	State general fund/general purpose.....	\$ 645,781,100
4	Sec. 102. DEPARTMENT OF ATTORNEY GENERAL	
5	(1) APPROPRIATION SUMMARY	
6	Full-time equated unclassified positions	6.0
7	Full-time equated classified positions.....	557.0
8	GROSS APPROPRIATION.....	\$ 68,306,300
9	Interdepartmental grant revenues:	
10	Total interdepartmental grants and intradepartmental	
11	transfers	13,914,300
12	ADJUSTED GROSS APPROPRIATION.....	\$ 54,392,000
13	Federal revenues:	
14	Total federal revenues.....	10,236,500
15	Special revenue funds:	
16	Total local revenues.....	0
17	Total private revenues.....	0
18	Total other state restricted revenues.....	11,259,500
19	State general fund/general purpose.....	\$ 32,896,000
20	(2) ATTORNEY GENERAL OPERATIONS	
21	Full-time equated unclassified positions	6.0
22	Full-time equated classified positions.....	557.0
23	Attorney general.....	124,900
24	Unclassified positions--5.0 FTE positions.....	476,300
25	Attorney general operations--517.0 FTE positions.....	61,928,000
26	Child support enforcement--25.0 FTE positions.....	2,851,500

1	Prosecuting attorneys coordinating council--15.0 FTE	
2	positions	1,860,900
3	PACC, training project.....	<u>325,000</u>
4	GROSS APPROPRIATION.....	\$ 67,566,600
5	Appropriated from:	
6	Interdepartmental grant revenues:	
7	IDG from MDCH, health services.....	1,780,300
8	IDG from MDHS.....	3,209,200
9	IDG from MDLEG, financial and insurance services	1,068,300
10	IDG from MDLEG, public utility assessments.....	1,965,300
11	IDG from MDMB, risk management revolving fund.....	1,321,300
12	IDG from MDOT, comprehensive transportation fund.....	153,400
13	IDG from MDOT, state aeronautics fund.....	151,400
14	IDG from MDOT, state trunkline fund.....	2,708,300
15	IDG from MDSP, Michigan justice training fund.....	325,000
16	IDG from Michigan gaming control board.....	979,500
17	IDG from treasury, land reutilization fund.....	252,300
18	Federal revenues:	
19	DAG, state administrative match grant/food stamps	387,700
20	DED-OPSE, student loan, federal lender allowance	320,200
21	DOL-ETA, unemployment insurance.....	1,564,500
22	DOL-OSHA, occupational safety and health.....	274,700
23	EPA, multiple grants.....	280,800
24	Federal funds.....	2,624,200
25	HHS, medical assistance, medigrant.....	628,100
26	HHS-OS, state Medicaid fraud control units.....	4,156,300
27	Special revenue funds:	

1	Antitrust enforcement collections.....	627,200
2	Attorney general's operations fund.....	838,200
3	Auto repair facilities fees.....	225,500
4	Collections revenue.....	683,200
5	Environmental response fund.....	760,400
6	Franchise fees.....	282,600
7	Game and fish protection fund.....	740,800
8	Liquor purchase revolving fund.....	1,025,100
9	Manufactured housing fees.....	219,900
10	Merit award trust fund.....	406,700
11	Michigan state housing development authority fees....	552,300
12	Oil and gas privilege fee revenue.....	198,600
13	Prisoner reimbursement.....	445,800
14	Prosecuting attorneys training fees.....	357,700
15	Retirement funds.....	730,000
16	Second injury fund.....	999,800
17	Self-insurers security fund.....	168,700
18	Silicosis and dust disease fund.....	516,000
19	State building authority revenue.....	94,700
20	State hospital authority.....	357,500
21	State lottery fund.....	239,700
22	Utility consumers fund.....	539,500
23	Waterways fund.....	96,700
24	Worker's compensation administrative revolving fund..	152,900
25	State general fund/general purpose.....	\$ 32,156,300
26	(3) INFORMATION TECHNOLOGY	
27	Information technology services and projects.....	\$ <u>739,700</u>

1	GROSS APPROPRIATION.....	\$	739,700
2	Appropriated from:		
3	State general fund/general purpose.....	\$	739,700
4	Sec. 103. DEPARTMENT OF CIVIL RIGHTS		
5	(1) APPROPRIATION SUMMARY		
6	Full-time equated unclassified positions	5.0	
7	Full-time equated classified positions.....	136.0	
8	GROSS APPROPRIATION.....	\$	14,020,200
9	Interdepartmental grant revenues:		
10	Total interdepartmental grants and intradepartmental		
11	transfers		0
12	ADJUSTED GROSS APPROPRIATION.....	\$	14,020,200
13	Federal revenues:		
14	Total federal revenues.....		1,566,200
15	Special revenue funds:		
16	Total local revenues.....		0
17	Total private revenues.....		0
18	Total other state restricted revenues.....		0
19	State general fund/general purpose.....	\$	12,454,000
20	(2) CIVIL RIGHTS OPERATIONS		
21	Full-time equated unclassified positions	5.0	
22	Full-time equated classified positions.....	136.0	
23	Unclassified positions--5.0 FTE positions.....		264,100
24	Civil rights operations--136.0 FTE positions.....		12,967,100
25	Human resources optimization user charges.....		<u>8,500</u>
26	GROSS APPROPRIATION.....	\$	13,239,700

1	Appropriated from:	
2	Federal revenues:	
3	EEOC, state and local antidiscrimination agency	
4	contracts	1,024,800
5	HUD, grant.....	541,400
6	State general fund/general purpose.....	\$ 11,673,500
7	(3) INFORMATION TECHNOLOGY	
8	Information technology services and projects	\$ <u>780,500</u>
9	GROSS APPROPRIATION.....	\$ 780,500
10	Appropriated from:	
11	State general fund/general purpose.....	\$ 780,500
12	Sec. 104. DEPARTMENT OF CIVIL SERVICE	
13	(1) APPROPRIATION SUMMARY	
14	Full-time equated classified positions.....	240.5
15	GROSS APPROPRIATION.....	\$ 36,547,100
16	Interdepartmental grant revenues:	
17	Total interdepartmental grants and intradepartmental	
18	transfers	5,788,100
19	ADJUSTED GROSS APPROPRIATION.....	\$ 30,759,000
20	Federal revenues:	
21	Total federal revenues.....	4,779,100
22	Special revenue funds:	
23	Total local revenues.....	1,700,000
24	Total private revenues.....	150,000
25	Total other state restricted revenues.....	17,157,500
26	State general fund/general purpose.....	\$ 6,972,400

1	(2) CIVIL SERVICE OPERATIONS	
2	Full-time equated classified positions.....	240.5
3	Agency services--118.5 FTE positions.....	12,840,100
4	Executive direction --45.0FTE positions.....	8,586,900
5	Employee benefits--31.0 FTE positions.....	5,769,500
6	Audit and compliance--16.0 FTE positions.....	2,114,600
7	Training.....	1,300,000
8	Human resources optimization--30.0 FTE positions.....	<u>2,117,200</u>
9	GROSS APPROPRIATION.....	\$ 32,728,300
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	IDG, training charges.....	1,300,000
13	IDG, 1% special funds.....	1,300,000
14	IDG, human resources optimization user charges.....	2,117,200
15	Federal revenues:	
16	Federal funds 1%.....	3,637,100
17	Special revenue funds:	
18	Local funds 1%.....	1,700,000
19	Private funds 1%.....	150,000
20	Freedom of information fees.....	1,100
21	State restricted funds 1%.....	7,744,300
22	State sponsored group insurance.....	2,650,000
23	State sponsored group insurance, flexible spending	
24	accounts and COBRA	5,769,500
25	State general fund/general purpose.....	\$ 6,359,100
26	(3) INFORMATION TECHNOLOGY	
27	Information technology services and projects.....	<u>\$ 3,818,800</u>

1	GROSS APPROPRIATION.....	\$	3,818,800
2	Appropriated from:		
3	Interdepartmental grant revenues:		
4	IDG, human resources optimization user charges		1,070,900
5	Federal revenues:		
6	Federal funds 1%.....		1,142,000
7	Special revenue funds:		
8	State restricted funds 1%.....		852,300
9	State sponsored group insurance, flexible spending		
10	accounts and COBRA		140,300
11	State general fund/general purpose	\$	613,300
12	Sec. 105. EXECUTIVE OFFICE		
13	(1) APPROPRIATION SUMMARY		
14	Full-time equated unclassified positions.....	10.0	
15	Full-time equated classified positions.....	74.2	
16	GROSS APPROPRIATION.....	\$	5,375,500
17	Interdepartmental grant revenues:		
18	Total interdepartmental grants and intradepartmental		
19	transfers		0
20	ADJUSTED GROSS APPROPRIATION.....	\$	5,375,500
21	Federal revenues:		
22	Total federal revenues.....		0
23	Special revenue funds:		
24	Total local revenues.....		0
25	Total private revenues.....		0
26	Total other state restricted revenues.....		0

1	State general fund/general purpose	\$	5,375,500
2	(2) EXECUTIVE OFFICE OPERATIONS		
3	Full-time equated unclassified positions	10.0	
4	Full-time equated classified positions	74.2	
5	Governor		177,000
6	Lieutenant governor		123,900
7	Executive office--74.2 FTE positions		4,224,800
8	Unclassified positions--8.0 FTE positions		<u>849,800</u>
9	GROSS APPROPRIATION	\$	5,375,500
10	Appropriated from:		
11	State general fund/general purpose	\$	5,375,500
12	Sec. 106. DEPARTMENT OF INFORMATION TECHNOLOGY		
13	(1) APPROPRIATION SUMMARY		
14	Full-time equated unclassified positions	6.0	
15	Full-time equated classified positions	1,775.4	
16	GROSS APPROPRIATION	\$	378,422,000
17	Interdepartmental grant revenues:		
18	Total interdepartmental grants and intradepartmental		
19	transfers		378,422,000
20	ADJUSTED GROSS APPROPRIATION	\$	0
21	Federal revenues:		
22	Total federal revenues		0
23	Special revenue funds:		
24	Total local revenues		0
25	Total private revenues		0
26	Total other state restricted revenues		0

1	State general fund/general purpose	\$	0
2	(2) ADMINISTRATION		
3	Full-time equated unclassified positions	6.0	
4	Full-time equated classified positions.....	1,775.4	
5	Unclassified positions--6.0 FTE positions		300,000
6	Enterprisewide services--75.0 FTE positions		23,574,000
7	Health and human services--775.6 FTE positions		209,190,600
8	Education services--38.9 FTE positions		3,173,500
9	Public protection--302.0 FTE positions		39,860,800
10	Resources services--171.1 FTE positions		16,769,900
11	Transportation services--107.0 FTE positions		27,504,900
12	General services--305.8 FTE positions		<u>58,048,300</u>
13	GROSS APPROPRIATION.....	\$	378,422,000
14	Appropriated from:		
15	Interdepartmental grant revenues:		
16	IDG from department of agriculture		1,537,800
17	IDG from department of attorney general		739,700
18	IDG from department of civil rights		780,500
19	IDG from department of civil service		3,818,800
20	IDG from department of community health		31,427,100
21	IDG from department of corrections		16,618,500
22	IDG from department of education		2,614,700
23	IDG from department of environmental quality		6,810,400
24	IDG from Michigan gaming control board		1,186,000
25	IDG from department of history, arts, and libraries ..		953,100
26	IDG from department of human services		136,083,900
27	IDG from department of labor and economic growth		43,188,500

1	IDG from bureau of state lottery.....	4,497,300
2	IDG from department of management and budget	28,433,600
3	IDG from department of military and veterans affairs .	1,161,700
4	IDG from department of natural resources	9,002,900
5	IDG from department of state	23,629,300
6	IDG from department of state police	21,035,700
7	IDG from department of transportation	27,876,500
8	IDG from department of treasury	17,026,000
9	State general fund/general purpose	\$ 0

10 **Sec. 107. LEGISLATURE**

11 **(1) APPROPRIATION SUMMARY**

12	GROSS APPROPRIATION.....	\$ 129,731,900
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13 Interdepartmental grant revenues:

14	Total interdepartmental grants and intradepartmental	
15	transfers	2,301,500

16	ADJUSTED GROSS APPROPRIATION.....	\$ 127,430,400
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17 Federal revenues:

18	Total federal revenues.....	0
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19 Special revenue funds:

20	Total local revenues.....	0
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21	Total private revenues.....	400,000
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22	Total other state restricted revenues	2,356,500
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23	State general fund/general purpose	\$ 124,673,900
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24 **(2) LEGISLATURE**

25	Senate.....	\$ 29,543,100
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26	Senate automated data processing	2,618,000
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1	Senate fiscal agency.....	3,144,400
2	House of representatives.....	45,743,200
3	House automated data processing.....	2,079,200
4	House fiscal agency.....	3,042,600
5	Legislative auditor general.....	<u>15,977,500</u>
6	GROSS APPROPRIATION.....	\$ 102,148,000
7	Appropriated from:	
8	Interdepartmental grant revenues:	
9	IDG from department of corrections.....	500,000
10	IDG from MDCS.....	107,900
11	IDG from MDLEG, liquor purchase revolving fund.....	11,300
12	IDG from MDOT, comprehensive transportation fund.....	25,200
13	IDG from MDOT, Michigan transportation fund.....	204,300
14	IDG from MDOT, state aeronautics fund.....	19,600
15	IDG from MDOT, state trunkline fund.....	474,600
16	IDG, single audit act.....	958,600
17	Special revenue funds:	
18	Construction lien fund.....	7,200
19	Contract audit administration fees.....	52,700
20	Correctional industries revolving fund.....	31,300
21	Game and fish protection fund.....	21,400
22	Marine safety fund.....	1,900
23	Michigan economic development corporation.....	41,200
24	Michigan education trust fund.....	30,000
25	Michigan state fair revolving fund.....	33,000
26	Michigan state housing development authority fees....	22,100
27	Michigan strategic fund.....	37,500

1	Michigan veterans' trust fund.....		24,400
2	Motor transport revolving fund.....		4,700
3	Office services revolving fund.....		6,800
4	State services fee fund.....		926,900
5	Waterways fund.....		5,600
6	State general fund/general purpose.....	\$	98,599,800
7	(3) LEGISLATIVE COUNCIL		
8	Legislative council.....	\$	10,271,900
9	Legislative service bureau automated data processing .		1,411,700
10	Worker's compensation.....		136,600
11	National association dues.....		<u>100,500</u>
12	GROSS APPROPRIATION.....	\$	11,920,700
13	Appropriated from:		
14	Interdepartmental grant revenues:		
15	Special revenue funds:		
16	Private - gifts and bequests revenues.....		400,000
17	State general fund/general purpose.....	\$	11,520,700
18	(4) LEGISLATIVE RETIREMENT SYSTEM		
19	General nonretirement expenses.....	\$	<u>4,449,900</u>
20	GROSS APPROPRIATION.....	\$	4,449,900
21	Appropriated from:		
22	Special revenue funds:		
23	Court fees.....		1,109,800
24	State general fund/general purpose.....	\$	3,340,100
25	(5) PROPERTY MANAGEMENT		
26	Capitol building.....	\$	2,305,700
27	Cora Anderson building.....		7,963,400

1	Farnum building and other properties	<u>944,200</u>
2	GROSS APPROPRIATION	\$ 11,213,300
3	Appropriated from:	
4	State general fund/general purpose	\$ 11,213,300
5	Sec. 108. DEPARTMENT OF MANAGEMENT AND BUDGET	
6	(1) APPROPRIATION SUMMARY	
7	Full-time equated unclassified positions	7.0
8	Full-time equated classified positions	752.0
9	GROSS APPROPRIATION	\$ 496,142,000
10	Interdepartmental grant revenues:	
11	Total interdepartmental grants and intradepartmental	
12	transfers	155,293,500
13	ADJUSTED GROSS APPROPRIATION	\$ 340,848,500
14	Federal revenues:	
15	Total federal revenues	0
16	Special revenue funds:	
17	Total local revenues	0
18	Total private revenues	0
19	Total other state restricted revenues	67,438,900
20	State general fund/general purpose	\$ 273,409,600
21	(2) MANAGEMENT AND BUDGET SERVICES	
22	Full-time equated unclassified positions	6.0
23	Full-time equated classified positions	588.5
24	Unclassified positions--6.0 FTE positions	570,800
25	Executive operations--21.0 FTE positions	2,444,900
26	Administrative services--61.5 FTE positions	6,337,300

1	Budget and financial management--113.5 FTE positions .	10,319,300
2	Office of the state employer--23.0 FTE positions	2,719,900
3	Design and construction services--40.0 FTE positions .	5,162,600
4	Business support services--88.5 FTE positions	7,898,300
5	Building operation services--241.0 FTE positions	87,546,000
6	Building occupancy charges, rent, and utilities	4,179,600
7	Human resources optimization user charges	64,200
8	Motor vehicle fleet	<u>56,724,200</u>
9	GROSS APPROPRIATION	\$ 183,967,100
10	Appropriated from:	
11	Interdepartmental grant revenues:	
12	IDG from MDOT, state aeronautics fund	37,500
13	IDG from MDOT, comprehensive transportation fund	60,300
14	IDG from MDOT, state trunkline fund	1,319,000
15	IDG from building occupancy and parking charges	90,280,400
16	IDG from department of labor and economic growth	100,000
17	IDG from motor transport fund	56,724,200
18	IDG from MDCH	425,800
19	IDG from MDHS	102,400
20	IDG from user fees	5,175,700
21	Special revenue funds:	
22	Game and fish protection fund	249,300
23	Health management funds	1,684,400
24	Marine safety fund	22,400
25	Special revenue, internal service, and pension trust	
26	funds	9,002,100
27	State building authority revenue	587,200

1	State lottery fund.....	108,600
2	State services fee fund.....	75,300
3	Waterways fund.....	56,700
4	State general fund/general purpose.....	\$ 17,955,800
5	(3) STATEWIDE APPROPRIATIONS	
6	Professional development fund - MPES.....	\$ 125,000
7	Professional development fund - AFSCME.....	<u>50,000</u>
8	GROSS APPROPRIATION.....	\$ 175,000
9	Appropriated from:	
10	Interdepartmental grant revenues:	
11	IDG from employer contributions.....	175,000
12	State general fund/general purpose.....	\$ 0
13	(4) SPECIAL PROGRAMS	
14	Full-time equated classified positions.....	154.5
15	Building occupancy charges - property management	
16	services for executive/legislative building	
17	occupancy	1,878,200
18	Retirement services--140.5 FTE positions.....	16,044,800
19	Office of children's ombudsman--14.0 FTE positions...	<u>1,384,800</u>
20	GROSS APPROPRIATION.....	\$ 19,307,800
21	Appropriated from:	
22	Special revenue funds:	
23	Deferred compensation.....	1,542,400
24	Pension trust funds.....	14,502,400
25	State general fund/general purpose.....	\$ 3,263,000
26	(5) STATE FAIR	
27	Full-time equated unclassified positions	1.0

1	Full-time equated classified positions	9.0	
2	Unclassified positions--1.0 FTE position		101,000
3	Michigan state fair operations--9.0 FTE positions		6,360,400
4	Michigan state fair information technology		<u>88,800</u>
5	GROSS APPROPRIATION	\$	6,550,200
6	Appropriated from:		
7	Special revenue funds:		
8	State exposition and fairgrounds fund		6,550,200
9	State general fund/general purpose	\$	0
10	(6) INFORMATION TECHNOLOGY		
11	Information technology services and projects	\$	<u>28,344,800</u>
12	GROSS APPROPRIATION	\$	28,344,800
13	Appropriated from:		
14	Interdepartmental grant revenues:		
15	IDG from MDOT, state aeronautics fund		1,100
16	IDG from MDOT, comprehensive transportation fund		2,100
17	IDG from MDOT, state trunkline fund		47,500
18	IDG from building occupancy and parking charges		655,700
19	IDG from user fees		186,800
20	Special revenue funds:		
21	Deferred compensation		2,600
22	Game and fish protection fund		9,800
23	Health management funds		41,700
24	Marine safety fund		900
25	MAIN user charges		3,773,700
26	Pension trust funds		6,563,300
27	Special revenue, internal service, and pension trust		

1	funds	2,554,600
2	State building authority revenue	9,700
3	State lottery fund	4,600
4	Waterways fund	2,000
5	State general fund/general purpose	\$ 14,488,700
6	(7) STATE BUILDING AUTHORITY RENT	
7	State building authority rent - state agencies	\$ 59,943,400
8	State building authority rent - department of	
9	corrections	66,830,200
10	State building authority rent - universities	115,477,300
11	State building authority rent - community colleges ...	<u>15,546,200</u>
12	GROSS APPROPRIATION	\$ 257,797,100
13	Appropriated from:	
14	Special revenue funds:	
15	Commercial mobile radio suppliers fund	18,300,000
16	Roosevelt parking facility reimbursement	275,000
17	State lottery fund	1,520,000
18	State general fund/general purpose	\$ 237,702,100
19	Sec. 109. DEPARTMENT OF STATE	
20	(1) APPROPRIATION SUMMARY	
21	Full-time equated unclassified positions	6.0
22	Full-time equated classified positions	1,853.8
23	GROSS APPROPRIATION	\$ 204,793,500
24	Interdepartmental grant revenues:	
25	Total interdepartmental grants and intradepartmental	
26	transfers	20,000,000

1	ADJUSTED GROSS APPROPRIATION.....	\$	184,793,500
2	Federal revenues:		
3	Total federal revenues.....		3,052,100
4	Special revenue funds:		
5	Total local revenues.....		0
6	Total private revenues.....		100
7	Total other state restricted revenues.....		162,608,600
8	State general fund/general purpose.....	\$	19,132,700
9	(2) EXECUTIVE DIRECTION		
10	Full-time equated unclassified positions 6.0		
11	Full-time equated classified positions..... 30.2		
12	Secretary of state.....		124,900
13	Unclassified positions--5.0 FTE positions.....		459,200
14	Operations--30.2 FTE positions.....		<u>2,712,000</u>
15	GROSS APPROPRIATION.....	\$	3,296,100
16	Appropriated from:		
17	Special revenue funds:		
18	Auto repair facilities fees.....		60,500
19	Driver fees.....		116,900
20	Expedient service fees.....		51,800
21	Parking ticket court fines.....		8,300
22	Personal identification card fees.....		12,200
23	Reinstatement fees - operator licenses.....		131,400
24	Transportation administration collection fund.....		2,179,700
25	Vehicle theft prevention fees.....		35,600
26	State general fund/general purpose.....	\$	699,700
27	(3) DEPARTMENT SERVICES		

1	Full-time equated classified positions.....	172.3	
2	Operations--163.8 FTE positions		23,775,400
3	Assigned claims assessments--6.5 FTE positions		743,200
4	Motorcycle safety education administration--2.0 FTE		
5	positions		382,100
6	Motorcycle safety grants.....		<u>1,400,000</u>
7	GROSS APPROPRIATION.....	\$	26,300,700
8	Appropriated from:		
9	Federal revenues:		
10	Federal funds.....		55,700
11	Special revenue funds:		
12	Abandoned vehicle fees.....		666,200
13	Assigned claims assessments.....		743,200
14	Auto repair facilities fees.....		415,000
15	Child support clearance fees.....		34,300
16	Driver fees.....		394,300
17	Expedient service fees.....		248,100
18	Marine safety fund.....		74,500
19	Motorcycle safety fund.....		1,782,100
20	Off-road vehicle title fees.....		7,700
21	Parking ticket court fines.....		52,700
22	Personal identification card fees.....		83,000
23	Reinstatement fees - operator licenses.....		536,600
24	Scrap tire fund.....		68,500
25	Snowmobile registration fee revenue.....		17,700
26	Transportation administration collection fund.....		20,356,400
27	Vehicle theft prevention fees.....		243,400

1	State general fund/general purpose.....	\$	521,300
2	(4) REGULATORY SERVICES		
3	Full-time equated classified positions.....	245.1	
4	Operations--245.1 FTE positions.....		22,617,800
5	County clerk education and training fund.....		<u>100,000</u>
6	GROSS APPROPRIATION.....	\$	22,717,800
7	Appropriated from:		
8	Federal revenues:		
9	Federal funds.....		102,500
10	Special revenue funds:		
11	Auto repair facilities fees.....		4,644,800
12	Commercial driver training school fees.....		70,500
13	Driver fees.....		1,693,200
14	Expedient service fees.....		33,300
15	Notary education and training fund.....		100,000
16	Notary fee fund.....		311,900
17	Parking ticket court fines.....		20,700
18	Personal identification card fees.....		47,700
19	Reinstatement fees - operator licenses.....		1,704,700
20	Transportation administration collection fund.....		11,779,400
21	Vehicle theft prevention fees.....		1,580,900
22	State general fund/general purpose.....	\$	628,200
23	(5) CUSTOMER DELIVERY SERVICES		
24	Full-time equated classified positions.....	1,377.7	
25	Branch operations--957.4 FTE positions.....		73,410,800
26	Central operations--404.1 FTE positions.....		36,201,900
27	Commemorative license plates--16.2 FTE positions.....		2,147,300

1	Specialty license plates.....	1,922,000
2	Olympic center plate.....	75,700
3	Organ donor program.....	<u>104,100</u>
4	GROSS APPROPRIATION.....	\$ 113,861,800
5	Appropriated from:	
6	Interdepartmental grant revenues:	
7	IDG from MDOT, Michigan transportation fund.....	20,000,000
8	Federal revenues:	
9	Federal funds.....	2,893,900
10	Special revenue funds:	
11	Private funds.....	100
12	Auto repair facilities fees.....	93,100
13	Child support clearance fees.....	395,500
14	Driver fees.....	13,733,000
15	Expedient service fees.....	2,853,800
16	Marine safety fund.....	1,144,000
17	Michigan state police auto theft fund.....	115,600
18	Mobile home commission fees.....	476,000
19	Off-road vehicle title fees.....	122,700
20	Parking ticket court fines.....	1,590,500
21	Personal identification card fees.....	1,527,100
22	Reinstatement fees - operator licenses.....	1,152,500
23	Snowmobile registration fee revenue.....	335,200
24	Transportation administration collection fund.....	60,581,200
25	Vehicle theft prevention fees.....	209,500
26	State general fund/general purpose.....	\$ 6,638,100
27	(6) ELECTION REGULATION	

1	Full-time equated classified positions.....	28.5	
2	Election administration and services--28.5 FTE		
3	positions		4,655,500
4	Fees to local units.....		<u>69,800</u>
5	GROSS APPROPRIATION.....	\$	4,725,300
6	Appropriated from:		
7	State general fund/general purpose.....	\$	4,725,300
8	(7) DEPARTMENTWIDE APPROPRIATIONS		
9	Building occupancy charges/rent.....	\$	9,795,500
10	Worker's compensation.....		<u>467,000</u>
11	GROSS APPROPRIATION.....	\$	10,262,500
12	Appropriated from:		
13	Special revenue funds:		
14	Auto repair facilities fees.....		142,000
15	Driver fees.....		436,800
16	Expedient service fees.....		14,400
17	Parking ticket court fines.....		470,800
18	Transportation administration collection fund.....		6,364,500
19	State general fund/general purpose.....	\$	2,834,000
20	(8) INFORMATION TECHNOLOGY		
21	Information technology services and projects.....	\$	<u>23,629,300</u>
22	GROSS APPROPRIATION.....	\$	23,629,300
23	Appropriated from:		
24	Special revenue funds:		
25	Administrative order processing fee.....		11,000
26	Auto repair facilities fees.....		180,800
27	Child support clearance fees.....		16,300

1	Driver fees.....	1,332,200
2	Expedient service fees.....	453,900
3	Parking ticket court fines.....	83,300
4	Personal identification card fees.....	876,100
5	Reinstatement fees - operator licenses.....	469,200
6	Transportation administration collection fund.....	16,948,200
7	Vehicle theft prevention fees.....	172,200
8	State general fund/general purpose.....	\$ 3,086,100

9 **Sec. 110. DEPARTMENT OF TREASURY**

10 **(1) APPROPRIATION SUMMARY**

11	Full-time equated unclassified positions.....	9.0
12	Full-time equated classified positions.....	1,849.5
13	GROSS APPROPRIATION.....	\$ 1,673,986,100

14 Interdepartmental grant revenues:

15	Total interdepartmental grants and intradepartmental	
16	transfers	13,926,800

17	ADJUSTED GROSS APPROPRIATION.....	\$ 1,660,059,300
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18 Federal revenues:

19	Total federal revenues.....	83,593,300
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20 Special revenue funds:

21	Total local revenues.....	1,066,200
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22	Total private revenues.....	700,000
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23	Total other state restricted revenues.....	1,403,832,800
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24	State general fund/general purpose.....	\$ 170,867,000
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25 **(2) EXECUTIVE DIRECTION**

26	Full-time equated unclassified positions.....	9.0
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1	Full-time equated classified positions.....	5.0	
2	Unclassified positions--9.0 FTE positions.....		812,600
3	Office of the director--5.0 FTE positions.....		<u>835,900</u>
4	GROSS APPROPRIATION.....	\$	1,648,500
5	Appropriated from:		
6	Special revenue funds:		
7	State lottery fund.....		158,400
8	State services fee fund.....		198,300
9	State general fund/general purpose.....	\$	1,291,800
10	(3) LOCAL GOVERNMENT PROGRAMS		
11	Full-time equated classified positions.....	123.0	
12	Local government operations--123.0 FTE positions.....		<u>19,061,800</u>
13	GROSS APPROPRIATION.....	\$	19,061,800
14	Appropriated from:		
15	Special revenue funds:		
16	Local - assessor training fees.....		412,300
17	Local - audit charges.....		563,900
18	Local - equalization study charge-backs.....		40,000
19	Local - revenue from local government.....		50,000
20	Land reutilization fund.....		6,917,200
21	Municipal finance fees.....		458,200
22	State education tax collections.....		50,000
23	State general fund/general purpose.....	\$	10,570,200
24	(4) TAX PROGRAMS		
25	Full-time equated classified positions.....	757.5	
26	Customer contact--193.0 FTE positions.....		14,608,500
27	Tax compliance--359.0 FTE positions.....		33,456,900

1	Tax policy--55.5 FTE positions.....	6,132,600
2	Tax processing--150.0 FTE positions.....	<u>19,042,600</u>
3	GROSS APPROPRIATION.....	\$ 73,240,600
4	Appropriated from:	
5	Interdepartmental grant revenues:	
6	IDG, data/collection services fees.....	50,900
7	IDG from MDHS.....	1,545,000
8	IDG from MDOT, Michigan transportation fund.....	8,354,900
9	IDG from MDOT, state aeronautics fund.....	64,700
10	Federal revenues:	
11	HHS-SSA, low-income energy assistance.....	2,101,300
12	Special revenue funds:	
13	Bottle deposit fund.....	250,000
14	Delinquent tax collection revenue.....	52,126,700
15	Tobacco tax collection and enforcement.....	332,000
16	Tobacco tax revenue.....	375,600
17	Waterways fund.....	75,900
18	State general fund/general purpose.....	\$ 7,963,600
19	(5) ADMINISTRATIVE AND FINANCIAL SERVICES	
20	Full-time equated classified positions.....	320.0
21	Administrative services--50.0 FTE positions.....	5,342,900
22	Human resources optimization.....	82,900
23	Unclaimed property--21.0 FTE positions.....	3,438,100
24	Collections--177.0 FTE positions.....	17,573,500
25	Finance and accounting--72.0 FTE positions.....	4,481,300
26	Rent/building occupancy charges.....	<u>5,715,300</u>
27	GROSS APPROPRIATION.....	\$ 36,634,000

1	Appropriated from:	
2	Interdepartmental grant revenues:	
3	IDG, levy/warrant cost assessment fees	1,848,800
4	IDG, state agency collection fees	565,700
5	IDG, FIA title IV-D	599,500
6	IDG, data/collection service fees	204,400
7	Special revenue funds:	
8	Delinquent tax collection revenue	17,548,400
9	Escheats revenue	3,438,100
10	Garnishment fees	510,800
11	Justice system fund	605,500
12	Treasury fees	181,100
13	State general fund/general purpose	\$ 11,131,700
14	(6) FINANCIAL PROGRAMS	
15	Full-time equated classified positions	213.0
16	Investments--78.0 FTE positions	14,426,700
17	Michigan merit award administration--5.0 FTE positions	1,544,200
18	Michigan education savings program	1,000,000
19	Common cash and debt management--11.5 FTE positions ..	1,206,500
20	Student financial assistance programs--118.5 FTE	
21	positions	<u>35,298,200</u>
22	GROSS APPROPRIATION	\$ 53,475,600
23	Appropriated from:	
24	Interdepartmental grant revenues:	
25	IDG, fiscal agent service fees	167,700
26	Federal revenues:	
27	DED-OPSE, federal lenders allowance	10,289,000

1	DED-OPSE, higher education act of 1965, insured loans	22,983,100
2	Special revenue funds:	
3	College work study.....	46,300
4	Michigan merit award trust fund.....	2,954,100
5	Retirement funds.....	13,341,600
6	School bond fees.....	590,900
7	Treasury fees.....	1,241,400
8	State general fund/general purpose.....	\$ 1,861,500
9	(7) DEBT SERVICE	
10	Water pollution control bond and interest redemption.	\$ 2,458,200
11	Quality of life bond.....	59,300,000
12	Clean Michigan initiative.....	36,900,000
13	Great lakes water quality bond.....	<u>1,500,000</u>
14	GROSS APPROPRIATION.....	\$ 100,158,200
15	Appropriated from:	
16	Special revenue funds:	
17	Refined petroleum fund.....	23,914,500
18	State general fund/general purpose	76,243,700
19	(8) GRANTS	
20	Grants to counties in lieu of taxes.....	\$ 5,000
21	Convention facility development distribution.....	58,850,000
22	Senior citizen cooperative housing tax exemption	
23	program	18,800,000
24	Commercial mobile radio service payments.....	7,830,000
25	Health and safety fund grants.....	25,000,000
26	Qualified agricultural loan payments.....	2,500,000
27	Renaissance zone reimbursement.....	<u>2,630,000</u>

1	GROSS APPROPRIATION.....	\$	115,615,000
2	Appropriated from:		
3	Special revenue funds:		
4	Commercial mobile radio service fees.....		7,830,000
5	Convention facility development fund.....		58,850,000
6	Health and safety fund.....		25,000,000
7	State general fund/general purpose.....	\$	23,935,000
8	(9) STATE LOTTERY		
9	Full-time equated classified positions.....	173.0	
10	Lottery operations--173.0 FTE positions.....		19,326,100
11	Human resources optimization user charges.....		10,600
12	Promotion and advertising.....		18,622,000
13	Lottery information technology services and projects .		<u>4,497,300</u>
14	GROSS APPROPRIATION.....	\$	42,456,000
15	Appropriated from:		
16	Special revenue funds:		
17	State lottery fund.....		42,456,000
18	State general fund/general purpose.....	\$	0
19	(10) CASINO GAMING		
20	Full-time equated classified positions.....	106.0	
21	Michigan gaming control board.....		50,000
22	Casino gaming control administration--106.0 FTE		
23	positions		18,476,200
24	Human resources optimization user charges.....		7,000
25	Information technology services and projects		<u>1,186,000</u>
26	GROSS APPROPRIATION.....	\$	19,719,200
27	Appropriated from:		

1	Casino gambling agreements.....	383,500
2	State services fee fund.....	19,335,700
3	State general fund/general purpose.....	\$ 0
4	(11) REVENUE SHARING	
5	Constitutional state general revenue sharing grants ..	\$ 708,080,000
6	Statutory state general revenue sharing grants	405,320,000
7	Special census revenue sharing payments.....	859,400
8	Special grants.....	<u>212,000</u>
9	GROSS APPROPRIATION.....	\$ 1,114,471,400
10	Appropriated from:	
11	Sales tax.....	1,113,400,000
12	State general fund/general purpose.....	\$ 1,071,400
13	(12) INFORMATION TECHNOLOGY	
14	Treasury operations information technology services	
15	and projects	\$ <u>17,026,000</u>
16	GROSS APPROPRIATION.....	\$ 17,026,000
17	Appropriated from:	
18	Interdepartmental grant revenues:	
19	IDG from MDOT, Michigan transportation fund.....	446,600
20	Federal revenues:	
21	DED-OPSE, higher education act of 1965, insured loans	532,900
22	Special revenue funds:	
23	Delinquent tax collection revenue.....	10,183,000
24	Land reutilization fund.....	20,000
25	Michigan merit award trust fund.....	407,500
26	Retirement funds.....	647,100
27	State general fund/general purpose.....	\$ 4,788,900

1 (13) MICHIGAN STRATEGIC FUND

2	Full-time equated classified positions.....	152.0
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3	Administration--22.0 FTE positions	2,451,000
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4	Job creation services--130.0 FTE positions	17,496,000
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5	Human resources optimization user charges	17,300
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6	Michigan promotion program.....	5,717,500
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7	Community development block grants	45,000,000
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8	Economic develop job training grants.....	9,798,000
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9	GROSS APPROPRIATION.....	\$	80,479,800
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10 Appropriated from:

11 Interdepartmental grant revenues:

12	IDG, MEDQ, air quality fees.....	78,600
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13 Federal revenues:

14	DOL-ETA, employment services	300,000
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15	HUD-CPD, community development block grant	47,387,000
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16 Special revenue funds:

17	Private-special project advances	700,000
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18	Industry support fees	5,000
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19	State general fund/general purpose	\$	32,009,200
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20 PART 2

21 PROVISIONS CONCERNING APPROPRIATIONS

22 GENERAL SECTIONS

23 Sec. 201. (1) Pursuant to section 30 of article IX of the

24 state constitution of 1963, total state spending from state

25 resources under part 1 for fiscal year 2006-2007 is

26 \$2,310,434,900.00 and state spending from state resources to be

1 paid to local units of government for fiscal year 2006-2007 is
 2 \$1,231,206,000.00. The itemized statement below identifies
 3 appropriations from which spending to local units of government
 4 will occur:

5 DEPARTMENT OF STATE

6	Fees to local units.....	\$	69,800
7	Motorcycle safety education grants.....		1,092,000
8	Subtotal.....	\$	1,161,800

9 DEPARTMENT OF TREASURY

10	Senior citizen cooperative housing tax exemption.....		18,800,000
11	Grants to counties in lieu of taxes.....		5,000
12	Health and safety fund grants.....		25,000,000
13	Constitutional state general revenue sharing grants..		708,080,000
14	Statutory state general revenue sharing grants.....		405,320,000
15	Convention facility development fund distribution....		58,850,000
16	Commercial mobile radio service payments.....		3,987,800
17	Renaissance zone reimbursements.....		2,630,000
18	Special grants.....		212,000
19	Special census revenue sharing payments.....		859,400
20	Economic development job training grants.....		6,300,000
21	Subtotal.....	\$	1,231,206,000

22 Part 2

23	Airport parking distribution.....	\$	18,900,000
24	TOTAL GENERAL GOVERNMENT.....	\$	1,250,106,000

25 (2) Pursuant to section 30 of article IX of the state
 26 constitution of 1963, total state spending from state sources for
 27 fiscal year 2006-2007 is estimated at \$27,992,387,900.00 in the

1 2006-2007 appropriations acts and total state spending from state
2 sources paid to local units of government for fiscal year 2006-2007
3 is estimated at \$16,029,076,300.00. The state-local proportion is
4 estimated at 57.30% of total state spending from state resources.

5 (3) If payments to local units of government and state
6 spending from state sources for fiscal year 2006-2007 are less than
7 the minimum required by section 30 of article IX of the state
8 constitution of 1963, the state budget director shall notify the
9 senate and house of representatives standing committees on
10 appropriations within 30 days after the final book-closing for
11 fiscal year 2006-2007.

12 Sec. 202. The appropriations authorized under this bill are
13 subject to the management and budget act, 1984 PA 431, MCL 18.1101
14 to 18.1594.

15 Sec. 203. As used in this bill:

16 (a) "AFSCME" means American federation of state, county, and
17 municipal employees.

18 (b) "COBRA" means the consolidated omnibus budget
19 reconciliation act of 1985, Public Law 99-272, 100 Stat. 82.

20 (c) "CPI" means consumer price index.

21 (d) "DAG" means the United States department of agriculture.

22 (e) "DED-OPSE" means the United States department of
23 education, office of postsecondary education.

24 (f) "DOL-ETA" means the United States department of labor,
25 employment and training administration.

26 (g) "DOL-OSHA" means the United States department of labor,
27 occupational safety and health administration.

1 (h) "EEOC" means the United States equal employment
2 opportunity commission.

3 (i) "EPA" means the United States environmental protection
4 agency.

5 (j) "FTE" means full-time equated.

6 (k) "Fund" means the Michigan Strategic Fund.

7 (l) "GF/GP" means general fund/general purpose.

8 (m) "HHS" means the United States department of health and
9 human services.

10 (n) "HHS-OS" means the HHS office of the secretary.

11 (o) "HHS-SSA" means the HHS social security administration.

12 (p) "HUD" means the United States department of housing and
13 urban development.

14 (q) "HUD" means the United States department of housing and
15 urban development - community planning and development.

16 (r) "IDG" means interdepartmental grant.

17 (s) "MAIN" means the Michigan administrative information
18 network.

19 (t) "MCL" means the Michigan Compiled Laws.

20 (u) "MDCH" means the Michigan department of community health.

21 (v) "MDCS" means the Michigan department of civil service.

22 (w) "MDEQ" means the Michigan department of environmental
23 quality.

24 (x) "MDHS" means the Michigan department of human services.

25 (y) "MDLEG" means the Michigan department of labor and
26 economic growth.

27 (z) "MDMB" means the Michigan department of management and

1 budget.

2 (aa) "MDOT" means the Michigan department of transportation.

3 (bb) "MDSP" means the Michigan department of state police.

4 (cc) "MEDC" means the Michigan economic development

5 corporation, which is the public body corporate created under

6 section 28 of article VII of the state constitution of 1963 and the

7 urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to

8 124.512, by contractual interlocal agreement effective April 5,

9 1999, between local participating economic development corporations

10 formed under the economic development corporations act, 1974 PA

11 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund.

12 (dd) "MPES" means the Michigan professional employees society.

13 (ee) "PA" means public act.

14 (ff) "PACC" means the prosecuting attorneys coordinating

15 council.

16 Sec. 204. The department of civil service shall bill

17 departments and agencies at the end of the first fiscal quarter for

18 the 1% charge authorized by section 5 of article XI of the state

19 constitution of 1963. Payments shall be made for the total amount

20 of the billing by the end of the second fiscal quarter.

21 Sec. 205. (1) A hiring freeze is imposed on the state

22 classified civil service. State departments and agencies are

23 prohibited from hiring any new full-time state classified civil

24 service employees and prohibited from filling any vacant state

25 classified civil service positions. This hiring freeze does not

26 apply to internal transfers of classified employees from 1 position

27 to another within a department.

1 (2) The attorney general and secretary of state may grant
2 exceptions to the hiring freeze for their respective departments
3 pursuant to the same criteria that the state budget director is
4 able to grant exceptions under this subsection. The state budget
5 director may grant exceptions to this hiring freeze when the state
6 budget director believes that the hiring freeze will result in
7 rendering a state department or agency unable to deliver basic
8 services, cause loss of revenue to the state, result in the
9 inability of the state to receive federal funds, or necessitate
10 additional expenditures that exceed any savings from maintaining a
11 vacancy. The state budget director shall report quarterly to the
12 chairpersons of the senate and house of representatives standing
13 committees on appropriations the number of exceptions to the hiring
14 freeze approved during the previous quarter and the reasons to
15 justify the exception.

16 Sec. 208. Unless otherwise specified, the department and
17 agencies receiving appropriations in part 1 shall use the Internet
18 to fulfill the reporting requirements of this bill. This
19 requirement may include transmission of reports via electronic mail
20 to the recipients identified for each reporting requirement, or it
21 may include placement of reports on an Internet or Intranet site.

22 Sec. 209. Funds appropriated in part 1 shall not be used for
23 the purchase of foreign goods or services, or both, if
24 competitively priced and of comparable quality American goods or
25 services, or both, are available. Preference should be given to
26 goods or services, or both, manufactured or provided by Michigan
27 businesses if they are competitively priced and of comparable

1 quality.

2 Sec. 210. The director of each department receiving
3 appropriations in part 1 shall take all reasonable steps to ensure
4 businesses in deprived and depressed communities compete for and
5 perform contracts to provide services or supplies, or both. Each
6 director shall strongly encourage firms with which the department
7 contracts to subcontract with certified businesses in depressed and
8 deprived communities for services, supplies, or both.

9 Sec. 211. Pursuant to section 352 of the management and budget
10 act, 1984 PA 431, MCL 18.1352, that provides for a transfer of
11 state general funds into the countercyclical budget and economic
12 stabilization fund, there is appropriated into the countercyclical
13 budget and economic stabilization fund the sum of \$0.00. The
14 calculation required by section 352 of the management and budget
15 act, 1984 PA 431, MCL 18.1352, is determined as follows:

	2005	2006
16 Michigan personal income (millions)	\$335,155	\$349,231
17 less: transfer payments	<u>51,360</u>	<u>54,698</u>
18 Subtotal	283,795	294,533
19 Divided by: Detroit CPI for 12 months		
20 ending June 30	1.878	1.937
21 Equals: Real adjusted Michigan personal		
22 income	\$151,116	\$152,082
23 Percentage change		0.6%
24 Percentage change in excess of 2%	0.1%	0.0%
25 Multiplied by: estimated GF/GP revenue in		
26 FY 2005-2006 (millions)		8,207.8

1 Equals: countercyclical budget and
 2 economic stabilization fund calculation
 3 for the fiscal year ending September 30,
 4 2007..... \$0.0 \$0.0

5 Sec. 213. Funds appropriated in part 1 shall not be used by
 6 this state, a department, an agency, or an authority of this state
 7 to purchase an ownership interest in a casino enterprise or a
 8 gambling operation as those terms are defined in the Michigan
 9 gaming control and revenue act, the Initiated Law of 1996, MCL
 10 432.201 to 432.226.

11 Sec. 214. From the funds appropriated in part 1 for
 12 information technology, departments and agencies shall pay user
 13 fees to the department of information technology for technology-
 14 related services and projects. Such user fees shall be subject to
 15 provisions of an interagency agreement between the departments and
 16 agencies and the department of information technology.

17 Sec. 216. (1) Due to the current budgetary problems in this
 18 state, out-of-state travel for the fiscal year ending September 30,
 19 2007 shall be limited to situations in which 1 or more of the
 20 following conditions apply:

21 (a) The travel is required by legal mandate or court order or
 22 for law enforcement purposes.

23 (b) The travel is necessary to protect the health or safety of
 24 Michigan citizens or visitors or to assist other states in similar
 25 circumstances.

26 (c) The travel is necessary to produce budgetary savings or to
 27 increase state revenues, including protecting existing federal

1 funds or securing additional federal funds.

2 (d) The travel is necessary to comply with federal
3 requirements.

4 (e) The travel is necessary to secure specialized training for
5 staff that is not available within this state.

6 (f) The travel is financed entirely by federal or nonstate
7 funds.

8 (2) If out-of-state travel is necessary but does not meet 1 or
9 more of the conditions in subsection (1), the state budget director
10 may grant an exception to allow the travel. Any exceptions granted
11 by the state budget director shall be reported on a monthly basis
12 to the senate and house of representatives standing committees on
13 appropriations.

14 (3) Not later than January 1 of each year, each department
15 shall prepare a travel report listing all travel by classified and
16 unclassified employees outside this state in the immediately
17 preceding fiscal year that was funded in whole or in part with
18 funds appropriated in the department's budget. The report shall be
19 submitted to the chairs and members of the senate and house of
20 representatives standing committees on appropriations, the fiscal
21 agencies, and the state budget director. The report shall include
22 the following information:

23 (a) The name of each person receiving reimbursement for travel
24 outside this state or whose travel costs were paid by this state.

25 (b) The destination of each travel occurrence.

26 (c) The dates of each travel occurrence.

27 (d) A brief statement of the reason for each travel

1 occurrence.

2 (e) The transportation and related costs of each travel
3 occurrence, including the proportion funded with state general
4 fund/general purpose revenues, the proportion funded with state
5 restricted revenues, the proportion funded with federal revenues,
6 and the proportion funded with other revenues.

7 (f) A total of all out-of-state travel funded for the
8 immediately preceding fiscal year.

9 Sec. 218. Amounts appropriated in part 1 for information
10 technology may be designated as work projects and carried forward
11 to support technology projects under the direction of the
12 department of information technology. Funds designated in this
13 manner are not available for expenditure until approved as work
14 projects under section 451a of the management and budget act, 1984
15 PA 431, MCL 18.1451a.

16 **DEPARTMENT OF ATTORNEY GENERAL**

17 Sec. 301. (1) In addition to the funds appropriated in part 1,
18 there is appropriated an amount not to exceed \$1,500,000.00 for
19 federal contingency funds. These funds are not available for
20 expenditure until they have been transferred to another line item
21 in this bill under section 393(2) of the management and budget act,
22 1984 PA 431, MCL 18.1393.

23 (2) In addition to the funds appropriated in part 1, there is
24 appropriated an amount not to exceed \$1,500,000.00 for state
25 restricted contingency funds. These funds are not available for
26 expenditure until they have been transferred to another line item

1 in this bill under section 393(2) of the management and budget act,
2 1984 PA 431, MCL 18.1393.

3 (3) In addition to the funds appropriated in part 1, there is
4 appropriated an amount not to exceed \$100,000.00 for local
5 contingency funds. These funds are not available for expenditure
6 until they have been transferred to another line item in this bill
7 under section 393(2) of the management and budget act, 1984 PA 431,
8 MCL 18.1393.

9 (4) In addition to the funds appropriated in part 1, there is
10 appropriated an amount not to exceed \$100,000.00 for private
11 contingency funds. These funds are not available for expenditure
12 until they have been transferred to another line item in this bill
13 under section 393(2) of the management and budget act, 1984 PA 431,
14 MCL 18.1393.

15 Sec. 302. (1) The attorney general shall perform all legal
16 services, including representation before courts and administrative
17 agencies rendering legal opinions and providing legal advice to a
18 principal executive department or state agency. A principal
19 executive department or state agency shall not employ or enter into
20 a contract with any other person for services described in this
21 section.

22 (2) The attorney general shall defend judges of all state
23 courts if a claim is made or a civil action is commenced for
24 injuries to persons or property caused by the judge through the
25 performance of the judge's duties while acting within the scope of
26 his or her authority as a judge.

27 (3) The attorney general shall perform the duties specified in

1 1846 RS 12, MCL 14.28 to 14.35, and 1919 PA 232, MCL 14.101 to
2 14.102, and as otherwise provided by law.

3 Sec. 303. The attorney general may sell copies of the biennial
4 report in excess of the 350 copies that the attorney general may
5 distribute on a gratis basis. Gratis copies shall not be provided
6 to members of the legislature. Electronic copies of biennial
7 reports shall be made available on the department of attorney
8 general's website. The attorney general shall sell copies of the
9 report at not less than the actual cost of the report and shall
10 deposit the money received into the general fund.

11 Sec. 304. The department of attorney general is responsible
12 for the legal representation for state of Michigan state employee
13 worker's disability compensation cases. The risk management
14 revolving fund revenue appropriation in part 1 is to be satisfied
15 by billings from the department of attorney general for the actual
16 costs of legal representation, including salaries and support
17 costs.

18 Sec. 305. In addition to the funds appropriated in part 1, not
19 more than \$400,000.00 shall be reimbursed per fiscal year for food
20 stamp fraud cases heard by the third circuit court of Wayne County
21 that were initiated by the department of attorney general pursuant
22 to the existing contract between the department of human services,
23 the prosecuting attorneys association of Michigan, and the
24 department of attorney general. The source of this funding is money
25 earned by the department of attorney general under the agreement
26 after the allowance for reimbursement to the department of attorney
27 general for costs associated with the prosecution of food stamp

1 fraud cases. It is recognized that the federal funds are earned by
2 the department of attorney general for its documented progress on
3 the prosecution of food stamp fraud cases according to the United
4 States department of agriculture regulations and that once earned
5 by this state, the funds become state funds.

6 Sec. 306. Any proceeds from a lawsuit initiated by or
7 settlement agreement entered into on behalf of this state against a
8 manufacturer of tobacco products by the attorney general are state
9 funds and are subject to appropriation as provided by law.

10 Sec. 307. Any unobligated antitrust enforcement revenue,
11 securities fraud revenue, consumer protection or class action
12 enforcement revenues, or attorney fees recovered by the department
13 of attorney general, not to exceed \$250,000.00, may be carried
14 forward and are available for appropriation to the department of
15 attorney general in the succeeding fiscal year.

16 Sec. 308. (1) In addition to the funds appropriated in part 1,
17 there is appropriated up to \$500,000.00 from litigation expense
18 reimbursements awarded to the state.

19 (2) The funds may be expended for the payment of court
20 judgments or settlements; attorney fees; and litigation expenses,
21 not including staff salaries and support costs, assessed against
22 the office of the governor, the department of the attorney general,
23 the governor, or the attorney general when acting in an official
24 capacity as the named party in litigation against the state. The
25 funds may also be expended for the payment of state costs incurred
26 under section 16 of chapter X of the code of criminal procedure,
27 1927 PA 175, MCL 770.16.

1 (3) Unexpended funds at the end of the fiscal year may be
2 carried forward for expenditure in the following year, up to a
3 maximum authorization of \$500,000.00.

4 Sec. 309. From the prisoner reimbursement funds appropriated
5 in part 1, the department may spend up to \$445,800.00 on activities
6 related to the state correctional facilities reimbursement act,
7 1935 PA 253, MCL 800.401 to 800.406. In addition to the funds
8 appropriated in part 1, if the department collects in excess of
9 \$1,131,000.00 in gross annual prisoner reimbursement receipts
10 provided to the general fund, the excess, up to a maximum of
11 \$1,000,000.00, is appropriated to the department of attorney
12 general and may be spent on the representation of the department of
13 corrections and its officers, employees, and agents, including, but
14 not limited to, the defense of litigation against the state, its
15 departments, officers, employees, or agents in civil actions filed
16 by prisoners.

17 DEPARTMENT OF CIVIL RIGHTS

18 Sec. 401. In addition to the funds appropriated in part 1,
19 there is appropriated an amount not to exceed \$2,000,000.00 for
20 federal contingency funds. These funds are not available for
21 expenditure until they have been transferred to another line item
22 in this bill under section 393(2) of the department of management
23 and budget act, 1984 PA 431, MCL 18.1393.

24 Sec. 402. (1) In addition to the appropriations contained in
25 part 1, the department of civil rights may receive and expend funds
26 from local or private sources for all of the following purposes:

1 (a) Developing and presenting training for employers on equal
2 employment opportunity law and procedures.

3 (b) The publication and sale of civil rights related
4 informational material.

5 (c) The provision of copy material made available under
6 freedom of information requests.

7 (d) Other copy fees, subpoena fees, and witness fees.

8 (e) Developing, presenting, and participating in mediation
9 processes for certain civil rights cases.

10 (f) Workshops, seminars, and recognition or award programs
11 consistent with the programmatic mission of the individual unit
12 sponsoring or coordinating the programs.

13 (2) The department of civil rights shall annually report to
14 the state budget director, the senate and house of representatives
15 standing committees on appropriations, and the senate and house
16 fiscal agencies the amount of funds received and expended for
17 purposes authorized under this section.

18 Sec. 403. The department of civil rights may contract with
19 local units of government to review equal employment opportunity
20 compliance of potential contractors and may charge for and expend
21 amounts received from local units of government for the purpose of
22 developing and providing these contractual services.

23 **DEPARTMENT OF CIVIL SERVICE**

24 Sec. 501. (1) In addition to the funds appropriated in part 1,
25 there is appropriated an amount not to exceed \$2,000,000.00 for
26 federal contingency funds. These funds are not available for

1 expenditure until they have been transferred to another line item
2 in this bill under section 393(2) of the department of management
3 and budget act, 1984 PA 431, MCL 18.1393.

4 (2) In addition to the funds appropriated in part 1, there is
5 appropriated an amount not to exceed \$5,000,000.00 for state
6 restricted contingency funds. These funds are not available for
7 expenditure until they have been transferred to another line item
8 in this bill under section 393(2) of the department of management
9 and budget act, 1984 PA 431, MCL 18.1393.

10 (3) In addition to the funds appropriated in part 1, there is
11 appropriated an amount not to exceed \$100,000.00 for local
12 contingency funds. These funds are not available for expenditure
13 until they have been transferred to another line item in this bill
14 under section 393(2) of the department of management and budget
15 act, 1984 PA 431, MCL 18.1393.

16 (4) In addition to the funds appropriated in part 1, there is
17 appropriated an amount not to exceed \$100,000.00 for private
18 contingency funds. These funds are not available for expenditure
19 until they have been transferred to another line item in this bill
20 under section 393(2) of the department of management and budget
21 act, 1984 PA 431, MCL 18.1393.

22 Sec. 502. (1) All restricted funds shall be assessed a sum not
23 less than 1% of the total aggregate payroll paid from those funds
24 for financing the department of civil service on the basis of
25 actual 1% restricted sources total aggregate payroll of the
26 classified service for fiscal year 2006 in accordance with section
27 5 of article XI of the state constitution of 1963. This includes,

1 but is not limited to, restricted funds appropriated in part 1 of
2 any appropriations act. Unexpended 1% appropriated funds shall be
3 returned to each 1% fund source at the end of the fiscal year.

4 (2) The 1% appropriations in part 1 are estimates of actual 1%
5 charges based on payroll appropriations. With the approval of the
6 state budget director, the department is authorized to adjust
7 financing sources for civil service 1% charges based on actual
8 payroll expenditures, provided that such adjustments do not
9 increase the total appropriation for the department of civil
10 service.

11 (3) The 1% financing from restricted sources shall be credited
12 to the department of civil service by the end of the second fiscal
13 quarter.

14 Sec. 503. Except where specifically appropriated for this
15 purpose, 1% of the financing from restricted sources shall be
16 credited to the department of civil service. For restricted sources
17 of funding within the general fund that have the legislative
18 authority for carryover, if current spending authorization or
19 revenues are insufficient to accept the charge, the shortage shall
20 be taken from carryforward balances of that funding source.

21 Restricted revenue sources that do not have carryforward authority
22 shall be utilized to satisfy departmental operating deducts first
23 and civil service obligations second. General fund dollars are
24 appropriated for any shortfall, pursuant to approval by the state
25 budget director.

26 Sec. 504. The appropriation in part 1 to the department of
27 civil service, for state-sponsored group insurance, flexible

1 spending accounts, and COBRA, represents amounts, in part, included
2 within the various appropriations throughout state government for
3 the current fiscal year to fund the flexible spending account
4 program included within the department of civil service. Deposits
5 against state-sponsored group insurance, flexible spending
6 accounts, and COBRA for the flexible spending account program shall
7 be made from assessments levied during the current fiscal year in a
8 manner prescribed by the department of civil service. Unspent
9 employee contributions to the flexible spending accounts may be
10 used to offset administrative costs for the flexible spending
11 account program, with any remaining balance of unspent employee
12 contributions to be lapsed to the general fund.

13 INFORMATION TECHNOLOGY

14 Sec. 573. (1) The department of information technology may
15 sell and accept paid advertising for placement on any state website
16 under its jurisdiction. The department shall review and approve the
17 content of each advertisement. The department may refuse to accept
18 advertising from any person or organization or require modification
19 to advertisements based upon criteria determined by the department.
20 Revenue received under this subsection will be used for operating
21 costs of the department and for future technology enhancements to
22 state of Michigan e-government initiatives.

23 (2) The department of information technology may accept gifts,
24 donations, contributions, bequests, and grants of money from any
25 public or private source to assist with the underwriting or
26 sponsorship of state web pages or services offered on those web

1 pages. A private or public funding source may receive recognition
2 in the web page. The department of information technology may
3 reject any gift, donation, contribution, bequest, or grant.

4 (3) Funds accepted by the department of information technology
5 under subsections (1) and (2) are appropriated and allotted when
6 received and may be expended upon approval of the state budget
7 director. The state budget office shall notify the senate and
8 house of representatives standing committees on appropriations
9 subcommittees on general government and the senate and house fiscal
10 agencies within 10 days after the approval.

11 (4) By April 1, the department of information technology shall
12 report to the senate and house of representatives standing
13 committees on appropriations and the senate and house fiscal
14 agencies that a statement of the total revenue received from the
15 sale of paid advertising accepted under this section and a
16 statement of the total number of advertising transactions are
17 available on the department's website.

18 (5) Except as excluded under subsection (1), any unexpended
19 revenue received under this section may be carried forward at the
20 end of the fiscal year and be available for future appropriation.

21 Sec. 574. The department of information technology may enter
22 into agreements to supply spatial information and technical
23 services to other principal executive departments, state agencies,
24 local units of government, and other organizations. The department
25 of information technology may receive and expend funds in addition
26 to those authorized in part 1 for providing information and
27 technical services, publications, maps, and other products. The

1 department of information technology may expend amounts received
2 for salaries, supplies, and equipment necessary to provide
3 informational products and technical services.

4 Sec. 575. The legislature shall have access to all historical
5 and current data contained within MAIN pertaining to state
6 departments. State departments shall have access to all historical
7 and current data contained within MAIN.

8 Sec. 576. When used in this act, "information technology
9 services" means services involving all aspects of managing and
10 processing information including, but not limited to, all of the
11 following:

12 (a) Application development and maintenance.

13 (b) Desktop computer support and management.

14 (c) Mainframe computer support and management.

15 (d) Server support and management.

16 (e) Local area network support and management.

17 (f) Information technology contract, project, and procurement
18 management.

19 (g) Information technology planning and budget management.

20 (h) Telecommunication services, security, infrastructure, and
21 support.

22 (i) Software and software licensing.

23 Sec. 577. (1) Funds appropriated in part 1 for the Michigan
24 public safety communications system shall be expended upon approval
25 of an expenditure plan by the state budget director.

26 (2) The department of information technology shall assess all
27 subscribers of the Michigan public safety communications system

1 reasonable access and maintenance fees.

2 (3) All money received by the department of information
3 technology under this section shall be expended for the support and
4 maintenance of the Michigan public safety communications system.

5 (4) The department of information technology shall provide a
6 report to the senate and house of representatives standing
7 committees on appropriations, the senate and house fiscal agencies,
8 and the state budget director on April 15 and on October 15,
9 indicating the amount of revenue collected under this section and
10 expended for support and maintenance of the Michigan public safety
11 communications system for the immediately preceding 6-month period.
12 Any deposits made under this section and unencumbered funds are
13 restricted revenues and may be carried over into succeeding fiscal
14 years.

15 Sec. 580. (1) From the funds appropriated in part 1 to general
16 services, for the department of state, there is appropriated
17 \$3,450,000.00 for the business application modernization project.
18 Funds shall only be used for the development, implementation, and
19 maintenance of the business application modernization project.

20 (2) The unexpended funds appropriated in part 1 for the
21 business application modernization project are designated as work
22 project appropriations and shall not lapse at the end of the fiscal
23 year. Any unencumbered or unallotted funds may be carried over into
24 the succeeding fiscal year and continue to be available for
25 expenditure until the project has been completed. The total cost is
26 estimated at \$30,000,000.00, and the tentative completion date is
27 September 30, 2008.

1 Sec. 581. In addition to the funds appropriated in part 1,
2 there is appropriated an amount not to exceed \$40,000,000.00 for
3 interdepartmental grant contingency funds. These funds are not
4 available for expenditure until they have been transferred to
5 another line item in this act under section 393 (2) of the
6 department of management and budget act, 1984 PA 431, MCL 18.1393.

7 Sec. 582. If during the course of the fiscal year a transfer
8 to or from the information technology line item within an agency
9 budget is made under section 393 of the department of management
10 and budget act, 1984, PA 431, MCL 18.1393, there is appropriated an
11 equal amount of user fees in the department of information
12 technology budget to accommodate an increase or decrease in
13 spending authorization.

14 LEGISLATURE

15 Sec. 600. The senate, the house of representatives, or an
16 agency within the legislative branch may receive, expend, and
17 transfer funds in addition to those authorized in part 1.

18 Sec. 601. (1) Funds appropriated in part 1 to an entity within
19 the legislative branch shall not be expended or transferred to
20 another account without written approval of the authorized agent of
21 the legislative entity. If the authorized agent of the legislative
22 entity notifies the state budget director of its approval of an
23 expenditure or transfer before the year-end book-closing date for
24 that legislative entity, the state budget director shall
25 immediately make the expenditure or transfer. The authorized
26 legislative entity agency shall be designated by the speaker of the

1 house of representatives for house entities, the senate majority
2 leader for senate entities, and the legislative council for
3 legislative council entities.

4 (2) Funds appropriated within the legislative branch, to a
5 legislative council component, shall not be expended by any agency
6 or other subgroup included in that component without the approval
7 of the legislative council.

8 Sec. 602. The senate may charge rent and assess charges for
9 utility costs. The amounts received for rent charges and utility
10 assessments are appropriated to the senate for the renovation,
11 operation, and maintenance of the Farnum building and other
12 properties.

13 Sec. 603. The appropriation contained in part 1 for national
14 association dues is to be distributed by the legislative council.

15 Sec. 604. (1) The appropriation in part 1 to the legislative
16 council includes funds to operate the legislative parking
17 facilities in the capitol area. The legislative council shall
18 establish rules regarding the operation of the legislative parking
19 facilities.

20 (2) The legislative council shall collect a fee from state
21 employees and the general public using certain legislative parking
22 facilities. The revenues received from the parking fees shall be
23 allocated by the legislative council.

24 Sec. 605. The appropriation in part 1 to the legislative
25 council for publication of the Michigan manual is a work project
26 account. The unexpended portion remaining on September 30 shall not
27 lapse and shall be carried forward into the subsequent fiscal year

1 for use in paying the associated biennial costs of publication of
2 the Michigan manual.

3 Sec. 606. The appropriations in part 1 to the legislative
4 branch, for property management, shall be used to purchase
5 equipment and services for building maintenance in order to ensure
6 a safe and productive work environment. These funds are designated
7 as work project appropriations and shall not lapse at the end of
8 the fiscal year, and shall continue to be available for expenditure
9 until the project has been completed. The total cost is estimated
10 at \$500,000.00, and the tentative completion date is September 30,
11 2007.

12 Sec. 607. The appropriations in part 1 to the legislative
13 branch, for automated data processing, shall be used to purchase
14 equipment, software, and services in order to support and implement
15 data processing requirements and technology improvements. These
16 funds are designated as work project appropriations and shall not
17 lapse at the end of the fiscal year, and shall continue to be
18 available for expenditure until the project has been completed. The
19 total cost is estimated at \$500,000.00, and the tentative
20 completion date is September 30, 2007.

21 Sec. 608. In addition to funds appropriated in part 1, the
22 Michigan capitol committee publications save the flags fund account
23 may accept contributions, gifts, bequests, devises, grants, and
24 donations. Those funds that are not expended in the fiscal year
25 ending September 30 shall not lapse at the close of the fiscal
26 year, and shall be carried forward for expenditure in the following
27 fiscal years.

1 Sec. 610. The funds appropriated in part 1 shall not be used
2 to pay for health insurance benefits for unmarried domestic
3 partners of legislators or legislative employees.

4 Sec. 611. Pursuant to section 53 of article IV of the state
5 constitution of 1963, the auditor general shall conduct audits of
6 the judicial branch. The audits may include the supreme court and
7 its administrative units, the court of appeals, and trial courts.

8 Sec. 612. (1) The auditor general shall take all reasonable
9 steps to ensure that certified minority- and women-owned and
10 operated accounting firms, and accounting firms owned and operated
11 by persons with disabilities participate in the audits of the
12 books, accounts, and financial affairs of each principal executive
13 department, branch, institution, agency, and office of this state.

14 (2) The auditor general shall strongly encourage firms with
15 which the auditor general contracts to perform audits of the
16 principal executive departments and state agencies to subcontract
17 with certified minority- and women-owned and operated accounting
18 firms, and accounting firms owned and operated by persons with
19 disabilities.

20 (3) The auditor general shall compile an annual report
21 regarding the number of contracts entered into with certified
22 minority- and women-owned and operated accounting firms, and
23 accounting firms owned and operated by persons with disabilities.
24 The auditor general shall deliver the report to the state budget
25 director and the senate and house of representatives standing
26 committees on appropriations subcommittees on general government by
27 November 1 of each year.

1 Sec. 613. From the funds appropriated in part 1 to the
2 legislative auditor general, the legislative auditor general's
3 salary and the salaries of the remaining 2.0 FTE unclassified
4 positions shall be set by the speaker of the house of
5 representatives, the senate majority leader, the house of
6 representatives minority leader, and the senate minority leader.

7 Sec. 614. Any audits, reviews, or investigations requested of
8 the auditor general by the legislature or by legislative
9 leadership, legislative committees, or individual legislators shall
10 include an estimate of the additional costs involved and, when
11 those costs exceed \$50,000.00, should provide supplemental funding.
12 The auditor general shall determine whether to perform those
13 activities in keeping with Audit Directive No. 29, which describes
14 the office of auditor general policy on responding to legislative
15 requests.

16 **DEPARTMENT OF MANAGEMENT AND BUDGET**

17 Sec. 701. (1) In addition to the funds appropriated in part 1,
18 there is appropriated an amount not to exceed \$2,000,000.00 for
19 federal contingency funds. These funds are not available for
20 expenditure until they have been transferred to another line item
21 in this bill under section 393(2) of the management and budget act,
22 1984 PA 431, MCL 18.1393.

23 (2) In addition to the funds appropriated in part 1, there is
24 appropriated an amount not to exceed \$3,000,000.00 for state
25 restricted contingency funds. These funds are not available for
26 expenditure until they have been transferred to another line item

1 in this bill under section 393(2) of the management and budget act,
2 1984 PA 431, MCL 18.1393.

3 (3) In addition to the funds appropriated in part 1, there is
4 appropriated an amount not to exceed \$50,000,000.00 for local
5 contingency funds. These funds are not available for expenditure
6 until they have been transferred to another line item in this bill
7 under section 393(2) of the management and budget act, 1984 PA 431,
8 MCL 18.1393.

9 Sec. 702. Proceeds in excess of necessary costs incurred in
10 the conduct of transfers or auctions of state surplus, salvage, or
11 scrap property made pursuant to section 267 of the management and
12 budget act, 1984 PA 431, MCL 18.1267, are appropriated to the
13 department of management and budget to offset costs incurred in the
14 acquisition and distribution of federal surplus property.

15 Sec. 703. (1) The department of management and budget may
16 receive and expend funds in addition to those authorized by part 1
17 for maintenance and operation services provided specifically to
18 other principal executive departments or state agencies, the
19 legislative branch, the judicial branch, or private tenants, or
20 provided in connection with facilities transferred to the
21 operational jurisdiction of the department of management and
22 budget.

23 (2) The department of management and budget may receive and
24 expend funds in addition to those authorized by part 1 for real
25 estate, architectural, design, and engineering services provided
26 specifically to other principal executive departments or state
27 agencies, the legislative branch, or the judicial branch.

1 (3) The department of management and budget may receive and
2 expend funds in addition to those authorized in part 1 for mail
3 pickup and delivery services provided specifically to other
4 principal executive departments and state agencies, the legislative
5 branch, or the judicial branch.

6 (4) The department of management and budget may receive and
7 expend funds in addition to those authorized in part 1 for
8 purchasing services provided specifically to other principal
9 executive departments and state agencies, the legislative branch,
10 or the judicial branch.

11 Sec. 704. (1) The source of financing in part 1 for statewide
12 appropriations shall be funded by assessments against longevity and
13 insurance appropriations throughout state government in a manner
14 prescribed by the department of management and budget. Funds shall
15 be used as specified in joint labor/management agreements or
16 through the coordinated compensation hearings process. Any deposits
17 made under this subsection and any unencumbered funds are
18 restricted revenues, may be carried over into the succeeding fiscal
19 years, and are appropriated.

20 (2) In addition to the funds appropriated in part 1 for
21 statewide appropriations, the department of management and budget
22 may receive and expend funds in such additional amounts as may be
23 specified in joint labor/management agreements or through the
24 coordinated compensation hearings process in the same manner and
25 subject to the same conditions as prescribed in subsection (1).

26 Sec. 705. To the extent a specific appropriation is required
27 for a detail source of financing included in part 1 for the

1 department of management and budget appropriations financed from
2 special revenue and internal service and pension trust funds, or
3 MAIN user charges, the specific amounts are appropriated within the
4 special revenue internal service and pension trust funds in
5 portions not to exceed the aggregate amount appropriated in part 1.

6 Sec. 706. In addition to the funds appropriated in part 1 to
7 the department of management and budget, the department may receive
8 and expend funds from other principal executive departments and
9 state agencies to implement donated annual leave and administrative
10 leave bank transfer provisions as may be specified in joint
11 labor/management agreements. The amounts may also be transferred to
12 other principal executive departments and state agencies under the
13 joint agreement and any amounts transferred under the joint
14 agreement are authorized for receipt and expenditure by the
15 receiving principal executive department or state agency. Any
16 amounts received by the department of management and budget under
17 this section and intended, under the joint labor/management
18 agreements, to be available for use beyond the close of the fiscal
19 year and any unencumbered funds may be carried over into the
20 succeeding fiscal year.

21 Sec. 707. The source of financing in part 1 for the Michigan
22 administrative information network shall be funded by proportionate
23 charges assessed against the respective state funds benefiting from
24 this project in the amounts determined by the department.

25 Sec. 708. (1) Deposits against the interdepartmental grant
26 from building occupancy and parking charges appropriated in part 1
27 shall be collected, in part, from state agencies, the legislative

1 branch, and the judicial branch based on estimated costs associated
2 with maintenance and operation of buildings managed by the
3 department of management and budget. To the extent excess revenues
4 are collected due to estimates of building occupancy charges
5 exceeding actual costs, the excess revenues may be carried forward
6 into succeeding fiscal years for the purpose of returning funds to
7 state agencies.

8 (2) Appropriations in part 1 to the department of management
9 and budget, for management and budget services from building
10 occupancy charges and parking charges, may be increased to return
11 excess revenue collected to state agencies.

12 Sec. 709. The department of management and budget shall
13 maintain an Internet website that contains notice of all
14 invitations for bids and requests for proposals over \$50,000.00
15 issued by the department or by any state agency operating under
16 delegated authority. The department shall not accept an invitation
17 for bid or request for proposal in less than 14 days after the
18 notice is made available on the Internet website, except in
19 situations where it would be in the best interest of the state and
20 documented by the department. In addition to the requirements of
21 this section, the department may advertise the invitations for bids
22 and requests for proposals in any manner the department determines
23 appropriate, in order to give the greatest number of individuals
24 and businesses the opportunity to make bids or requests for
25 proposals.

26 Sec. 710. The department of management and budget may receive
27 and expend funds from the Vietnam veterans memorial monument fund

1 as provided in the Michigan Vietnam veterans memorial act, 1988 PA
2 234, MCL 35.1051 to 35.1057. Funds are appropriated and allocated
3 when received and may be expended upon receipt.

4 Sec. 711. The Michigan veterans' memorial park commission may
5 receive and expend money from any source, public or private,
6 including, but not limited to, gifts, grants, donations of money,
7 and government appropriations, for the purposes described in
8 Executive Order No. 2001-10. Funds are appropriated and allocated
9 when received and may be expended upon receipt. Any deposits made
10 under this section and unencumbered funds are restricted revenues
11 and may be carried over into succeeding fiscal years.

12 Sec. 712. (1) Funds in part 1 for motor vehicle fleet are
13 appropriated to the department of management and budget for
14 administration and for the acquisition, lease, operation,
15 maintenance, repair, replacement, and disposal of state motor
16 vehicles.

17 (2) The appropriation in part 1 for motor vehicle fleet shall
18 be funded by revenue from rates charged to principal executive
19 departments and agencies for utilizing vehicle travel services
20 provided by the department. Revenue in excess of the amount
21 appropriated in part 1 from the motor transport fund and any
22 unencumbered funds are restricted revenues and may be carried over
23 into the succeeding fiscal year.

24 (3) The department of management and budget may charge state
25 agencies for fuel cost increases that exceed the average retail
26 cost per gallon of unleaded gasoline of \$2.27. Revenues received
27 from such charges are appropriated upon receipt.

1 Sec. 713. In addition to the funds appropriated in part 1, the
2 department of management and budget may receive and expend money
3 from the Michigan law enforcement officers memorial monument fund
4 as provided in the Michigan law enforcement officers memorial act,
5 2004 PA 177, MCL 28.781 to 28.787.

6 Sec. 714. In addition to the funds appropriated in part 1, the
7 department of management and budget may receive and expend money
8 from the Ronald Wilson Reagan memorial monument fund as provided in
9 the Ronald Wilson Reagan memorial monument fund commission act,
10 2004 PA 489, MCL 399.261 to 399.266.

11 **STATE BUILDING AUTHORITY**

12 Sec. 725. (1) Subject to section 242 of the management and
13 budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the
14 state building authority, the department may expend from the
15 general fund of the state during the fiscal year ending September
16 30, 2007 an amount to meet the cash flow requirements of those
17 state building authority projects solely for lease to a state
18 agency identified in both part 1 and this section, and for which
19 state building authority bonds or notes have not been issued, and
20 for the sole acquisition by the state building authority of
21 equipment and furnishings for lease to a state agency as permitted
22 by 1964 PA 183, MCL 830.411 to 830.425, for which the issuance of
23 bonds or notes is authorized by a legislative concurrent resolution
24 that is effective for the fiscal year ending September 30, 2007.
25 Any general fund advances for which state building authority bonds
26 have not been issued shall bear an interest cost to the state

1 building authority at a rate not to exceed that earned by the state
2 treasurer's common cash fund during the period in which the
3 advances are outstanding and are repaid to the general fund of the
4 state.

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

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

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

23 Sec. 726. (1) State building authority funding to finance
24 construction or renovation of a facility that collects revenue in
25 excess of money required for the operation of that facility shall
26 not be released to a university or community college unless the
27 institution agrees to reimburse that excess revenue to the state

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

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

12 Sec. 727. (1) The state building authority rent appropriations
13 in part 1 may also be expended for the payment of required premiums
14 for insurance on facilities owned by the state building authority
15 or payment of costs that may be incurred as the result of any
16 deductible provisions in such insurance policies.

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

23 Sec. 728. The department of management and budget shall
24 provide the JCOS and the fiscal agencies a report relative to the
25 status of construction projects associated with state building
26 authority bonds for fiscal year ending September 30th by October 15th
27 of the following fiscal year, or not more than 30 days after a

1 refinancing or restructuring bond issue is sold. The report shall
2 include, but is not limited to, the following:

3 (a) A list of all completed construction projects for which
4 state building authority bonds have been sold, and which bonds are
5 currently active.

6 (b) A list of all projects under construction for which sale
7 of state building authority bonds are pending.

8 (c) A list of all projects authorized for construction or
9 identified in an appropriations act for which approval of
10 schematic/preliminary plans or total authorized cost is pending
11 that have state building authority bonds identified as a source of
12 financing.

13 **DEPARTMENT OF STATE**

14 Sec. 801. (1) In addition to the funds appropriated in part 1,
15 there is appropriated an amount not to exceed \$1,000,000.00 for
16 federal contingency funds. These funds are not available for
17 expenditure until they have been transferred to another line item
18 in this bill under section 393(2) of the department of management
19 and budget act, 1984 PA 431, MCL 18.1393.

20 (2) In addition to the funds appropriated in part 1, there is
21 appropriated an amount not to exceed \$7,500,000.00 for state
22 restricted contingency funds. These funds are not available for
23 expenditure until they have been transferred to another line item
24 in this bill under section 393(2) of the department of management
25 and budget act, 1984 PA 431, MCL 18.1393.

26 (3) In addition to the funds appropriated in part 1, there is

1 appropriated an amount not to exceed \$50,000.00 for local
2 contingency funds. These funds are not available for expenditure
3 until they have been transferred to another line item in this bill
4 under section 393(2) of the department of management and budget
5 act, 1984 PA 431, MCL 18.1393.

6 (4) In addition to the funds appropriated in part 1, there is
7 appropriated an amount not to exceed \$100,000.00 for private
8 contingency funds. These funds are not available for expenditure
9 until they have been transferred to another line item in this bill
10 under section 393(2) of the department of management and budget
11 act, 1984 PA 431, MCL 18.1393.

12 Sec. 802. All funds made available by section 3171 of the
13 insurance code of 1956, 1956 PA 218, MCL 500.3171, are appropriated
14 and made available to the department of state to be expended only
15 for the uses and purposes for which the funds are received as
16 provided by sections 3171 to 3177 of the insurance code of 1956,
17 1956 PA 218, MCL 500.3171 to 500.3177.

18 Sec. 803. From the funds appropriated in part 1, the
19 department of state shall sell copies of records including, but not
20 limited to, records of motor vehicles, off-road vehicles,
21 snowmobiles, watercraft, mobile homes, personal identification
22 cardholders, drivers, and boat operators and shall charge \$7.00 per
23 record sold only as authorized in section 208b of the Michigan
24 vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222,
25 MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the
26 natural resources and environmental protection act, 1994 PA 451,
27 MCL 324.80130, 324.80315, 324.81114, and 324.82156. The revenue

1 received from the sale of records shall be credited to the
2 transportation administration collection fund created under section
3 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b.

4 Sec. 804. From the funds appropriated in part 1, the secretary
5 of state may enter into agreements with the department of
6 corrections for the manufacture of vehicle registration plates 15
7 months before the registration year in which the registration
8 plates will be used.

9 Sec. 805. (1) The department of state may accept gifts,
10 donations, contributions, and grants of money and other property
11 from any private or public source to underwrite, in whole or in
12 part, the cost of a departmental publication that is prepared and
13 disseminated under the Michigan vehicle code, 1949 PA 300, MCL
14 257.1 to 257.923. A private or public funding source may receive
15 written recognition in the publication and may furnish a traffic
16 safety message, subject to departmental approval, for inclusion in
17 the publication. The department may reject a gift, donation,
18 contribution, or grant. The department may furnish copies of a
19 publication underwritten, in whole or in part, by a private source
20 to the underwriter at no charge.

21 (2) The department of state may sell and accept paid
22 advertising for placement in a departmental publication that is
23 prepared and disseminated under the Michigan vehicle code, 1949 PA
24 300, MCL 257.1 to 257.923. The department may charge and receive a
25 fee for any advertisement appearing in a departmental publication
26 and shall review and approve the content of each advertisement. The
27 department may refuse to accept advertising from any person or

1 organization. The department may furnish a reasonable number of
2 copies of a publication to an advertiser at no charge.

3 (3) Pending expenditure, the funds received under this section
4 shall be deposited in the Michigan department of state publications
5 fund created by section 211 of the Michigan vehicle code, 1949 PA
6 300, MCL 257.211. Funds given, donated, or contributed to the
7 department from a private source are appropriated and allocated for
8 the purpose for which the revenue is furnished. Funds granted to
9 the department from a public source are allocated and may be
10 expended upon receipt. The department shall not accept a gift,
11 donation, contribution, or grant if receipt is conditioned upon a
12 commitment of state funding at a future date. Revenue received from
13 the sale of advertising is appropriated and may be expended upon
14 receipt.

15 (4) Any unexpended revenues received under this section shall
16 be carried over into subsequent fiscal years and shall be available
17 for appropriation for the purposes described in this section.

18 (5) On March 1 of each year, the department of state shall
19 file a report with the senate and house of representatives standing
20 committees on appropriations, the senate and house fiscal agencies,
21 and the state budget director. The report shall include all of the
22 following information:

23 (a) The amount of gifts, contributions, donations, and grants
24 of money received by the department under this section for the
25 prior fiscal year.

26 (b) A listing of the expenditures made from the amounts
27 received by the department as reported in subdivision (a).

1 (c) A listing of any gift, donation, contribution, or grant of
2 property other than funding received by the department under this
3 section for the prior year.

4 (d) The total revenue received from the sale of paid
5 advertising accepted under this section and a statement of the
6 total number of advertising transactions.

7 (6) In addition to copies delivered without charge as the
8 secretary of state considers necessary, the department of state may
9 sell copies of manuals and other publications regarding the sale,
10 ownership, or operation or regulation of motor vehicles, with
11 amendments, at prices to be established by the secretary of state.
12 As used in this subsection, the term "manuals and other
13 publications" includes videos and proprietary electronic
14 publications. All funds received from sales of these manuals and
15 other publications shall be credited to the Michigan department of
16 state publications fund.

17 Sec. 806. Funds collected by the department of state under
18 section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211,
19 are appropriated for all expenses necessary to provide for the
20 costs of the publication. Funds are allotted for expenditure when
21 they are received by the department of treasury and shall not lapse
22 to the general fund at the end of the fiscal year.

23 Sec. 807. From the funds appropriated in part 1, the
24 department of state shall use available balances at the end of the
25 state fiscal year to provide payment to the department of state
26 police in the amount of \$321,900.00 for the services provided by
27 the traffic accident records program as first appropriated in 1990

1 PA 196 and 1990 PA 208.

2 Sec. 808. From the funds appropriated in part 1, the
3 department of state may restrict funds from miscellaneous revenue
4 to cover cash shortages created from normal branch office
5 operations. This amount shall not exceed \$50,000.00 of the total
6 funds available in miscellaneous revenue.

7 Sec. 809. (1) Commemorative and specialty license plate fee
8 revenue collected by the department of state and deposited into the
9 transportation administration collection fund is authorized for
10 expenditure up to the amount of revenue collected but not to exceed
11 the amount appropriated to the department of state in part 1 to
12 administer commemorative and specialty license plate programs.

13 (2) Commemorative and specialty license plate fee revenue
14 collected by the department of state and deposited in the
15 transportation administration collection fund, in addition to the
16 amount appropriated in part 1 to the department of state, shall
17 remain in the transportation administration collection fund and be
18 available for future appropriation.

19 Sec. 810. (1) Collector plate and fund-raising registration
20 plate revenues collected by the department of state are
21 appropriated and allotted for distribution to the recipient
22 university or public or private agency overseeing a state-sponsored
23 goal when received. Distributions shall occur on a quarterly basis
24 or as otherwise authorized by law. Any revenues remaining at the
25 end of the fiscal year shall not lapse to the general fund but
26 shall remain available for distribution to the university or agency
27 in the next fiscal year.

1 (2) Funds or revenues in the Olympic education training center
2 fund are appropriated for distribution to the Olympic education
3 training center at Northern Michigan University. Distributions
4 shall occur on a quarterly basis. Any undistributed revenue
5 remaining at the end of the fiscal year shall be carried over into
6 the next fiscal year.

7 Sec. 811. The department of state may produce and sell copies
8 of a training video designed to inform registered automotive repair
9 facilities of their obligations under Michigan law. The price shall
10 not exceed the cost of production and distribution. The money
11 received from the sale of training videos shall revert to the
12 department of state and be placed in the auto repair facility
13 account.

14 Sec. 812. (1) The department of state, in collaboration with
15 the gift of life transplantation society or its successor federally
16 designated organ procurement organization, may develop and
17 administer a public information campaign concerning the Michigan
18 organ donor program.

19 (2) The department may solicit funds from any private or
20 public source to underwrite, in whole or in part, the public
21 information campaign authorized by this section. The department may
22 accept gifts, donations, contributions, and grants of money and
23 other property from private and public sources for this purpose. A
24 private or public funding source underwriting the public
25 information campaign, in whole or in substantial part, shall
26 receive sponsorship credit for its financial backing.

27 (3) Funds received under this section, including grants from

1 state and federal agencies, shall not lapse to the general fund at
2 the end of the fiscal year but shall remain available for
3 expenditure for the purposes described in this section.

4 (4) Funding appropriated in part 1 for the organ donor program
5 shall be used for producing a pamphlet to be distributed with
6 driver licenses and personal identification cards regarding organ
7 donations. The funds shall be used to update and print a pamphlet
8 that will explain the organ donor program and encourage people to
9 become donors by marking a checkoff on driver license and personal
10 identification card applications.

11 (5) The pamphlet shall include a return reply form addressed
12 to the gift of life organization. Funding appropriated in part 1
13 for the organ donor program shall be used to pay for return postage
14 costs.

15 (6) In addition to the appropriations in part 1, the
16 department of state may receive and expend funds from the organ and
17 tissue donation education fund for administrative expenses.

18 **DEPARTMENT OF TREASURY**

19 **OPERATIONS**

20 Sec. 901. (1) In addition to the funds appropriated in part 1,
21 there is appropriated an amount not to exceed \$1,000,000.00 for
22 federal contingency funds. These funds are not available for
23 expenditure until they have been transferred to another line item
24 in this bill under section 393(2) of the department of management
25 and budget act, 1984 PA 431, MCL 18.1393.

26 (2) In addition to the funds appropriated in part 1, there is

1 appropriated an amount not to exceed \$10,000,000.00 for state
2 restricted contingency funds. These funds are not available for
3 expenditure until they have been transferred to another line item
4 in this bill under section 393(2) of the department of management
5 and budget act, 1984 PA 431, MCL 18.1393.

6 (3) In addition to the funds appropriated in part 1, there is
7 appropriated an amount not to exceed \$200,000.00 for local
8 contingency funds. These funds are not available for expenditure
9 until they have been transferred to another line item in this bill
10 under section 393(2) of the department of management and budget
11 act, 1984 PA 431, MCL 18.1393.

12 (4) In addition to the funds appropriated in part 1, there is
13 appropriated an amount not to exceed \$40,000.00 for private
14 contingency funds. These funds are not available for expenditure
15 until they have been transferred to another line item in this bill
16 under section 393(2) of the department of management and budget
17 act, 1984 PA 431, MCL 18.1393.

18 Sec. 902. (1) Amounts needed to pay for interest, fees,
19 principal, arbitrage rebates as required by federal law, and costs
20 associated with the payment, registration, trustee services, credit
21 enhancements, and issuing costs in excess of the amount
22 appropriated to the department of treasury in part 1 for debt
23 service on notes and bonds that are issued by the state under
24 sections 14, 15, and 16 of article IX of the state constitution of
25 1963 as implemented by 1967 PA 266, MCL 17.451 to 17.455, are
26 appropriated.

27 (2) In addition to the amount appropriated to the department

1 of treasury for debt service in part 1, there is appropriated an
2 amount for fiscal year cash-flow borrowing costs to pay for
3 interest on interfund borrowing made under 1967 PA 55, MCL 12.51 to
4 12.53.

5 Sec. 903. (1) From the funds appropriated in part 1, the
6 department of treasury may contract with private collection
7 agencies and law firms to collect taxes and other accounts due this
8 state. In addition to the amounts appropriated in part 1 to the
9 department of treasury, there are appropriated amounts necessary to
10 fund collection costs and fees not to exceed 25% of the collections
11 or 2.5% plus operating costs, whichever amount is prescribed by the
12 contract. The appropriation to fund collection costs and fees for
13 the collection of taxes or other accounts due this state are from
14 the fund or account to which the revenues being collected are
15 recorded or dedicated. However, if the taxes collected are
16 constitutionally dedicated for a specific purpose, the
17 appropriation of collection costs and fees are from the general
18 purpose account of the general fund.

19 (2) From the funds appropriated in part 1, the department of
20 treasury may contract with private collections agencies and law
21 firms to collect defaulted student loans and other accounts due the
22 Michigan guaranty agency. In addition to the amounts appropriated
23 in part 1 to the department of treasury, there are appropriated
24 amounts necessary to fund collection costs and fees not to exceed
25 22% of the collection or a lesser amount as prescribed by the
26 contract. The appropriation to fund collection costs and fees for
27 the auditing and collection of defaulted student loans due the

1 Michigan guaranty agency is from the fund or account to which the
2 revenues being collected are recorded or dedicated.

3 (3) The department of treasury shall submit a report for the
4 immediately preceding fiscal year ending September 30 to the state
5 budget director and the senate and house of representatives
6 standing committees on appropriations not later than November 30
7 stating the agencies or law firms employed, the amount of
8 collections for each, the costs of collection, and other pertinent
9 information relating to determining whether this authority should
10 be continued.

11 Sec. 904. (1) The department of treasury, through its bureau
12 of investments, may charge an investment service fee against the
13 applicable retirement funds. The fees may be expended for necessary
14 salaries, wages, contractual services, supplies, materials,
15 equipment, travel, worker's compensation insurance premiums, and
16 grants to the civil service commission and state employees'
17 retirement funds. Service fees shall not exceed the aggregate
18 amount appropriated in part 1. The department of treasury shall
19 maintain accounting records in sufficient detail to enable the
20 retirement funds to be reimbursed periodically for fee revenue that
21 is determined by the department of treasury to be surplus.

22 (2) In addition to the funds appropriated in part 1 from the
23 retirement funds to the department of treasury, there is
24 appropriated from retirement funds an amount sufficient to pay for
25 the services of money managers, investment advisors, investment
26 consultants, custodians, and other outside professionals, the state
27 treasurer considers necessary to prudently manage the retirement

1 funds' investment portfolios. The state treasurer shall report
2 annually to the senate and house of representatives standing
3 committees on appropriations and the state budget office concerning
4 the performance of each portfolio by investment advisor.

5 Sec. 905. There is appropriated an amount sufficient to
6 recognize and pay expenditures for financial services provided by
7 financial institutions as provided by MCL 21.181 (2) the
8 appropriations under subsection (1) shall be funded by restricting
9 revenues from common cash interest earnings and investment earnings
10 in an amount sufficient to record these expenditures.

11 Sec. 906. (1) The department of treasury shall sell copies of
12 the state tax manual, uniform accounting procedures manual, general
13 property tax law manual, and other local government assistance
14 manuals with amendments, at a price not to exceed the cost of
15 production. The revenue received from the sale of preparation and
16 local government assistance manuals shall revert to the department
17 of treasury and be placed in the local government assistance manual
18 revolving fund.

19 (2) In addition to the funds appropriated in part 1, revenue
20 received from the sale of those manuals is appropriated.

21 Sec. 907. (1) The department of treasury shall charge for
22 audits as permitted by state or federal law or under contractual
23 arrangements with local units of government, other principal
24 executive departments, or state agencies. A report detailing audits
25 performed and audit charges for the immediately preceding fiscal
26 year shall be submitted to the state budget director and the senate
27 and house fiscal agencies not later than November 30.

1 (2) The appropriation in part 1 to the department of treasury,
2 for state compliance audits, shall be used to cover the cost of the
3 state audits performed by independent certified public accountants
4 or department of treasury auditors. The scope of the state audit
5 shall be defined by the state treasurer. The state audits shall be
6 performed by independent certified public accountants contracted
7 with by the state treasurer or by department of treasury auditors,
8 if the county has agreed to contract with and pay the department
9 for their financial single audit.

10 (3) The state audits shall be performed for the most current
11 county fiscal year in conjunction with the financial single audit.
12 The state audit may be performed either by certified public
13 accountants contracted by the state treasurer or department of
14 treasury staff, independent of the financial single audit, if a
15 state audit has not been performed within the last 3 years.

16 Sec. 908. A revolving fund known as the assessor certification
17 and training fund is created in the department of treasury. The
18 assessor certification and training fund shall be used to organize
19 and operate a property assessor certification and training program.
20 Each participant certified and trained shall pay to the department
21 of treasury an examination fee of \$50.00, an initial certification
22 fee of \$50.00, an annual renewal fee of \$75.00 for levels 1 and 2,
23 and \$125.00 for levels 3 and 4 to offset the cost of administering
24 the certification and training program. Training courses shall be
25 offered in assessment administration. Each participant shall pay a
26 fee to cover the expenses incurred in offering the optional
27 programs to certified assessing personnel and other individuals

1 interested in an assessment career opportunity. The fees collected
2 shall be credited to the assessor certification and training fund.

3 Sec. 909. The amount appropriated in part 1 to the department
4 of treasury, home heating assistance program, is to cover the
5 costs, including data processing, of administering federal home
6 heating credits to eligible claimants and to administer the
7 supplemental fuel cost payment program for eligible tax credit and
8 welfare recipients.

9 Sec. 910. Revenue from the airport parking tax act, 1987 PA
10 248, MCL 207.371 to 207.383, is appropriated and shall be
11 distributed under section 7a of the airport parking tax act, 1987
12 PA 248, MCL 207.377a.

13 Sec. 911. The disbursement by the department of treasury from
14 the bottle deposit fund to dealers as required by section 3c(2) of
15 the Initiated Law of 1976, MCL 445.573c, is appropriated.

16 Sec. 912. (1) There is appropriated an amount sufficient to
17 recognize and pay refundable income tax credits as provided by the
18 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

19 (2) The appropriations under subsection (1) shall be funded by
20 restricting income tax revenue in an amount sufficient to record
21 these expenditures.

22 Sec. 913. A plaintiff in a garnishment action involving this
23 state shall pay to the state treasurer 1 of the following:

24 (a) A fee of \$6.00 at the time a writ of garnishment of
25 periodic payments is served upon the state treasurer, as provided
26 in section 4012 of the revised judicature act of 1961, 1961 PA 236,
27 MCL 600.4012.

1 (b) A fee of \$6.00 at the time any other writ of garnishment
2 is served upon the state treasurer, except that the fee shall be
3 reduced to \$5.00 for each writ of garnishment for individual income
4 tax refunds or credits filed by magnetic media.

5 Sec. 914. (1) The department of treasury may contract with
6 private firms to appraise and, if necessary, appeal the assessments
7 of senior citizen cooperative housing units. Payment for this
8 service shall be from savings resulting from the appraisal or
9 appeal process.

10 (2) Of the funds appropriated in part 1 to the department of
11 treasury for the senior citizens' cooperative housing tax exemption
12 program, a portion is to be utilized for a program audit of the
13 program. The department of treasury shall forward copies of the
14 audit report to the senate and house of representatives standing
15 committees on appropriations subcommittees on general government
16 and to the state budget office. The department of treasury may
17 utilize up to 1% of the funds for program administration and
18 auditing.

19 Sec. 915. The department of treasury may provide a \$200.00
20 annual prize from the Ehlers internship award account in the gifts,
21 bequests, and deposit fund to the runner-up of the Rosenthal prize
22 for interns. The Ehlers internship award account is interest
23 bearing.

24 Sec. 916. Pursuant to section 61 of the Michigan campaign
25 finance act, 1976 PA 388, MCL 169.261, there is appropriated from
26 the general fund to the state campaign fund an amount equal to the
27 amounts designated for tax year 2006. Except as otherwise provided

1 in this section, the amount appropriated shall not revert to the
2 general fund and shall remain in the state campaign fund. Any
3 amounts remaining in the state campaign fund in excess of
4 \$10,000,000.00 on December 31, 2006 shall revert to the general
5 fund.

6 Sec. 917. The department of treasury may make available to
7 interested entities otherwise unavailable customized unclaimed
8 property listings of nonconfidential information in its possession.
9 The charge for this information is as follows: 1 to 100,000 records
10 at 2.5 cents per record and 100,001 or more records at .5 cents per
11 record. The revenue received from this service shall be deposited
12 to the appropriate revenue account or fund. The department shall
13 submit an annual report on or before June 1 to the state budget
14 director and the senate and house of representatives standing
15 committees on appropriations that states the amount of revenue
16 received from the sale of information.

17 Sec. 918. (1) There is appropriated for write-offs and
18 advances an amount equal to total write-offs and advances for
19 departmental programs, but not to exceed current year
20 authorizations that would otherwise lapse to the general fund.

21 (2) The department of treasury shall submit a report for the
22 immediately preceding fiscal year to the state budget director and
23 the senate and house fiscal agencies not later than November 30,
24 stating the amounts appropriated for write-offs and advances under
25 subsection (1).

26 Sec. 919. In addition to funds appropriated in part 1, the
27 department of treasury may receive and expend funds for conducting

1 tax orientation workshops and seminars. Funds received may not
2 exceed costs incurred in conducting the workshops and seminars.

3 Sec. 920. (1) From funds appropriated in part 1, the
4 department of treasury may contract with private auditing firms to
5 audit for and collect unclaimed property due this state in
6 accordance with the Michigan uniform unclaimed property act. In
7 addition to the amounts appropriated in part 1 to the department of
8 treasury, there are appropriated amounts necessary to fund auditing
9 and collection costs and fees not to exceed 12% of the collections,
10 or a lesser amount as prescribed by the contract. The appropriation
11 to fund collection costs and fees for the auditing and collection
12 of unclaimed property due this state is from the fund or account to
13 which the revenues being collected are recorded or dedicated.

14 (2) The department of treasury shall submit a report for the
15 immediately preceding fiscal year ending September 30 to the state
16 budget director and the senate and house of representatives
17 standing committees on appropriations not later than November 30
18 stating the auditing firms employed, the amount of collections for
19 each, the costs of collection, and other pertinent information
20 relating to determining whether this authority should be continued.

21 Sec. 921. Payments from the appropriation in part 1 to the
22 department of treasury for grants to counties in lieu of taxes for
23 lands transferred to the federal government include a payment for
24 Sleeping Bear Dunes national lakeshore under 1974 PA 359, MCL 3.901
25 to 3.910.

26 Sec. 922. The state general fund/general purpose appropriation
27 in part 1 for renaissance zone reimbursement is allocated to

1 reimburse public libraries as provided by section 12 of the
2 Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for
3 property taxes levied in 2006. Reimbursements shall be made in
4 amounts to each eligible recipient not later than 60 days after the
5 department of treasury has received all necessary information to
6 properly determine the amounts due each eligible recipient under
7 section 12(4) of the Michigan renaissance zone act, 1996 PA 376,
8 MCL 125.2692. Any excess allocations shall lapse to the general
9 fund.

10 Sec. 923. The department of treasury shall submit a report for
11 the immediately preceding fiscal year ending September 30 to the
12 senate and house of representatives standing committees on
13 appropriations subcommittees on general government, the senate and
14 house fiscal agencies, and the state budget director by November 30
15 stating the amount of Michigan transportation fund revenue
16 collected and the cost of collection.

17 Sec. 924. (1) In addition to the funds appropriated in part 1,
18 the department of treasury may receive and expend principal
19 residence audit fund revenue for administration of principal
20 residence audits under the general property tax act, 1893 PA 206,
21 MCL 211.1 to 211.157.

22 (2) The department of treasury shall submit a report for the
23 immediately preceding fiscal year to the state budget director and
24 the senate and house fiscal agencies not later than December 31,
25 stating the amount of revenue appropriated for principal residence
26 audits under subsection (1).

27 Sec. 928. The department of treasury may provide receipt,

1 warrant and cash processing, data, collection, investment, fiscal
2 agent, levy and warrant cost assessment, writ of garnishment, and
3 other user services on a contractual basis for other principal
4 executive departments and state agencies. Funds for the services
5 provided are appropriated and shall be expended for salaries and
6 wages, fees, supplies, and equipment necessary to provide the
7 services. Any unobligated balance of the funds received shall
8 revert to the general fund of this state as of September 30.

9 Sec. 929. The department of treasury may enter into agreements
10 to supply data or collection services to other executive principal
11 departments or state agencies, the United States department of
12 treasury, or local units of government within this state. The
13 department of treasury shall charge for this tax data service and
14 amounts received are appropriated and shall be expended for
15 salaries and wages, fees, supplies, and equipment necessary to
16 provide the service. Any unobligated balance of the fund shall
17 revert to the general fund of this state as of September 30.

18 Sec. 930. (1) The department of treasury shall provide
19 accounts receivable collections services to other principal
20 executive departments and state agencies under 1927 PA 375, MCL
21 14.131 to 14.134. The department of treasury shall deduct a fee
22 equal to the cost of collections from all receipts except
23 unrestricted general fund collections. Fees shall be credited to a
24 restricted revenue account and appropriated to the department of
25 treasury to pay for the cost of collections. The department of
26 treasury shall maintain accounting records in sufficient detail to
27 enable the respective accounts to be reimbursed periodically for

1 fees deducted that are determined by the department of treasury to
2 be surplus to the actual cost of collections.

3 (2) The department of treasury shall submit a report for the
4 immediately preceding fiscal year to the state budget director and
5 the senate and house fiscal agencies not later than November 30,
6 stating the principal executive departments and state agencies
7 served, funds collected, and costs of collection under subsection
8 (1).

9 Sec. 931. (1) The appropriation in part 1 to the department of
10 treasury for treasury fees shall be assessed against all restricted
11 funds that receive common cash earnings. Treasury fees include all
12 costs, including administrative overhead, relating to the
13 investment of each restricted fund. The fee assessed against each
14 restricted fund will be based on the size of the restricted fund
15 (the absolute value of the average daily cash balance plus the
16 market value of investments in the prior fiscal year) and the level
17 of effort necessary to maintain the restricted fund as required by
18 each department. The department of treasury shall provide a report
19 to the state budget director, the senate and house of
20 representatives standing committees on appropriations subcommittees
21 on general government, and the senate and house fiscal agencies by
22 November 30 of each year identifying the fees assessed against each
23 restricted fund.

24 (2) In addition to the funds appropriated in part 1, the
25 department of treasury may receive and expend investment fees
26 relating to new restricted funding sources that participate in
27 common cash earnings during the current fiscal year. When a new

1 restricted fund is created starting on or after October 1, that
2 restricted fund shall be assessed a fee using the same criteria
3 identified in subsection (1).

4 Sec. 932. Revenue received under the Michigan education trust
5 act, 1986 PA 316, MCL 390.1421 to 390.1442, may be expended by the
6 board of directors of the Michigan education trust for necessary
7 salaries, wages, supplies, contractual services, equipment,
8 worker's compensation insurance premiums, and grants to the civil
9 service commission and state employees' retirement fund.

10 Sec. 933. (1) The \$1,000,000.00 appropriated in part 1 for the
11 Michigan education savings program is from the Michigan merit award
12 trust fund to fund an incentive program for the Michigan education
13 savings program created under the Michigan education savings
14 program act, 2000 PA 161, MCL 390.1471 to 390.1486.

15 (2) The funds appropriated for the Michigan education savings
16 program shall be used to provide a state match to dollars invested
17 on behalf of each child named as a designated beneficiary in the
18 Michigan education savings program who is 6 years of age or less,
19 who is a Michigan resident, and whose family's income is \$80,000.00
20 or less.

21 (3) During the current fiscal year, the state shall provide
22 \$1.00 of matching funds for each \$3.00 of individual contributions
23 to the educational savings accounts. The maximum state match for
24 each designated beneficiary shall be \$200.00.

25 (4) The state match shall be available only in the first year
26 the child is enrolled in the Michigan education savings program.

27 Sec. 934. The department of treasury may expend revenues

1 received under the hospital finance authority act, 1969 PA 38, MCL
2 331.31 to 331.84, for necessary salaries, wages, supplies,
3 contractual services, equipment, worker's compensation insurance
4 premiums, and grants to the civil service commission and state
5 employees' retirement fund. The department of treasury shall
6 maintain accounting records in sufficient detail to enable the
7 hospital clients to be reimbursed periodically for fees that are
8 determined by the department of treasury to be surplus to needs.

9 Sec. 935. The department of treasury may expend revenue
10 received under the shared credit rating act, 1985 PA 227, MCL
11 141.1051 to 141.1076, for necessary salaries, wages, supplies,
12 contractual services, equipment, worker's compensation insurance
13 premiums, and grants to the civil service commission and state
14 employees' retirement fund.

15 Sec. 936. The department of treasury shall establish a
16 separate account for the funds related to the Michigan higher
17 education facilities authority. The department of treasury may
18 expend revenue received under the higher education facilities
19 authority act, 1969 PA 295, MCL 390.921 to 390.934, for necessary
20 salaries, wages, supplies, contractual services, equipment,
21 worker's compensation insurance premiums, and grants to the civil
22 service commission and state employees' retirement fund. The
23 department of treasury shall maintain accounting records in
24 sufficient detail to enable the educational institution clients to
25 be reimbursed periodically for fees that are determined by the
26 department to be surplus to needs.

27 Sec. 937. The department of treasury may expend revenues

1 received under the Michigan public educational facilities
2 authority, Executive Order No. 2002-3, for necessary salaries,
3 wages, supplies, contractual services, equipment, worker's
4 compensation insurance premiums, and grants to the civil service
5 commission and state employees' retirement fund.

6 Sec. 939. The state treasurer, acting within his or her
7 capacity as the investment fiduciary for public employee pension
8 funds and consistent with 1965 PA 314, MCL 38.1132 to 38.1140m, may
9 give appropriate consideration to investments in early stage,
10 university derived life science companies located in Michigan, or
11 investments in venture capital funds that invest in those companies
12 to the extent those investments offer the safety and rate of return
13 comparable to other investments permitted and available at the time
14 the investment decision is made.

15 Sec. 941. In addition to the funds appropriated in part 1,
16 there is appropriated up to \$570,000.00 from standardized audit
17 schedules recovered delinquent tax collection revenues for the
18 support of standardized audit schedule project expenses. The
19 funding shall be used to exclusively support business tax audits
20 related to sales tax, use tax, withholding, single business tax,
21 and motor fuel tax obligations. Any unexpended funds at the end of
22 the fiscal year shall lapse to the general fund.

23 Sec. 945. The assessment and certification division of the
24 department of treasury may conduct a review of local unit
25 assessment administration practices, procedures, and records, also
26 known as the 14-point review, in at least 1 assessment jurisdiction
27 per county.

1 Sec. 946. Members of the state tax commission and management
2 level staff of the assessment and certification division may meet
3 with statewide assessment organizations on a quarterly basis for
4 the purpose of coordinating assessment and training activities.
5 Recertification and training activities may be conducted at
6 regional locations chosen to maximize participation of local
7 officials.

8 **REVENUE SHARING**

9 Sec. 950. (1) Revenue collected in accordance with section 10
10 of article IX of the state constitution of 1963 in excess of the
11 amount appropriated in part 1 for constitutional revenue sharing is
12 appropriated for distribution to townships, cities, and villages on
13 a population basis as specified by law. The appropriation in part 1
14 for statutory state general revenue sharing grants to townships,
15 cities, and villages shall be reduced by an amount equal to any
16 additional constitutional revenue sharing appropriations authorized
17 in this section.

18 (2) The appropriation in part 1 for statutory state general
19 revenue sharing grants shall be distributed according to the Glenn
20 Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901
21 to 141.921. Undistributed funds shall lapse to the general fund.

22 Sec. 952. The appropriation in part 1 for special grants to
23 cities shall be used to restore revenue sharing reductions
24 contained in Executive Order No. 2003-23 to a city that had an
25 emergency financial manager appointed pursuant to the local
26 government fiscal responsibility act, 1990 PA 72, MCL 141.1201 to
27 141.1291, continuously from December 10, 2003 through September 30,

1 2007.

2 Sec. 955. (1) There is appropriated to each county an amount
3 equal to the amount distributed to each county for the fiscal year
4 ending September 30, 2004, pursuant to the Glenn Steil state
5 revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921,
6 adjusted by the inflation rate as defined in section 34d of the
7 general property tax act, 1893 PA 206, MCL 211.34d, and reduced by
8 the amount each county is authorized to annually expend in that
9 county's fiscal year beginning after September 30, 2004, from its
10 revenue sharing reserve fund pursuant to section 44a of the general
11 property tax act, 1893 PA 206, MCL 211.44a.

12 (2) The department of treasury shall annually certify to the
13 state budget director the amount each county is authorized to
14 expend from its revenue sharing reserve fund.

15 Sec. 956. The department of treasury shall transmit special
16 census revenue sharing payments to eligible cities, villages, and
17 townships under the Glenn Steil revenue sharing act of 1971, 1971
18 PA 140, MCL 141.901 to 141.921.

19 **LOTTERY**

20 Sec. 960. In addition to the funds appropriated in part 1 to
21 the bureau of state lottery, there is appropriated from lottery
22 revenues the amount necessary for, and directly related to,
23 implementing and operating lottery games. Appropriations under this
24 section shall only be expended for contractually mandated payments
25 for vendor commissions, contractually mandated payments for instant
26 tickets intended for resale, the contractual costs of providing and
27 maintaining the on-line system communications network, and

1 incentive and bonus payments to lottery retailers.

2 Sec. 961. The funds appropriated in part 1 to the bureau of
3 state lottery shall not be used for any promotional efforts
4 directed towards individuals who are less than 18 years of age.

5 **CASINO GAMING**

6 Sec. 971. From the revenue collected by the Michigan gaming
7 control board regarding the total annual assessment of each casino
8 licensee, \$2,000,000.00 is appropriated and shall be deposited in
9 the compulsive gaming prevention fund as described in section
10 12a(5) of the Michigan gaming control and revenue act, the
11 Initiated Law of 1996, MCL 432.212a.

12 Sec. 972. In addition to the funds appropriated in part 1,
13 funds distributed by the Michigan gaming control board to the
14 department of treasury for oversight of casino gaming are
15 appropriated upon receipt. These funds may be used to pay for costs
16 incurred for casino gaming oversight activities.

17 Sec. 973. (1) Funds appropriated in part 1 for local
18 government programs may be used to provide assistance to a local
19 revenue sharing board referenced in an agreement authorized by the
20 Indian gaming regulatory act, Public Law 100-497, 102 Stat. 2467.

21 (2) A local revenue sharing board described in subsection (1)
22 shall comply with the open meetings act, 1976 PA 267, MCL 15.261 to
23 15.275, and the freedom of information act, 1976 PA 442, MCL 15.231
24 to 15.246.

25 (3) A county treasurer is authorized to receive and administer
26 funds received for and on behalf of a local revenue sharing board.
27 Funds appropriated in part 1 for local government programs may be

1 used to audit local revenue sharing board funds held by a county
2 treasurer. This section does not limit the ability of local units
3 of government to enter into agreements with federally recognized
4 Indian tribes to provide financial assistance to local units of
5 government or to jointly provide public services.

6 (4) The director of the department of state police and the
7 executive director of the Michigan gaming control board are
8 authorized to assist the local revenue sharing boards in
9 determining allocations to be made to local public safety
10 organizations.

11 (5) The department of treasury shall submit a report by
12 September 30 to the senate and house of representatives standing
13 committees on appropriations and the state budget director on the
14 receipts and distribution of revenues by local revenue sharing
15 boards.

16 Sec. 974. If revenues collected in the state services fee fund
17 are less than the amounts appropriated from the fund, available
18 revenues shall be used to fully fund the appropriation in part 1 of
19 this act for casino gaming regulation activities before
20 distributions are made to other state departments and agencies. If
21 the remaining revenue in the fund is insufficient to fully fund
22 appropriations to other state departments or agencies, the
23 shortfall shall be distributed proportionally among those
24 departments and agencies.

25 **MICHIGAN STRATEGIC FUND**

26 Sec. 1001. (1) The appropriation in part 1 to the fund for
27 economic development job training shall be expended in 2

1 categories: the business response program for employee training
2 grants that maintain or attract permanent jobs for Michigan
3 residents and the manufacturing competitiveness program for grants
4 to fund collaborative efforts that increase the competitiveness of
5 multiple companies within a grant. The business response program is
6 allocated up to \$6,532,000.00, and the manufacturing
7 competitiveness program is allocated up to \$3,266,000.00 not to
8 exceed the part 1 appropriation for this program in its entirety.
9 The fund has the authority to reallocate these amounts during the
10 fiscal year dependent on business demand and economic conditions.

11 (2) Not more than \$800,000.00 of the total grant may be
12 expended for administrative costs. Not more than 10% of the total
13 grant award may be expended by a recipient for administration
14 costs.

15 (3) No funds appropriated in part 1 to the fund for economic
16 development job training grants may be expended for the training of
17 permanent striker replacement workers, unless a strike exceeds 3
18 years and good faith negotiations are ongoing.

19 (4) Of the total funds appropriated in part 1 for economic
20 development job training grants, at least 75% of the funds shall be
21 awarded to community colleges or a consortium of community colleges
22 and other eligible applicants pursuant to subsection (5).

23 (5) An applicant may be a school district, intermediate school
24 district, community college, public or private nonprofit college or
25 university, nonprofit organization whose primary purpose is to
26 provide education programs or employment and training services or
27 vocational rehabilitation programs or school-to-work transition

1 programs, local workforce development board, the headquarters of a
2 federal and state sponsored manufacturing technology center, or a
3 consortium consisting of any combination of school districts,
4 intermediate school districts, community colleges, nonprofit
5 organizations described in this subsection, or public or private
6 nonprofit colleges or universities described in this subsection.

7 (6) On or before October 1, the fund shall publish proposed
8 application criteria, instructions, and forms for use by eligible
9 applicants. The fund shall provide at least a 2-week period for
10 public comment prior to finalization of the application criteria,
11 instructions, and forms.

12 (7) The award process will include a simple notice of intent
13 to be reviewed to see if the application merits further
14 consideration. If so, a full application may be submitted.

15 Applications for all grants shall be submitted to the fund, and
16 each application shall contain at least all of the following:

17 (a) The name, address, and total number of employees of each
18 business organization whose employees are receiving job training.

19 (b) A description of the specific job skills that will be
20 taught.

21 (c) A clear statement of the project's scope of activities and
22 number of participants to be involved.

23 (d) A commitment to maintain participant records in a form and
24 manner required by the fund.

25 (e) A budget which relates to the proposed activities and
26 various program components.

27 (8) Priority in the fund's awarding of grants shall be based

1 on the following criteria:

2 (a) Demonstrated need for the type of training offered.

3 (b) Creation and/or retention of high wage and high skilled
4 level jobs.

5 (c) Other criteria determined by the fund to be important.

6 (d) In addition, for the manufacturing competitiveness
7 program, the following criteria will receive priority: strong level
8 of collaboration and cooperation and demonstration of new
9 techniques, systems, and processes of value to the affected
10 companies.

11 (9) Participants in economic development job training programs
12 shall be 16 years or older and not enrolled and counted in
13 membership in a school district, intermediate school district, or
14 community college.

15 (10) A recipient of a grant under this section shall not
16 charge tuition or fees to participants in the program funded by the
17 grant. However, a nonprofit organization may charge tuition or fees
18 if the tuition plan or fees are recognized by the state and the
19 nonprofit organization receives additional funding from other
20 governmental or private funding sources for its programs.

21 (11) For training delivered to incumbent workers under the
22 business response program, the business receiving the benefit of
23 the training shall provide a minimum of 20% of the program costs in
24 matching funds as necessitated by the program. For training
25 delivered under the manufacturing competitiveness program, the
26 business receiving the benefit of the training shall provide a
27 minimum of 30% of the program costs in matching funds as

1 necessitated by the program.

2 (12) Grant funds shall be expended on a cost reimbursement
3 basis.

4 (13) A recipient of a grant under this section shall allow the
5 fund or the agency's designee to audit all records related to the
6 grant for all entities that receive money, either directly or
7 indirectly through a contract, from the grant funds. A grant
8 recipient or contractor shall reimburse the state for all
9 disallowances found in the audit.

10 (14) The fund shall provide to the state budget director and
11 the fiscal agencies by May 1 and November 1 of each year a report
12 on the economic development job training grants. The report due by
13 May 1 shall provide the information described in this subsection
14 for each grant or contract awarded during the preceding 2 quarters
15 of the state fiscal year. The report due by November 1 shall
16 provide this information for each grant or contract awarded during
17 the preceding full fiscal year. The report shall contain all of the
18 following:

19 (a) The amount and recipient of each grant or contract.

20 (b) The number of participants under each grant or contract
21 and the number of new hires who are in training under the grant.

22 (c) The names, addresses, and total number of employees of all
23 business organizations for whom training is or will be provided.

24 (d) The matching funds, if any, to be provided by a business
25 organization.

26 (15) Of the funds appropriated in part 1 for economic
27 development job training grants, the fund shall not use these funds

1 to finance the startup or in any way subsidize any private
2 distributor of liquor products in Michigan.

3 (16) As a condition of receiving funds under part 1 of this
4 act, the fund shall not expend any of the economic development job
5 training grant funds to train any employee who is an officer of a
6 corporation in a corporation employing more than 250 employees.

7 Sec. 1002. The Michigan growth capital fund shall be used to
8 develop the technology business sector in Michigan. The Michigan
9 growth capital fund will be used to encourage private and public
10 investment in the technology business sector, and all of the
11 following apply:

12 (a) An applicant must match state funds on a 1:1 basis.

13 (b) Eligible uses of the Michigan growth capital fund include
14 investments in organizations and programs that promote the
15 development of new industry sectors in Michigan; inducements to
16 attract additional venture capital funds to finance technology
17 development; support organizations, initiatives, or events that
18 promote entrepreneurship; provide match for university federal
19 research grants; and support technology transfer and
20 commercialization programs with universities and the private
21 sector.

22 (c) The Michigan economic development corporation shall
23 administer the Michigan growth capital fund.

24 (d) All funds received from repayment of loans, unused grants,
25 revenues received from sales or cash flow participation agreements,
26 guarantees, or any combination thereof or interest thereon,
27 originally distributed as part of the Michigan growth capital fund,

1 shall be received, held, and applied by the fund for the purposes
2 described in this section.

3 (e) The Michigan economic development corporation shall
4 provide an annual report on the status of the Michigan growth
5 capital fund to the subcommittees, the fiscal agencies, and the
6 state budget office by January 31.

7 Sec. 1003. Travel Michigan may establish and collect a fee to
8 cover the cost of materials and processing of photographic prints,
9 slides, videotapes, and travel product database information that
10 are requested by the media and other segments of the public and
11 private sectors. The fees collected shall be appropriated for all
12 expenses necessary to purchase and distribute these photographic
13 prints, slides, videotapes, and travel product database
14 information. The funds are available for expenditure when they are
15 received by the department of treasury.

16 Sec. 1004. Travel Michigan may receive and expend private
17 revenue related to the use of the "Michigan Great Lakes. Great
18 Times." copyrighted slogan and image. This revenue may come from
19 the direct licensing of the name and image or from the royalty
20 payments from various merchandise sales. Revenue collected is
21 appropriated for the marketing of the state as a travel
22 destination. The funds are available for expenditure when they are
23 received by the department of treasury.

24 Sec. 1005. (1) The fund shall provide reports to the relevant
25 subcommittees, the state budget director, and the fiscal agencies
26 concerning the activities of the Michigan economic development
27 corporation grants and investment programs financed from the fund

1 using investment or Indian gaming revenues. The report shall
2 provide a list of individual grants and loans made from the fund.
3 The report shall include, but is not be limited to, the following
4 programs funded in part1:

5 (a) Travel Michigan.

6 (b) Michigan business development.

7 (c) Global business development.

8 (d) Small, minority, and disabled business services.

9 (e) Community development block grants.

10 (f) Strategic fund administration.

11 (g) Renaissance zones.

12 (h) Emerging business sectors and roundtables.

13 (i) Business and clean air ombudsman.

14 (j) Economic development job training grants.

15 (k) Community assistance team.

16 (l) Technology tri-corridor.

17 (m) Any other programs of the fund.

18 (2) The reports in subsection (1) shall be submitted by
19 January 1. The report for each program in subsection (1)(a) through
20 (m) shall include details on the actual spending and number of FTEs
21 for that program for the previous fiscal year.

22 Sec. 1006. As a condition of receiving funds under part 1, any
23 interlocal agreement entered into by the fund shall include
24 language which states that if a local unit of government has a
25 contract or memorandum of understanding with a private economic
26 development agency, the Michigan economic development corporation
27 will work cooperatively with that private organization in that

1 local area.

2 Sec. 1007. (1) Of the funds appropriated to the fund or
3 through grants to the Michigan economic development corporation, no
4 funds shall be expended for the purchase of options on land or the
5 purchase of land unless at least 1 of the following conditions
6 applies:

7 (a) The land is located in an economically distressed area.

8 (b) The land is obtained through a purchase or exercise of an
9 option at the invitation of the local unit of government and local
10 economic development agency.

11 (2) Consideration may be given to purchases where the proposed
12 use of the land is consistent with a regional land use plan, will
13 result in the redevelopment of an economically distressed area, can
14 be supported by existing infrastructure, and will not cause shifts
15 in population away from the area's population centers.

16 (3) As used in this section, "economically distressed area"
17 means an area in a city, village, or township that has been
18 designated as blighted; a city, village, or township that shows
19 negative population change from 1970 and a poverty rate and
20 unemployment rate greater than the statewide average; or an area
21 certified as a neighborhood enterprise zone.

22 Sec. 1008. The money appropriated in part 1 to the fund is
23 subject to the condition that none is spent for premiums or
24 advertising material involving personal effects or apparel
25 including, but not limited to, T-shirts, hats, coffee mugs, or
26 other promotional items, except travel Michigan.

27 Sec. 1009. (1) From the general fund/general purpose

1 appropriations in part 1 to the fund and granted or transferred to
2 the Michigan economic development corporation, any unexpended or
3 unencumbered balance shall be disposed of in accordance with the
4 requirements in the management and budget act, 1984 PA 431, MCL
5 18.1101 to 18.1594, unless carryforward authorization has been
6 otherwise provided for.

7 (2) Any encumbered funds shall be used for the same purposes
8 for which funding was originally appropriated in this bill.

9 Sec. 1010. (1) As a condition of receiving funds under part 1,
10 the fund shall ensure that the MEDC and the fund comply with all of
11 the following:

12 (a) The freedom of information act, 1976 PA 442, MCL 15.231 to
13 15.246.

14 (b) The open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

15 (c) Annual audits of all financial records by the auditor
16 general or his or her designee.

17 (d) All reports required by law to be submitted to the
18 legislature.

19 (2) If the MEDC is unable for any reason to perform duties
20 under this act, the fund may exercise those duties.

21 Sec. 1011. As a condition for receiving the appropriations in
22 part 1, any staff of the Michigan economic development corporation
23 involved in private fund-raising activities shall not be party to
24 any decisions regarding the awarding of grants or tax abatements
25 from the fund, the Michigan economic development corporation, or
26 the Michigan economic growth authority.

27 Sec. 1012. (1) The funding appropriated in part 1 of 2000 PA

1 291 for the Michigan core communities fund may be used to create an
2 urban revitalization infrastructure program in the fund for
3 economic development awards to create new jobs or contribute to
4 redevelopment and encourage private investment in core communities.

5 (2) Awards may be provided to qualified local governmental
6 units as defined in the obsolete property rehabilitation act, 2000
7 PA 146, MCL 125.2781 to 125.2797, or certified technology parks, as
8 defined in the local development financing act, 1986 PA 281, MCL
9 125.2151 to 125.2174.

10 (3) Awards can be used for land and property acquisition and
11 assembly, demolition, site development, utility modifications and
12 improvements, street and road improvements, telecommunication
13 infrastructure, site location and relocation, infrastructure
14 improvements, and any other costs related to the successful
15 development and implementation of core community or certified
16 technology park projects, at the discretion of the Michigan
17 economic development corporation.

18 (4) Funding may be provided in the form of loans, grants,
19 sales or cash flow participation agreements, guarantees, or any
20 combination of these. A cash match of at least 10%, or local
21 repayment guarantee with a dedicated funding source, is required.
22 Priority shall be given to projects which are integrated with
23 existing economic development programs, and to projects in
24 proportion to the amount that local matching rates exceed 10%.

25 (5) The Michigan economic development corporation shall have
26 all administrative responsibility for the Michigan core communities
27 fund and shall establish application and application scoring

1 criteria and approve awards. The Michigan economic development
2 corporation may utilize up to 1/2 of 1% of the fund for
3 administrative purposes.

4 (6) Funds will be awarded through an open competitive process
5 based on criteria including the following: project impact, project
6 marketability, lack of adequate infrastructure or land assembly
7 financing sources, local administrative capacity, and the level of
8 local matching funds. Awardees shall agree to expedite the local
9 development process, such as fast-track permitting procedures,
10 streamlined regulatory requirements, standardized construction and
11 building codes, and the use of competitive construction permitting
12 fees.

13 (7) No single applicant shall be awarded more than
14 \$10,000,000.00 per project.

15 (8) Fifteen days prior to the award of the funds, notification
16 shall be provided to the speaker of the house of representatives,
17 the senate majority leader, the members of the house and senate
18 appropriations committees, the fiscal agencies, and the state
19 budget director.

20 (9) Funds shall not be awarded for any of the following
21 purposes:

22 (a) Land sited for use as, or support for, a gaming facility.

23 (b) Land or other facilities owned or operated by a gaming
24 facility.

25 (c) Publicly owned land or facilities which may directly or
26 indirectly support a gaming facility.

27 (10) All funds received from repayment of loans, unused

grants, revenues received from sales or cash flow participation agreements, guarantees, or any combination thereof or interest thereon, originally distributed as part of the core communities fund, shall be received, held, and applied by the fund for the purposes described in this bill.

(11) The fund shall provide an annual report on the status of this fund. The report shall be provided to the subcommittees, the fiscal agencies, and the state budget office by January 31.

REVENUE STATEMENT

Sec. 1101. Pursuant to section 18 of article V of the state constitution of 1963, fund balances and estimates are presented in the following statement:

BUDGET RECOMMENDATIONS BY OPERATING FUNDS

(Amounts in millions)

Fiscal Year 2006-2007

		Beginning			
		Fund	Unreserved		
		Fund	Estimated	Ending	
		Balance	Revenue	Balance	
OPERATING FUNDS					
General fund/general purpose	0110	79.8	9,175.4	2.3	
General fund/special purpose		478.7	15,259.5	662.7	
Special Revenue Funds:					
Countercyclical budget and					
economic stabilization	0111	2.0	0.1	2.0	

1	Game and fish protection	0112	18.9	63.2	4.0
2	Michigan employment security act				
3	administration	0113	0.0	123.4	4.1
4	State aeronautics	0114	1.4	182.3	0.0
5	Michigan veterans' benefit				
6	trust	0115	0.0	4.9	0.0
7	State trunkline	0116	0.0	1,200.1	0.0
8	Michigan state waterways	0117	14.9	25.5	7.6
9	Blue Water Bridge	0118	0.0	16.3	0.0
10	Michigan transportation	0119	0.0	2,080.2	0.0
11	Comprehensive transportation	0120	4.0	159.3	0.0
12	School aid	0122	93.7	13,003.8	0.0
13	Marine safety	0123	1.0	5.0	0.0
14	Game and fish protection trust	0124	6.0	12.0	6.0
15	State park improvement	0125	3.6	41.5	0.0
16	Forest development	0126	11.7	30.3	4.1
17	Michigan civilian conservation				
18	corps endowment	0128	0.3	6.0	0.0
19	Michigan natural resources				
20	trust	0129	34.1	54.7	30.8
21	Michigan state parks endowment	0130	10.9	16.2	7.8
22	Safety education and training	0131	4.9	7.1	2.6
23	Bottle deposit	0136	0.0	18.5	0.0
24	State construction code	0138	5.7	10.2	0.0
25	Children's trust	0139	1.3	3.3	2.3
26	State casino gaming	0140	16.2	32.0	1.2
27	Homeowner construction lien				

1	recovery	0141	4.4	1.6	2.8
2	Michigan nongame fish and				
3	wildlife	0143	0.3	0.5	0.0
4	Michigan merit award trust	0154	9.5	286.6	0.0
5	TOTALS		\$803.3	\$41,819.5	\$740.3