

HOUSE BILL No. 5434

EXECUTIVE BUDGET BILL

March 8, 2016, Introduced by Rep. Pscholka and referred to the Committee on Appropriations.

A bill to make appropriations for various state departments and agencies; the judicial branch, and the legislative branch for the fiscal years ending September 30, 2017; to provide anticipated appropriations for the fiscal year ending September 30, 2018; to provide a nonbinding schedule of programs; to provide for certain conditions on appropriations; to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

	For Fiscal Year Ending Sept. 30, 2017	For Fiscal Year Ending Sept. 30, 2018
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APPROPRIATION SUMMARY

GROSS APPROPRIATION	\$ 38,711,935,000	\$ 38,272,050,300
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Total interdepartmental grants and

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1	intradepartmental transfers	867,312,100	864,462,100
2	ADJUSTED GROSS APPROPRIATION	\$ 37,844,622,900	\$ 37,407,588,200
3	Total federal revenues	20,586,209,100	20,298,418,600
4	Total local revenues	220,598,300	215,598,300
5	Total private revenues	174,703,200	174,703,200
6	Total other state restricted revenues	8,462,277,600	8,487,385,700
7	State general fund/general purpose	\$ 8,400,834,700	\$ 8,231,482,400

Article 1

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 1-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of agriculture and rural development are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0	6.0
Full-time equated classified positions	473.0	473.0
GROSS APPROPRIATION	\$ 91,591,300	\$ 91,591,300
Total interdepartmental grants and intradepartmental transfers	323,200	323,200
ADJUSTED GROSS APPROPRIATION	\$ 91,268,100	\$ 91,268,100
Total federal revenues	10,471,200	10,471,200
Total private revenues	130,700	130,700
Total other state restricted revenues	32,629,300	31,429,300
State general fund/general purpose	\$ 48,036,900	\$ 49,236,900
<i>State general fund/general purpose schedule:</i>		
Ongoing state general fund/general purpose	48,036,900	49,236,900
One-time state general fund/general purpose	0	0
Sec. 1-102. DEPARTMENTWIDE		
Full-time equated unclassified positions	6.0	6.0

1	Full-time equated classified positions		32.0		32.0
2	Commissions and boards	\$	23,800	\$	23,800
3	Unclassified positions		545,900		545,900
4	Executive direction-9.0 FTE positions		1,413,500		1,413,500
5	Operational services-19.0 FTE positions		1,882,700		1,882,700
6	Statistical reporting services-1.0 FTE position		153,600		153,600
7	Emergency management-3.0 FTE positions		614,600		614,600
8	Accounting service center		1,141,600		1,141,600
9	Building occupancy charges		<u>631,200</u>		<u>631,200</u>
10	GROSS APPROPRIATION	\$	6,406,900	\$	6,406,900
11	Appropriated from:				
12	Federal revenues:				
13	HHS, multiple grants		331,900		331,900
14	Special revenue funds:				
15	Private-commodity group revenue		79,100		79,100
16	Agricultural preservation fund		15,200		15,200
17	Agriculture licensing and inspection fees		263,900		263,900
18	Commodity inspection fees		1,100		1,100
19	Dairy and food safety fund		416,900		416,900
20	Feed control fund		38,900		38,900
21	Fertilizer control fund		24,000		24,000
22	Freshwater protection fund		67,500		67,500
23	Gasoline inspection and testing fund		80,000		80,000
24	Grain dealers fee fund		7,900		7,900
25	Industry support funds		54,300		54,300
26	Migratory labor housing fund		28,600		28,600
27	Nonretail liquor fees		28,100		28,100

1	State general fund/general purpose	\$	4,969,500	\$	4,969,500
2	Sec. 1-103. INFORMATION AND TECHNOLOGY				
3	Information technology services and projects	\$	<u>1,768,500</u>	\$	<u>1,768,500</u>
4	GROSS APPROPRIATION	\$	1,768,500	\$	1,768,500
5	Appropriated from:				
6	Interdepartmental grant revenues:				
7	IDG from LARA, liquor quality testing fees		3,200		3,200
8	Special revenue funds:				
9	Agricultural preservation fund		200		200
10	Agriculture licensing and inspection fees		93,800		93,800
11	Dairy and food safety fund		61,200		61,200
12	Freshwater protection fund		100		100
13	Gasoline inspection and testing fund		31,800		31,800
14	Nonretail liquor fees		500		500
15	State general fund/general purpose	\$	1,577,700	\$	1,577,700
16	Sec. 1-104. FOOD AND DAIRY				
17	Full-time equated classified positions		123.0		123.0
18	Food safety and quality assurance-93.0 FTE positions ..	\$	14,755,400	\$	14,755,400
19	Milk safety and quality assurance-30.0 FTE positions ..		<u>4,260,100</u>		<u>4,260,100</u>
20	GROSS APPROPRIATION	\$	19,015,500	\$	19,015,500
21	Appropriated from:				
22	Federal revenues:				
23	USDA, multiple grants		136,300		136,300
24	HHS, multiple grants		1,193,800		1,193,800
25	Special revenue funds:				
26	Consumer and industry food safety education fund		355,400		355,400
27	Dairy and food safety fund		4,434,500		4,434,500

1	State general fund/general purpose	\$	12,895,500	\$	12,895,500
2	Sec. 1-105. ANIMAL INDUSTRY				
3	Full-time equated classified positions		60.0		60.0
4	Animal disease prevention and response-60.0 FTE				
5	positions	\$	9,054,500	\$	9,054,500
6	Indemnification - livestock depredation		<u>50,000</u>		<u>50,000</u>
7	GROSS APPROPRIATION	\$	9,104,500	\$	9,104,500
8	Appropriated from:				
9	Federal revenues:				
10	USDA, multiple grants		527,900		527,900
11	Department of interior		50,800		50,800
12	HHS, multiple grants		46,600		46,600
13	Special revenue funds:				
14	Private-commodity group revenue		30,500		30,500
15	Agriculture licensing and inspection fees		59,300		59,300
16	Animal welfare fund		193,300		193,300
17	State general fund/general purpose	\$	8,196,100	\$	8,196,100
18	Sec. 1-106. PESTICIDE AND PLANT PEST MANAGEMENT				
19	Full-time equated classified positions		92.0		92.0
20	Pesticide and plant pest management-86.0 FTE positions	\$	13,672,000	\$	13,672,000
21	Producer security/grain dealers-6.0 FTE positions		<u>653,500</u>		<u>653,500</u>
22	GROSS APPROPRIATION	\$	14,325,500	\$	14,325,500
23	Appropriated from:				
24	Federal revenues:				
25	USDA, multiple grants		843,800		843,800
26	Department of interior		101,700		101,700
27	EPA, multiple grants		533,100		533,100

1	HHS, multiple grants	325,000	325,000
2	Special revenue funds:		
3	Private-slow-the-spread foundation	21,100	21,100
4	Agriculture licensing and inspection fees	3,611,600	3,611,600
5	Commodity inspection fees	514,900	514,900
6	Feed control fund	948,600	948,600
7	Fertilizer control fund	738,600	738,600
8	Freshwater protection fund	153,900	153,900
9	Grain dealers fee fund	607,100	607,100
10	Horticulture fund	38,800	38,800
11	Industry support funds	246,400	246,400
12	State general fund/general purpose	\$ 5,640,900	\$ 5,640,900
13	Sec. 1-107. ENVIRONMENTAL STEWARDSHIP		
14	Full-time equated classified positions	55.0	55.0
15	MAEAP - environmental stewardship-23.0 FTE positions ..	\$ 9,146,800	\$ 9,146,800
16	Farmland and open space preservation-7.0 FTE positions	1,422,100	1,422,100
17	Qualified forest program-9.0 FTE positions	2,582,700	2,582,700
18	Migrant labor housing-9.0 FTE positions	1,199,400	1,199,400
19	Right-to-farm-3.0 FTE positions	577,600	577,600
20	Intercounty drain-4.0 FTE positions	<u>484,400</u>	<u>484,400</u>
21	GROSS APPROPRIATION	\$ 15,413,000	\$ 15,413,000
22	Appropriated from:		
23	Interdepartmental grant revenues:		
24	IDG from MDEQ, biosolids	103,100	103,100
25	Federal revenues:		
26	USDA, multiple grants	922,300	922,300
27	Department of interior	121,300	121,300

1	EPA, multiple grants	608,300	608,300
2	Special revenue funds:		
3	Agricultural preservation fund	594,400	594,400
4	Freshwater protection fund	6,179,800	6,179,800
5	Migratory labor housing fund	139,200	139,200
6	Private forestland enhancement fund	288,200	288,200
7	State general fund/general purpose	\$ 6,456,400	\$ 6,456,400
8	Sec. 1-108. LABORATORY PROGRAM		
9	Full-time equated classified positions	96.0	96.0
10	Laboratory services-42.0 FTE positions	\$ 6,611,000	\$ 6,611,000
11	USDA monitoring-13.0 FTE positions	1,616,500	1,616,500
12	Consumer protection program-41.0 FTE positions	<u>6,637,400</u>	<u>6,637,400</u>
13	GROSS APPROPRIATION	\$ 14,864,900	\$ 14,864,900
14	Appropriated from:		
15	Interdepartmental grant revenues:		
16	IDG from LARA, liquor quality testing fees	216,900	216,900
17	Federal revenues:		
18	USDA, multiple grants	1,617,400	1,617,400
19	EPA, multiple grants	171,700	171,700
20	HHS, multiple grants	623,300	623,300
21	Special revenue funds:		
22	Agriculture licensing and inspection fees	78,800	78,800
23	Dairy and food safety fund	71,200	71,200
24	Feed control fund	147,700	147,700
25	Gasoline inspection and testing fund	1,878,400	1,878,400
26	Refined petroleum fund	2,373,200	1,173,200
27	Testing fees	293,100	293,100

1	Weights and measures regulation fees	793,500		793,500
2	State general fund/general purpose	\$ 6,599,700	\$	7,799,700
3	Sec. 1-109. AGRICULTURE DEVELOPMENT			
4	Full-time equated classified positions	15.0		15.0
5	Agriculture development-11.0 FTE positions	\$ 3,604,300	\$	3,604,300
6	Grape and wine program-3.0 FTE positions	921,000		921,000
7	Rural development fund grant program-1.0 FTE position .	2,000,000		2,000,000
8	Value-added grants	<u>500,000</u>		<u>500,000</u>
9	GROSS APPROPRIATION	\$ 7,025,300	\$	7,025,300
10	Appropriated from:			
11	Federal revenues:			
12	USDA, multiple grants	2,316,000		2,316,000
13	Special revenue funds:			
14	Industry support funds	132,600		132,600
15	Nonretail liquor fees	875,600		875,600
16	Rural development fund	2,000,000		2,000,000
17	State general fund/general purpose	\$ 1,701,100	\$	1,701,100
18	Sec. 1-110. FAIRS AND EXPOSITIONS			
19	Fairs and racing	\$ 256,600	\$	256,600
20	Purses and supplements - fairs/licensed tracks	708,300		708,300
21	Licensed tracks - light horse racing	40,300		40,300
22	Light horse racing - breeders' awards	20,000		20,000
23	Standardbred breeders' awards	345,900		345,900
24	Standardbred purses and supplements-licensed tracks ...	671,800		671,800
25	Standardbred sire stakes	275,000		275,000
26	Thoroughbred supplements - licensed tracks	601,900		601,900
27	Thoroughbred breeders' awards	368,600		368,600

1	Thoroughbred sire stakes	378,800	378,800
2	GROSS APPROPRIATION	\$ 3,667,200	\$ 3,667,200
3	Appropriated from:		
4	Special revenue funds:		
5	Agriculture equine industry development fund	3,667,200	3,667,200
6	State general fund/general purpose	\$ 0	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

GENERAL SECTIONS

11 Sec. 1-201. Pursuant to section 30 of article IX of the state constitution of
12 1963, total state spending from state resources under part 1 for fiscal year 2016-2017
13 is \$80,666,200.00 and state spending from state resources to be paid to local units of
14 government for fiscal year 2016-2017 is \$4,750,000.00. The itemized statement below
15 identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

17	MAEAP - environmental stewardship	\$ 3,250,000
18	Qualified forest program	<u>1,500,000</u>
19	TOTAL	\$ 4,750,000

20 Sec. 1-202. The appropriations authorized under this article are subject to the
21 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

22 Sec. 1-203. As used in this article:

- 23 (a) "Department" means the department of agriculture and rural development.
- 24 (b) "Director" means the director of the department.
- 25 (c) "EPA" means the United States environmental protection agency.

- 1 (d) "FDA" means United States food and drug administration.
2 (e) "FTE" means full-time equated.
3 (f) "HHS" means the United States department of health and human services.
4 (g) "IDG" means interdepartmental grant.
5 (h) "LARA" means the Michigan department of licensing and regulatory affairs.
6 (i) "MAEAP" means Michigan agriculture environmental assurance program.
7 (j) "MDEQ" means the Michigan department of environmental quality.
8 (k) "MOU" means memorandum of understanding.
9 (l) "USDA" means the United States department of agriculture.

10 Sec. 1-204. The departments and agencies receiving appropriations in part 1 shall
11 use the Internet to fulfill the reporting requirements of this article. This
12 requirement may include transmission of reports via electronic mail to the recipients
13 identified for each reporting requirement, or it may include placement of reports on
14 an Internet or Intranet site.

15 Sec. 1-205. Funds appropriated in part 1 shall not be used for the purchase of
16 foreign goods or services, or both, if competitively priced and of comparable quality
17 American goods or services, or both, are available. Preference shall be given to goods
18 or services, or both, manufactured or provided by Michigan businesses, if they are
19 competitively priced and of comparable quality. In addition, preference should be
20 given to goods or services, or both, that are manufactured or provided by Michigan
21 businesses owned and operated by veterans, if they are competitively priced and of
22 comparable quality.

23 Sec. 1-206. The director shall take all reasonable steps to ensure businesses in
24 deprived and depressed communities compete for and perform contracts to provide
25 services or supplies, or both. Each director shall strongly encourage firms with which
26 the department contracts to subcontract with certified businesses in depressed and
27 deprived communities for services, supplies, or both.

1 Sec. 1-207. The departments and agencies receiving appropriations in part 1 shall
2 prepare a report on out-of-state travel expenses not later than January 1 of each
3 year. The travel report shall be a listing of all travel by classified and
4 unclassified employees outside this state in the immediately preceding fiscal year
5 that was funded in whole or in part with funds appropriated in the department's
6 budget. The report shall be submitted to the senate and house appropriations
7 committees, the house and senate fiscal agencies, and the state budget director. The
8 report shall include the following information:

9 (a) The dates of each travel occurrence.

10 (b) The transportation and related costs of each travel occurrence, including the
11 proportion funded with state general fund/general purpose revenues, the proportion
12 funded with state restricted revenues, the proportion funded with federal revenues,
13 and the proportion funded with other revenues.

14 Sec. 1-208. Funds appropriated in part 1 shall not be used by a principal
15 executive department, state agency, or authority to hire a person to provide legal
16 services that are the responsibility of the attorney general. This prohibition does
17 not apply to legal services for bonding activities and for those outside services that
18 the attorney general authorizes.

19 Sec. 1-209. Not later than November 30, the state budget office shall prepare and
20 transmit a report that provides for estimates of the total general fund/general
21 purpose appropriation lapses at the close of the prior fiscal year. This report shall
22 summarize the projected year-end general fund/general purpose appropriation lapses by
23 major departmental program or program areas. The report shall be transmitted to the
24 chairpersons of the senate and house appropriations committees, and the senate and
25 house fiscal agencies.

26 Sec. 1-210. (1) In addition to the funds appropriated in part 1, there is
27 appropriated an amount not to exceed \$5,000,000.00 for federal contingency funds.

1 These funds are not available for expenditure until they have been transferred to
2 another line item in this article under section 393(2) of the management and budget
3 act, 1984 PA 431, MCL 18.1393.

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

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

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

19 Sec. 1-211. The department shall cooperate with the department of technology,
20 management and budget to maintain a searchable website accessible by the public at no
21 cost that includes, but is not limited to, all of the following for each department or
22 agency:

23 (a) Fiscal year-to-date expenditures by category.

24 (b) Fiscal year-to-date expenditures by appropriation unit.

25 (c) Fiscal year-to-date payments to a selected vendor, including the vendor name,
26 payment date, payment amount, and payment description.

27 (d) The number of active department employees by job classification.

1 (e) Job specifications and wage rates.

2 Sec. 1-212. Within 14 days after the release of the executive budget
3 recommendation, the department shall cooperate with the state budget office to provide
4 the senate and house appropriations chairs, the senate and house appropriations
5 subcommittees chairs, and the senate and house fiscal agencies with an annual report
6 on estimated state restricted fund balances, state restricted fund projected revenues,
7 and state restricted fund expenditures for the fiscal years ending September 30, 2016
8 and September 30, 2017.

9 Sec. 1-213. The department shall maintain, on a publicly accessible website, a
10 department scorecard that identifies, tracks and regularly updates key metrics that
11 are used to monitor and improve the agency's performance.

12 Sec. 1-214. Total authorized appropriations from all sources under part 1 for
13 legacy costs for the fiscal year ending September 30, 2017 is \$11,911,300.00. From
14 this amount, total agency appropriations for pension-related legacy costs are
15 estimated at \$6,604,500.00. Total agency appropriations for retiree health care legacy
16 costs are estimated at \$5,306,800.00.

17 **DEPARTMENTWIDE**

18 Sec. 1-301. (1) Pursuant to the appropriations in part 1, the department may
19 receive and expend revenue and use that revenue to cover necessary expenses related to
20 publications, audit and licensing functions, livestock sales, certification of nursery
21 stock, and laboratory analyses as specified in the following:

22 (a) Management services publications.

23 (b) Management services audit and licensing functions.

24 (c) Pesticide and plant pest management propagation and certification of virus-
25 free foundation stock.

26 (d) Pesticide and plant pest management grading services.

1 (e) Laboratory support testing for testing horses in draft horse pulling contests
2 at county fairs when local jurisdictions request state assistance.

3 (f) Laboratory support analyses to determine foreign substances in horses engaged
4 in racing or pulling contests at tracks.

5 (g) Laboratory support analyses of food, livestock, and agricultural products for
6 disease, foreign products for disease, toxic materials, foreign substances, and
7 quality standards.

8 (h) Laboratory support test samples for other agencies and organizations.

9 (i) Fruit and vegetable inspection at shipping and termination points and
10 processing plants.

11 (2) The department shall notify the subcommittees and the fiscal agencies 30 days
12 prior to proposing changes in fees authorized under this section or under section 5 of
13 1915 PA 91, MCL 285.35.

14 (3) The department shall post on its website a list of all the fees charged by
15 the department under the authorization provided in this section, including, but not
16 limited to, rates, number of individuals paying each fee, and the revenue generated by
17 each fee in the previous fiscal year. Notification of the location of the report on
18 the website shall be sent to the subcommittees, fiscal agencies, and state budget
19 office by February 1 each year.

20 Sec. 1-303. It is the intent of the legislature that the department use revenue
21 from licensing and inspection fees to increase the use of technology in licensing and
22 inspection activities to make licensing and inspection functions, including reporting,
23 more efficient. The department shall work to ensure that all license and registration
24 applications can be completed online through a secure web portal.

25 **FOOD AND DAIRY**

26 Sec. 1-402. The department shall provide information on significant food-borne

1 outbreaks and emergencies, including any enforcement actions taken related to food
2 safety during the immediately preceding fiscal year in the food and dairy annual
3 report and post that report on the department's website no later than April 1. The
4 department shall provide electronic notification of where the report can be found on
5 the department's website to the appropriation subcommittees, fiscal agencies, and
6 state budget office.

7 Sec. 1-403. The department will establish an on-farm food safety program to
8 assist farmers impacted by the new FDA Food Safety Modernization Act (FSMA)
9 requirements. The purpose of this new program is to create a state and local
10 partnership to provide training, education and technical assistance to Michigan
11 farmers in order for them to be compliant with these federal requirements. The
12 department will track the outcomes of the program to determine the number of farmers
13 that were provided assistance and the number of farms that complete a food safety plan
14 as a result of this program.

15 ANIMAL INDUSTRY

16 Sec. 1-453. (1) From the funds appropriated in part 1, the department may provide
17 for indemnity as provided for pursuant to the animal industry act, 1988 PA 466, MCL
18 287.701 to 287.746.

19 (2) From the funds appropriated in part 1 for indemnification - livestock
20 depredation, the department may provide for indemnity as provided for pursuant to the
21 wildlife depredations indemnification act, 2012 PA 487, MCL 285.361 to 285.365.

22 Sec. 1-457. The animal industry division shall include in their annual report the
23 department's progress toward meeting the USDA requirements as outlined in the March
24 2014 bovine tuberculosis program MOU with USDA. Notification as to the location of
25 that report on the website shall be sent to the senate and house agriculture
26 committees, the subcommittees, the fiscal agencies, and the state budget office.

1 Sec. 1-458. From the funds appropriated in part 1 for animal industry, the
2 department shall provide inspection and testing of aquaculture facilities and
3 aquaculture researchers as provided under section 7 of the Michigan aquaculture
4 development act, 1996 PA 199, MCL 286.877.

5 ENVIRONMENTAL STEWARDSHIP

6 Sec. 1-601. The funds appropriated in part 1 for MAEAP-environmental stewardship
7 shall be used to support department agriculture pollution prevention programs,
8 including groundwater and freshwater protection programs under part 87 of the Michigan
9 natural resources and environmental protection act, 1994 PA 451, MCL 324.8701 to
10 324.8717, and technical assistance in implementing conservation grants available under
11 the federal farm bill of 2014.

12 Sec. 1-604. (1) Federal revenues authorized by and available from the federal
13 government in excess of the appropriation in part 1 under section 107 are appropriated
14 and may be received and expended by the department for purposes authorized under state
15 law and subject to federal requirements.

16 (2) The department shall notify the subcommittees and fiscal agencies prior to
17 expending federal revenues received and appropriated under subsection (1).

18 Sec. 1-608. (1) The appropriations in part 1 for the qualified forest affidavit
19 program are for the purpose of increasing the knowledge of nonindustrial private
20 forestland owners of sound forest management practices and increasing the amount of
21 commercial timber production from those lands.

22 (2) The department shall work in partnership with stakeholder groups and other
23 state and federal agencies to increase the active management of nonindustrial private
24 forestland to foster the growth of Michigan's timber product industry.

25 LABORATORY PROGRAM

1 Sec. 1-701. The program will increase turnaround times in the Geagley laboratory
2 from 30-50% to 75-80% and implement a risk based inspection program on devices and
3 package content in the consumer protection program in the current fiscal year. The
4 purpose of these programs is to ensure the protection of consumers from economic harm
5 due to labeling or measurement fraud and to ensure the safety of the food supply. The
6 department will track the outcome of the program by measuring sample analysis
7 turnaround times and the percentage of compliant measurement devices inspected in the
8 fiscal year.

9 AGRICULTURE DEVELOPMENT

10 Sec. 1-801. (1) The department shall establish and administer a value-added grant
11 program. The program shall promote the expansion of value-added agricultural
12 production, processing, and access within the state.

13 (2) The department shall award grants on a competitive basis from the funds
14 appropriated in part 1 for value-added grants. Grantees will be required to provide a
15 cash match and identify measurable project outcomes. Eligible grantees may include,
16 but are not limited to, individuals, partnerships, cooperatives, private or public
17 corporations, and local units of government. Grantees will be required to identify
18 measurable project outcomes.

19 (3) A joint evaluation committee shall be selected by the director with
20 representatives with agriculture, business, and economic development expertise. The
21 joint evaluation committee shall identify criteria, evaluate applications, and provide
22 recommendations to the director for final approval of grant awards.

23 (4) The department may expend money from the funds appropriated in part 1 for
24 value-added grants for administering the program.

25 (5) The unexpended portion of the value-added grant program is considered a work
26 project appropriation in accordance with the management and budget act, 1984 PA 431,

1 MCL 18.1101 to 18.1594.

2 (6) The department shall make available on the agency's website a list of the
3 grantees, award amount, match funding, and project outcomes. The department shall
4 electronically notify the appropriations subcommittees, fiscal agencies, and the state
5 budget office of the location of this list.

6 Sec. 1-802. The department will work with the rural development fund board to
7 establish a process and criteria for funding projects as well as establishing metrics
8 and measurable outcomes for the program. The funds appropriated from the rural
9 development fund must be used in accordance with the provisions outlined in PA 411 of
10 2012.

11 **FAIRS AND EXPOSITIONS**

12 Sec. 1-902. All appropriations from the agriculture equine industry development
13 fund, except for the Michigan gaming control board's regulatory expenses and the
14 department's expenses to administer horse racing programs, shall be reduced
15 proportionately if revenues to the agriculture equine industry development fund
16 decline during the preceding fiscal year to a level lower than the amounts
17 appropriated in part 1.

Article 2

DEPARTMENT OF ATTORNEY GENERAL

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 2-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of attorney general are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

DEPARTMENT OF ATTORNEY GENERAL

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0	6.0
Full-time equated classified positions	527.0	522.5
GROSS APPROPRIATION	\$ 95,185,800	\$ 94,485,800
Total interdepartmental grants and intradepartmental transfers	28,989,700	28,989,700
ADJUSTED GROSS APPROPRIATION	\$ 66,196,100	\$ 65,496,100
Total federal revenues	9,476,700	9,476,700
Total local revenues	0	0
Total private revenues	0	0
Total other state restricted revenues	17,578,900	17,578,900
State general fund/general purpose	\$ 39,140,500	\$ 38,440,500
<i>State general fund/general purpose schedule:</i>		
Ongoing state general fund/general purpose	38,440,500	38,440,500
One-time general fund/general purpose	700,000	0

Sec. 2-102. ATTORNEY GENERAL OPERATIONS

1	Full-time equated unclassified positions	6.0	6.0
2	Full-time equated classified positions	522.5	522.5
3	Attorney general	\$ 112,500	\$ 112,500
4	Unclassified positions-5.0 FTE positions	754,000	754,000
5	Attorney general operations-479.5 FTE positions	83,800,000	83,800,000
6	Child support enforcement-25.0 FTE positions	3,503,800	3,503,800
7	Prosecuting attorneys coordinating council-12.0 FTE		
8	positions	2,142,600	2,142,600
9	Public safety initiative-1.0 FTE position	905,800	905,800
10	Sexual assault law enforcement-5.0 FTE positions	<u>1,713,500</u>	<u>1,713,500</u>
11	GROSS APPROPRIATION	\$ 92,932,200	\$ 92,932,200
12	Appropriated from:		
13	Interdepartmental grant revenues:		
14	IDG from MDHHS, health policy	206,900	206,900
15	IDG from MDHHS, medical services administration	691,200	691,200
16	IDG from MDHHS, WIC	152,500	152,500
17	IDG from department of corrections	660,300	660,300
18	IDG from MDE	595,600	595,600
19	IDG from MDEQ	2,009,000	2,009,000
20	IDG from MDHHS, human services	5,932,500	5,932,500
21	IDG from MDIFS, financial and insurance services	1,213,000	1,213,000
22	IDG from TED, workforce development agency	89,600	89,600
23	IDG from MDLARA, fireworks safety fund	83,000	83,000
24	IDG from MDLARA, health professions	3,037,400	3,037,400
25	IDG from MDLARA, licensing and regulation fees	335,600	335,600
26	IDG from MDLARA, Michigan occupational safety and health		
27	administration	107,700	107,700

1	IDG from MDLARA, remonumentation fees	106,100	106,100
2	IDG from MDLARA, securities fees	188,300	188,300
3	IDG from MDLARA, unlicensed builders	334,700	334,700
4	IDG from MDMVA	164,900	164,900
5	IDG from MDOS, children's protection registry	45,000	45,000
6	IDG from MDOT, comprehensive transportation fund	204,500	204,500
7	IDG from MDOT, state aeronautics fund	177,600	177,600
8	IDG from MDOT, state trunkline fund	2,429,200	2,429,200
9	IDG from MDSP	257,300	257,300
10	IDG from DTMB	463,800	463,800
11	IDG from DTMB, civil service commission	305,900	305,900
12	IDG from DTMB, risk management revolving fund	1,468,400	1,468,400
13	IDG from Michigan state housing development authority .	676,600	676,600
14	IDG from treasury	6,874,000	6,874,000
15	IDG from TED, strategic fund	179,100	179,100
16	Federal revenues:		
17	DAG, state administrative match grant/food stamps	137,000	137,000
18	Federal funds	3,145,100	3,145,100
19	HHS, medical assistance, medigrant	384,800	384,800
20	HHS-OS, state Medicaid fraud control units	5,688,600	5,688,600
21	National criminal history improvement program	121,200	121,200
22	Special revenue funds:		
23	Antitrust enforcement collections	762,600	762,600
24	Attorney general's operations fund	767,000	767,000
25	Auto repair facilities fees	327,400	327,400
26	Franchise fees	382,400	382,400
27	Game and fish protection fund	751,100	751,100

1	Human trafficking commission fund	390,000	390,000
2	Liquor purchase revolving fund	1,459,200	1,459,200
3	Manufactured housing fees	250,600	250,600
4	Merit award trust fund	495,700	495,700
5	Michigan employment security act - administrative fund	2,241,500	2,241,500
6	Prisoner reimbursement	625,200	625,200
7	Prosecuting attorneys training fees	411,500	411,500
8	Public utility assessments	2,077,300	2,077,300
9	Real estate enforcement fund	100,700	100,700
10	Reinstatement fees	257,700	257,700
11	Retirement funds	1,042,200	1,042,200
12	Second injury fund	821,700	821,700
13	Self-insurers security fund	571,200	571,200
14	Silicosis and dust disease fund	225,700	225,700
15	State building authority revenue	120,900	120,900
16	State casino gaming fund	1,861,900	1,861,900
17	State lottery fund	345,100	345,100
18	Utility consumers fund	780,800	780,800
19	Waterways fund	140,000	140,000
20	Worker's compensation administrative revolving fund ...	369,500	369,500
21	State general fund/general purpose	\$ 36,886,900	\$ 36,886,900
22	Sec. 2-103. INFORMATION TECHNOLOGY		
23	Information technology service and projects	\$ <u>1,553,600</u>	\$ <u>1,553,600</u>
24	GROSS APPROPRIATION	\$ 1,553,600	\$ 1,553,600
25	Appropriated from:		
26	Special revenue funds:		
27	State general fund/general purpose	\$ 1,553,600	\$ 1,553,600

1 (h) "MDE" means the Michigan department of education.

2 (i) "MDEQ" means the Michigan department of environmental quality.

3 (j) "MDHHS" means the Michigan department of health and human services.

4 (k) "MDIFS" means the Michigan department of insurance and financial services.

5 (l) "MDLARA" means the Michigan department of licensing and regulatory affairs.

6 (m) "MDMVA" means the Michigan department of military and veterans affairs.

7 (n) "MDOS" means the Michigan department of state.

8 (o) "MDOT" means the Michigan department of transportation.

9 (p) "MDSP" means the Michigan department of state police.

10 (q) "TED" means the department of talent and economic development.

11 (r) "WIC" means women, infants and children.

12 Sec. 2-204. The departments and agencies receiving appropriations in part 1 shall
13 use the Internet to fulfill the reporting requirements of this article. This
14 requirement may include transmission of reports via electronic mail to the recipients
15 identified for each reporting requirement, or it may include placement of reports on
16 an Internet or Intranet site.

17 Sec. 2-205. Funds appropriated in part 1 shall not be used for the purchase of
18 foreign goods or services, or both, if competitively priced and of comparable quality
19 American goods or services, or both, are available. Preference shall be given to goods
20 or services, or both, manufactured or provided by Michigan businesses, if they are
21 competitively priced and of comparable quality. In addition, preference should be
22 given to goods or services, or both, that are manufactured or provided by Michigan
23 businesses owned and operated by veterans, if they are competitively priced and of
24 comparable quality.

25 Sec. 2-206. The director of each department receiving appropriations in part 1
26 shall take all reasonable steps to ensure businesses in deprived and depressed
27 communities compete for and perform contracts to provide services or supplies, or

1 both. Each director shall strongly encourage firms with which the department contracts
2 to subcontract with certified businesses in depressed and deprived communities for
3 services, supplies, or both.

4 Sec. 2-207. The departments and agencies receiving appropriations in part 1 shall
5 prepare a report on out-of-state travel expenses not later than January 1 of each
6 year. The travel report shall be a listing of all travel by classified and
7 unclassified employees outside this state in the immediately preceding fiscal year
8 that was funded in whole or in part with funds appropriated in the department's
9 budget. The report shall be submitted to the senate and house appropriations
10 committees, the house and senate fiscal agencies, and the state budget director. The
11 report shall include the following information:

12 (a) The dates of each travel occurrence.

13 (b) The transportation and related costs of each travel occurrence, including the
14 proportion funded with state general fund/general purpose revenues, the proportion
15 funded with state restricted revenues, the proportion funded with federal revenues,
16 and the proportion funded with other revenues.

17 Sec. 2-208. Funds appropriated in part 1 shall not be used by a principal
18 executive department, state agency, or authority to hire a person to provide legal
19 services that are the responsibility of the attorney general. This prohibition does
20 not apply to legal services for bonding activities and for those activities that the
21 attorney general authorizes.

22 Sec. 2-209. Not later than November 30, the state budget office shall prepare and
23 transmit a report that provides for estimates of the total general fund/general
24 purpose appropriation lapses at the close of the prior fiscal year. This report shall
25 summarize the projected year-end general fund/general purpose appropriation lapses by
26 major departmental program or program areas. The report shall be transmitted to the
27 chairpersons of the senate and house appropriations committees, and the senate and

1 house fiscal agencies.

2 Sec. 2-210. (1) In addition to the funds appropriated in part 1, there is
3 appropriated an amount not to exceed \$ 1,500,000.00 for federal contingency funds.
4 These funds are not available for expenditure until they have been transferred to
5 another line item in this article under section 393(2) of the management and budget
6 act, 1984 PA 431, MCL 18.1393.

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

12 (3) In addition to the funds appropriated in part 1, there is appropriated an
13 amount not to exceed \$ 100,000.00 for local contingency funds. These funds are not
14 available for expenditure until they have been transferred to another line item in
15 this article under section 393(2) of the management and budget act, 1984 PA 431, MCL
16 18.1393.

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

22 Sec. 2-211. The department shall cooperate with the department of technology,
23 management and budget to maintain a searchable website accessible by the public at no
24 cost that includes, but is not limited to, all of the following for each department or
25 agency:

26 (a) Fiscal year-to-date expenditures by category.

27 (b) Fiscal year-to-date expenditures by appropriation unit.

1 (c) Fiscal year-to-date payments to a selected vendor, including the vendor name,
2 payment date, payment amount, and payment description.

3 (d) The number of active department employees by job classification.

4 (e) Job specifications and wage rates.

5 Sec. 2-212. Within 14 days after the release of the executive budget
6 recommendation, the department shall cooperate with the state budget office to provide
7 the senate and house appropriations chairs, the senate and house appropriations
8 subcommittees chairs, and the senate and house fiscal agencies with an annual report
9 on estimated state restricted fund balances, state restricted fund projected revenues,
10 and state restricted fund expenditures for the fiscal years ending September 30, 2016
11 and September 30, 2017.

12 Sec. 2-213. The department shall maintain, on a publicly accessible website, a
13 department scorecard that identifies, tracks and regularly updates key metrics that
14 are used to monitor and improve the agency's performance.

15 Sec. 2-214. Total authorized appropriations from all sources under part 1 for
16 legacy costs for the fiscal year ending September 30, 2017 are \$18,361,000.00. From
17 this amount, total agency appropriations for pension-related legacy costs are
18 estimated at \$10,096,700.00. Total agency appropriations for retiree health care
19 legacy costs are estimated at \$8,264,300.00.

20 **DEPARTMENT OF ATTORNEY GENERAL**

21 Sec. 2-302. (1) The attorney general shall perform all legal services, including
22 representation before courts and administrative agencies rendering legal opinions and
23 providing legal advice to a principal executive department or state agency. A
24 principal executive department or state agency shall not employ or enter into a
25 contract with any other person for services described in this section.

26 (2) The attorney general shall defend judges of all state courts if a claim is

1 made or a civil action is commenced for injuries to persons or property caused by the
2 judge through the performance of the judge's duties while acting within the scope of
3 his or her authority as a judge.

4 (3) The attorney general shall perform the duties specified in 1846 RS 12, MCL
5 14.28 to 14.35, and 1919 PA 232, MCL 14.101 to 14.102, and as otherwise provided by
6 law.

7 Sec. 2-303. The attorney general may sell copies of the biennial report in excess
8 of the 350 copies that the attorney general may distribute on a gratis basis. Gratis
9 copies shall not be provided to members of the legislature. Electronic copies of
10 biennial reports shall be made available on the department of attorney general's
11 website. The attorney general shall sell copies of the report at not less than the
12 actual cost of the report and shall deposit the money received into the general fund.

13 Sec. 2-304. The department of attorney general is responsible for the legal
14 representation for state of Michigan state employee worker's disability compensation
15 cases. The risk management revolving fund revenue appropriation in part 1 is to be
16 satisfied by billings from the department of attorney general for the actual costs of
17 legal representation, including salaries and support costs.

18 Sec. 2-305. In addition to the funds appropriated in part 1, not more than
19 \$400,000.00 shall be reimbursed per fiscal year for food stamp fraud cases heard by
20 the third circuit court of Wayne County that were initiated by the department of
21 attorney general pursuant to the existing contract between the department of human
22 services, the prosecuting attorneys association of Michigan, and the department of
23 attorney general. The source of this funding is money earned by the department of
24 attorney general under the agreement after the allowance for reimbursement to the
25 department of attorney general for costs associated with the prosecution of food stamp
26 fraud cases. It is recognized that the federal funds are earned by the department of
27 attorney general for its documented progress on the prosecution of food stamp fraud

1 cases according to the United States department of agriculture regulations and that,
2 once earned by this state, the funds become state funds.

3 Sec. 2-306. Any proceeds from a lawsuit initiated by or settlement agreement
4 entered into on behalf of this state against a manufacturer of tobacco products by the
5 attorney general are state funds and are subject to appropriation as provided by law.

6 Sec. 2-307. (1) In addition to the antitrust revenues in part 1, antitrust,
7 securities fraud, consumer protection or class action enforcement revenues, or
8 attorney fees recovered by the department, not to exceed \$250,000.00, are appropriated
9 to the department for antitrust, securities fraud, and consumer protection or class
10 action enforcement cases.

11 (2) Any unexpended funds from antitrust, securities fraud, or consumer protection
12 or class action enforcement revenues at the end of the fiscal year, including
13 antitrust funds in part 1, may be carried forward for expenditure in the following
14 fiscal year up to the maximum authorization of \$250,000.00.

15 Sec. 2-308. (1) In addition to the funds appropriated in part 1, there is
16 appropriated up to \$1,500,000.00 from litigation expense reimbursements awarded to the
17 state.

18 (2) The funds may be expended for the payment of court judgments, settlements,
19 arbitration awards or other administrative and litigation decisions, attorney fees,
20 and litigation costs, assessed against the office of the governor, the department of
21 the attorney general, the governor, or the attorney general when acting in an official
22 capacity as the named party in litigation against the state. The funds may also be
23 expended for the payment of state costs incurred under section 16 of chapter X of the
24 code of criminal procedure, 1927 PA 175, MCL 770.16.

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

27 Sec. 2-309. From the prisoner reimbursement funds appropriated in part 1, the

1 department may spend up to \$625,200.00 on activities related to the state correctional
2 facility reimbursement act, 1935 PA 253, MCL 800.401 to 800.406. In addition to the
3 funds appropriated in part 1, if the department collects in excess of \$1,131,000.00 in
4 gross annual prisoner reimbursement receipts provided to the general fund, the excess,
5 up to a maximum of \$1,000,000.00, is appropriated to the department of attorney
6 general and may be spent on the representation of the department of corrections and
7 its officers, employees, and agents, including, but not limited to, the defense of
8 litigation against the state, its departments, officers, employees, or agents in civil
9 actions filed by prisoners.

10 Sec. 2-310. (1) For the purposes of providing title IV-D child support
11 enforcement funding, the department of human services, as the state IV-D agency, shall
12 maintain a cooperative agreement with the attorney general for federal IV-D funding to
13 support the child support enforcement activities within the office of the attorney
14 general.

15 (2) The attorney general or his or her designee shall, to the extent allowable
16 under federal law, have access to any information used by the state to locate parents
17 who fail to pay court-ordered child support.

18 Sec. 2-312. The department of attorney general shall not receive and expend funds
19 in addition to those authorized in part 1 for legal services provided specifically to
20 other state departments or agencies except for costs for expert witnesses, court
21 costs, or other nonsalary litigation expenses associated with a pending legal action.

22 Sec. 2-313. From the funds appropriated in part 1 for attorney general
23 operations, the department shall allocate \$600,000.00 for the investigation and
24 prosecution of mortgage fraud.

Article 3

DEPARTMENT OF CIVIL RIGHTS

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 3-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of civil rights are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018 from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

DEPARTMENT OF CIVIL RIGHTS

APPROPRIATION SUMMARY

Full-time equated unclassified positions.....	6.0	6.0
Full-time equated classified positions.....	132.0	129.0
GROSS APPROPRIATION	\$ 16,721,900	\$ 16,371,900
Total interdepartmental grants and intradepartmental transfers.....	293,600	293,600
ADJUSTED GROSS APPROPRIATION	\$ 16,428,300	\$ 16,078,300
Total federal revenues	2,763,000	2,763,000
Total private revenues	18,700	18,700
Total other state restricted revenues	151,900	151,900
State general fund/general purpose	\$ 13,494,700	\$ 13,144,700
<i>State general fund/general purpose schedule:</i>		
Ongoing state general fund/general purpose	13,144,700	13,144,700
One-time state general fund/general purpose	350,000	0
Sec. 3-102. CIVIL RIGHTS OPERATIONS		
Full-time equated unclassified positions.....	6.0	6.0
Full-time equated classified positions.....	129.0	129.0

1	Unclassified positions-6.0 FTE positions	\$	660,300	\$	660,300
2	Civil rights operations-121.0 FTE positions		13,831,700		13,831,700
3	Division on deaf and hard of hearing-6.0 FTE positions		798,600		798,600
4	Hispanic/Latino commission of Michigan-1.0 FTE position		261,000		261,000
5	Asian Pacific American affairs commission-1.0 FTE				
6	position.....		<u>112,400</u>		<u>112,400</u>
7	GROSS APPROPRIATION	\$	15,664,000	\$	15,664,000
8	Appropriated from:				
9	Interdepartmental grant revenues:				
10	IDG from DTMB		293,600		293,600
11	Federal revenues:				
12	EEOC, state and local antidiscrimination agency				
13	contracts.....		1,211,500		1,211,500
14	HUD grant		1,536,500		1,536,500
15	Special revenue funds:				
16	Private revenues		18,700		18,700
17	Division on deafness fund		93,400		93,400
18	State restricted indirect funds		58,500		58,500
19	State general fund/general purpose	\$	12,451,800	\$	12,451,800
20	Sec. 3-103. INFORMATION TECHNOLOGY				
21	Information technology services and projects	\$	<u>707,900</u>	\$	<u>707,900</u>
22	GROSS APPROPRIATION	\$	707,900	\$	707,900
23	Appropriated from:				
24	Federal revenues:				
25	EEOC, state and local antidiscrimination agency				
26	contracts.....		15,000		15,000
27	Special revenue funds:				

1	State general fund/general purpose	\$	692,900	\$	692,900
2	Sec. 3-104. ONE-TIME APPROPRIATIONS				
3	Full-time equated classified positions		3.0		0.0
4	Civil rights operations-2.0 FTE positions	\$	250,000	\$	0
5	Commission on Middle Eastern American affairs-1.0 FTE				
6	position		<u>100,000</u>		<u>0</u>
7	GROSS APPROPRIATION	\$	350,000	\$	0
8	Appropriated from:				
9	Special revenue funds:				
10	State general fund/general purpose	\$	350,000	\$	0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

GENERAL SECTIONS

Sec. 3-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is \$13,646,600.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is \$0.

Sec. 3-202. The appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 3-203. As used in this article:

- (a) "Department" means the department of civil rights.
- (b) "Director" means the director of the department of civil rights.
- (c) "DTMB" means the department of technology, management and budget.
- (d) "EEOC" means the United States equal employment opportunity commission.

1 (e) "FTE" means full-time equated.

2 (f) "HUD" means the United States department of housing and urban development.

3 (g) "IDG" means interdepartmental grant.

4 Sec. 3-204. The departments and agencies receiving appropriations in part 1 shall
5 use the Internet to fulfill the reporting requirements of this article. This
6 requirement may include transmission of reports via electronic mail to the recipients
7 identified for each reporting requirement, or it may include placement of reports on
8 an Internet or Intranet site.

9 Sec. 3-205. Funds appropriated in part 1 shall not be used for the purchase of
10 foreign goods or services, or both, if competitively priced and of comparable quality
11 American goods or services, or both, are available. Preference shall be given to goods
12 or services, or both, manufactured or provided by Michigan businesses, if they are
13 competitively priced and of comparable quality. In addition, preference should be
14 given to goods or services, or both, that are manufactured or provided by Michigan
15 businesses owned and operated by veterans, if they are competitively priced and of
16 comparable quality.

17 Sec. 3-206. The director of each department receiving appropriations in part 1
18 shall take all reasonable steps to ensure businesses in deprived and depressed
19 communities compete for and perform contracts to provide services or supplies, or
20 both. Each director shall strongly encourage firms with which the department contracts
21 to subcontract with certified businesses in depressed and deprived communities for
22 services, supplies, or both.

23 Sec. 3-207. The departments and agencies receiving appropriations in part 1 shall
24 prepare a report on out-of-state travel expenses not later than January 1 of each
25 year. The travel report shall be a listing of all travel by classified and
26 unclassified employees outside this state in the immediately preceding fiscal year
27 that was funded in whole or in part with funds appropriated in the department's

1 budget. The report shall be submitted to the senate and house appropriations
2 committees, the house and senate fiscal agencies, and the state budget director. The
3 report shall include the following information:

4 (a) The dates of each travel occurrence.

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

9 Sec. 3-208. Funds appropriated in part 1 shall not be used by a principal
10 executive department, state agency, or authority to hire a person to provide legal
11 services that are the responsibility of the attorney general. This prohibition does
12 not apply to legal services for bonding activities and for those outside services that
13 the attorney general authorizes.

14 Sec. 3-209. Not later than November 30, the state budget office shall prepare and
15 transmit a report that provides for estimates of the total general fund/general
16 purpose appropriation lapses at the close of the prior fiscal year. This report shall
17 summarize the projected year-end general fund/general purpose appropriation lapses by
18 major departmental program or program areas. The report shall be transmitted to the
19 chairpersons of the senate and house appropriations committees, and the senate and
20 house fiscal agencies.

21 Sec. 3-210. (1) In addition to the funds appropriated in part 1, there is
22 appropriated an amount not to exceed \$2,000,000.00 for federal contingency funds.
23 These funds are not available for expenditure until they have been transferred to
24 another line item in this article under section 393(2) of the management and budget
25 act, 1984 PA 431, MCL 18.1393.

26 (2) In addition to the funds appropriated in part 1, there is appropriated an
27 amount not to exceed \$750,000.00 for private contingency funds. These funds are not

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

4 Sec. 3-211. The department shall cooperate with the department of technology,
5 management and budget to maintain a searchable website accessible by the public at no
6 cost that includes, but is not limited to, all of the following for each department or
7 agency:

8 (a) Fiscal year-to-date expenditures by category.

9 (b) Fiscal year-to-date expenditures by appropriation unit.

10 (c) Fiscal year-to-date payments to a selected vendor, including the vendor name,
11 payment date, payment amount, and payment description.

12 (d) The number of active department employees by job classification.

13 (e) Job specifications and wage rates.

14 Sec. 3-212. Within 14 days after the release of the executive budget
15 recommendation, the department shall cooperate with the state budget office to provide
16 the senate and house appropriations chairs, the senate and house appropriations
17 subcommittees chairs, and the senate and house fiscal agencies with an annual report
18 on estimated state restricted fund balances, state restricted fund projected revenues,
19 and state restricted fund expenditures for the fiscal years ending September 30, 2016
20 and September 30, 2017.

21 Sec. 3-213. The department shall maintain, on a publicly accessible website, a
22 department scorecard that identifies, tracks and regularly updates key metrics that
23 are used to monitor and improve the agency's performance.

24 Sec. 3-214. Total authorized appropriations from all sources under part 1 for
25 legacy costs for the fiscal year ending September 30, 2017 is \$3,062,000.00. From this
26 amount, total agency appropriations for pension-related legacy costs are estimated at
27 \$1,697,800.00. Total agency appropriations for retiree health care legacy costs are

1 estimated at \$1,364,200.00.

2 **CIVIL RIGHTS OPERATIONS**

3 Sec. 3-402. (1) In addition to the appropriations contained in part 1, the
4 department of civil rights may receive and expend funds from local or private sources
5 for all of the following purposes:

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

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

9 (c) The provision of copy material made available under freedom of information
10 requests.

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

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

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

16 (g) Staffing costs for all activities included in this subsection.

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

21 Sec. 3-403. The department of civil rights may contract with local units of
22 government to review equal employment opportunity compliance of potential contractors
23 and may charge for and expend amounts received from local units of government for the
24 purpose of developing and providing these contractual services.

Article 4

DEPARTMENT OF CORRECTIONS

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 4-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of corrections are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

DEPARTMENT OF CORRECTIONS

APPROPRIATION SUMMARY

Average population.....	44,493	44,493
Full-time equated unclassified positions.....	16.0	16.0
Full-time equated classified positions.....	14,049.6	14,049.6
GROSS APPROPRIATION	\$ 2,029,386,100	\$ 2,019,898,700
Total interdepartmental grants and intradepartmental transfers.....	0	0
ADJUSTED GROSS APPROPRIATION	\$ 2,029,386,100	\$ 2,019,898,700
Total federal revenues	5,523,700	5,523,700
Total local revenues	8,692,800	8,692,800
Total private revenues	0	0
Total other state restricted revenues	35,711,700	35,711,700
State general fund/general purpose	\$ 1,979,457,900	\$ 1,969,970,500
<i>State general fund/general purpose schedule:</i>		
Ongoing state general fund/general purpose	1,969,970,500	1,969,970,500
One-time state general fund/general purpose	9,487,400	0

Sec. 4-102. EXECUTIVE

1	Full-time equated unclassified positions	16.0	16.0
2	Full-time equated classified positions	20.0	20.0
3	Unclassified positions-16.0 FTE positions	\$ 1,793,800	\$ 1,793,800
4	Executive direction-20.0 FTE positions	<u>4,208,600</u>	<u>4,208,600</u>
5	GROSS APPROPRIATION	\$ 6,002,400	\$ 6,002,400
6	Appropriated from:		
7	Special revenue funds:		
8	State general fund/general purpose	\$ 6,002,400	\$ 6,002,400
9	Sec. 4-103. PRISONER RE-ENTRY AND COMMUNITY SUPPORT		
10	Full-time equated classified positions	343.4	343.4
11	Prisoner re-entry local service providers	\$ 13,208,600	\$ 13,208,600
12	Prisoner re-entry MDOC programs	9,124,100	9,124,100
13	Prisoner re-entry federal grants	750,000	750,000
14	Public safety initiative	4,500,000	4,500,000
15	Re-entry services-70.0 FTE positions	21,755,100	21,755,100
16	Education program-273.4 FTE positions	36,555,500	36,555,500
17	Community corrections comprehensive plans and services	12,158,000	12,158,000
18	Felony drunk driver jail reduction and community		
19	treatment program.....	1,440,100	1,440,100
20	Residential services	<u>15,475,500</u>	<u>15,475,500</u>
21	GROSS APPROPRIATION	\$ 114,966,900	\$ 114,966,900
22	Appropriated from:		
23	Federal revenues:		
24	DOJ, prisoner reintegration	250,000	250,000
25	DOJ, second chance act reentry initiative	500,000	500,000
26	Federal education funding	1,757,300	1,757,300
27	Special revenue funds:		

1	Program and special equipment fund	5,213,200	5,213,200
2	State general fund/general purpose	\$ 107,246,400	\$ 107,246,400
3	Sec. 4-104. BUDGET AND OPERATIONS ADMINISTRATION		
4	Full-time equated classified positions	247.0	247.0
5	Budget and operations administration-185.0 FTE		
6	positions	\$ 24,696,700	\$ 24,696,700
7	Prison industries operations-62.0 FTE positions	9,837,400	9,837,400
8	New custody staff training	9,216,500	9,216,500
9	Compensatory buyout and union leave bank	100	100
10	Worker's compensation	14,171,300	14,171,300
11	Rent	2,349,100	2,349,100
12	Equipment and special maintenance	1,559,700	1,559,700
13	Administrative hearings officers	3,407,100	3,407,100
14	Judicial data warehouse user fees	50,000	50,000
15	Sheriffs' coordinating and training office	100,000	100,000
16	Prosecutorial and detainer expenses	5,001,000	5,001,000
17	County jail reimbursement program	<u>13,597,100</u>	<u>13,597,100</u>
18	GROSS APPROPRIATION	\$ 83,986,000	\$ 83,986,000
19	Appropriated from:		
20	Federal revenues:		
21	DOJ, prison rape elimination act grant	674,700	674,700
22	Special revenue funds:		
23	Jail reimbursement program fund	5,900,000	5,900,000
24	Local corrections officer training fund	100,000	100,000
25	Correctional industries revolving fund	10,451,800	10,451,800
26	Program and special equipment fund	100	100
27	State general fund/general purpose	\$ 66,859,400	\$ 66,859,400

1	Sec. 4-105. FIELD OPERATIONS ADMINISTRATION		
2	Full-time equated classified positions	2,194.6	2,194.6
3	Field operations-1,881.9 FTE positions	\$ 213,669,400	\$ 213,669,400
4	Detroit detention center-63.1 FTE positions	8,487,400	8,487,400
5	Detroit re-entry center-216.6 FTE positions	27,073,900	27,073,900
6	Parole board operations-33.0 FTE positions	3,812,000	3,812,000
7	Parole/probation services	<u>940,000</u>	<u>940,000</u>
8	GROSS APPROPRIATION	\$ 253,982,700	\$ 253,982,700
9	Appropriated from:		
10	Special revenue funds:		
11	Local - community tether program reimbursement	205,400	205,400
12	Local revenues	8,487,400	8,487,400
13	Re-entry center offender reimbursements	24,300	24,300
14	Parole and probation oversight fees	4,428,600	4,428,600
15	Parole and probation oversight fees set-aside	940,000	940,000
16	Tether program participant contributions	2,480,900	2,480,900
17	State general fund/general purpose	\$ 237,416,100	\$ 237,416,100
18	Sec. 4-106. CORRECTIONAL FACILITIES ADMINISTRATION		
19	Full-time equated classified positions	319.0	319.0
20	Correctional facilities administration-21.0 FTE		
21	positions	\$ 5,046,600	\$ 5,046,600
22	Prison food service	54,455,900	54,455,900
23	Transportation-211.0 FTE positions	25,113,200	25,113,200
24	Central records-52.0 FTE positions	6,015,600	6,015,600
25	Inmate legal services	790,900	790,900
26	Housing inmates in federal institutions	611,000	611,000
27	Prison store operations-35.0 FTE positions	3,372,600	3,372,600

1	Leased beds and alternatives to leased beds	100	100
2	Cost-effective housing initiative	100	100
3	Public works programs	1,000,000	1,000,000
4	Inmate housing fund	<u>100</u>	<u>100</u>
5	GROSS APPROPRIATION	\$ 96,406,100	\$ 96,406,100
6	Appropriated from:		
7	Federal revenues:		
8	DOJ-BOP, federal prisoner reimbursement	411,000	411,000
9	SSA-SSI, incentive payment	272,000	272,000
10	Special revenue funds:		
11	Correctional industries revolving fund	569,000	569,000
12	Public works user fees	1,000,000	1,000,000
13	Resident stores	3,372,600	3,372,600
14	State general fund/general purpose	\$ 90,781,500	\$ 90,781,500
15	Sec. 4-107. HEALTH CARE		
16	Full-time equated classified positions	1,491.9	1,491.9
17	Prisoner health care services	\$ 71,380,400	\$ 71,380,400
18	Vaccination program	691,200	691,200
19	Interdepartmental grant to human services, eligibility		
20	specialists	100,000	100,000
21	Substance abuse testing and treatment services-8.0 FTE		
22	positions	22,340,600	22,340,600
23	Healthy Michigan plan administration-12.0 FTE positions	1,100,700	1,100,700
24	Clinical and mental health services and support-1,471.9		
25	FTE positions	<u>232,759,700</u>	<u>232,759,700</u>
26	GROSS APPROPRIATION	\$ 328,372,600	\$ 328,372,600
27	Appropriated from:		

1	Federal revenues:			
2	Federal revenues and reimbursements		373,700	373,700
3	DOJ, office of justice programs, RSAT		250,200	250,200
4	Special revenue funds:			
5	Prisoner health care copayments		257,200	257,200
6	State general fund/general purpose	\$	327,491,500	\$ 327,491,500
7	Sec. 4-108. CORRECTIONAL FACILITIES			
8	Average population		44,493	44,493
9	Full-time equated classified positions		9,433.7	9,433.7
10	Alger correctional facility - Munising-260.0 FTE			
11	positions	\$	30,602,300	\$ 30,602,300
12	Baraga correctional facility - Baraga-294.8 FTE			
13	positions		35,306,500	35,306,500
14	Bellamy Creek correctional facility - Ionia-390.2			
15	FTE positions		43,850,900	43,850,900
16	Earnest C. Brooks correctional facility - Muskegon-			
17	440.9 FTE positions		50,797,100	50,797,100
18	Carson City correctional facility - Carson City-			
19	425.4 FTE positions		46,557,100	46,557,100
20	Central Michigan correctional facility - St. Louis-			
21	391.6 FTE positions		46,105,600	46,105,600
22	Chippewa correctional facility - Kincheloe-435.1 FTE			
23	positions		50,450,800	50,450,800
24	Cooper Street correctional facility - Jackson-263.1			
25	FTE positions		29,792,800	29,792,800
26	G. Robert Cotton correctional facility - Jackson-			
27	392.3 FTE positions		44,232,800	44,232,800

1	Charles E. Egeler correctional facility - Jackson-		
2	374.6 FTE positions.....	43,525,500	43,525,500
3	Richard A. Handlon correctional facility - Ionia-		
4	252.7 FTE positions.....	29,843,400	29,843,400
5	Gus Harrison correctional facility - Adrian-442.6		
6	FTE positions.....	49,475,100	49,475,100
7	Ionia correctional facility - Ionia-286.3 FTE positions	33,696,600	33,696,600
8	Kinross correctional facility - Kincheloe-268.1 FTE		
9	positions.....	33,170,000	33,170,000
10	Lakeland correctional facility - Coldwater-279.4 FTE		
11	positions.....	33,339,500	33,339,500
12	Macomb correctional facility - New Haven-294.8 FTE		
13	positions.....	34,675,200	34,675,200
14	Marquette branch prison - Marquette-321.7 FTE positions	38,109,600	38,109,600
15	Michigan reformatory - Ionia-311.7 FTE positions	35,442,700	35,442,700
16	Muskegon correctional facility - Muskegon-205.0 FTE		
17	positions.....	25,467,100	25,467,100
18	Newberry correctional facility - Newberry-200.1 FTE		
19	positions.....	24,402,400	24,402,400
20	Oaks correctional facility - Eastlake-290.4 FTE		
21	positions.....	34,091,800	34,091,800
22	Ojibway correctional facility - Marenisco-203.1 FTE		
23	positions.....	23,545,600	23,545,600
24	Parnall correctional facility - Jackson-260.0 FTE		
25	positions.....	28,461,800	28,461,800
26	Pugsley correctional facility - Kingsley-209.9 FTE		
27	positions.....	24,996,100	24,996,100

1	Saginaw correctional facility - Freeland-274.9 FTE		
2	positions.....	32,952,700	32,952,700
3	Special alternative incarceration program - (Camp		
4	Cassidy Lake)-119.0 FTE positions.....	13,733,700	13,733,700
5	St. Louis correctional facility - St. Louis-303.6 FTE		
6	positions.....	36,687,100	36,687,100
7	Thumb correctional facility - Lapeer-283.6 FTE		
8	positions.....	33,052,400	33,052,400
9	Women's Huron Valley correctional complex - Ypsilanti-		
10	501.9 FTE positions.....	59,117,400	59,117,400
11	Woodland correctional facility - Whitmore Lake-284.9		
12	FTE positions.....	33,279,200	33,279,200
13	Northern region administration and support-48.0 FTE		
14	positions.....	4,509,900	4,509,900
15	Southern region administration and support-124.0 FTE		
16	positions.....	<u>24,098,000</u>	<u>24,098,000</u>
17	GROSS APPROPRIATION	\$ 1,107,368,700	\$ 1,107,368,700
18	Appropriated from:		
19	Federal revenues:		
20	DOJ, state criminal alien assistance program	1,034,800	1,034,800
21	Special revenue funds:		
22	State restricted revenues and reimbursements.....	102,100	102,100
23	State general fund/general purpose	\$ 1,106,231,800	\$ 1,106,231,800
24	Sec. 4-109. INFORMATION TECHNOLOGY		
25	Information technology services and projects	\$ <u>28,813,300</u>	\$ <u>28,813,300</u>
26	GROSS APPROPRIATION	\$ 28,813,300	\$ 28,813,300
27	Appropriated from:		

1	Special revenue funds:			
2	Correctional industries revolving fund	177,100		177,100
3	Parole and probation oversight fees set-aside	694,800		694,800
4	State general fund/general purpose	\$ 27,941,400	\$	27,941,400
5	Sec. 4-110. ONE-TIME APPROPRIATIONS			
6	New custody training staff-one-time	\$ 8,506,100	\$	0
7	Ballistic vests-one-time	<u>981,300</u>	<u></u>	<u>0</u>
8	GROSS APPROPRIATION	\$ 9,487,400	\$	0
9	Appropriated from:			
10	State general fund/general purpose	\$ 9,487,400	\$	0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

GENERAL SECTIONS

Sec. 4-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is \$2,015,169,600.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is \$110,420,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF CORRECTIONS

22	Field operations - assumption of county probation staff	\$		61,749,900
23	Community corrections comprehensive plans and services			12,158,000
24	Re-entry services - intensive detention re-entry program			1,500,000
25	Residential services			15,475,500

1	County jail reimbursement program	13,597,100
2	Felony drunk driver jail reduction and community treatment program ..	1,440,100
3	Leased beds and alternatives to leased beds	100
4	Public safety initiative	<u>4,500,000</u>
5	TOTAL	\$ 110,420,700

6 Sec. 4-202. The appropriations authorized under this article are subject to the
7 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

8 Sec. 4-203. As used in this article:

9 (a) "Administrative segregation" means confinement for maintenance of order or
10 discipline to a cell or room apart from accommodations provided for inmates who are
11 participating in programs of the facility.

12 (b) "Department" or "MDOC" means the Michigan department of corrections.

13 (c) "DOJ" means the United States department of justice.

14 (d) "DOJ-BOP" means the DOJ bureau of prisons.

15 (e) "EPIC program" means the department's effective process improvement and
16 communication program.

17 (f) "FTE" means full-time equated.

18 (g) "Goals" means the intended or projected result of a comprehensive corrections
19 plan or community corrections program to reduce repeat offending, criminogenic and
20 high-risk behaviors, prison commitment rates, to reduce the length of stay in a jail,
21 or to improve the utilization of a jail.

22 (h) "Jail" means a facility operated by a local unit of government for the
23 physical detention and correction of persons charged with or convicted of criminal
24 offenses.

25 (i) "MDHHS" means the Michigan department of health and human services.

26 (j) "Objective risk and needs assessment" means an evaluation of an offender's
27 criminal history; the offender's noncriminal history; and any other factors relevant

1 to the risk the offender would present to the public safety, including, but not
2 limited to, having demonstrated a pattern of violent behavior, and a criminal record
3 that indicates a pattern of violent offenses.

4 (k) "Offender eligibility criteria" means particular criminal violations, state
5 felony sentencing guidelines descriptors, and offender characteristics developed by
6 advisory boards and approved by local units of government that identify the offenders
7 suitable for community corrections programs funded through the office of community
8 corrections.

9 (l) "Offender target populations" means felons or misdemeanants who would likely
10 be sentenced to imprisonment in a state correctional facility or jail, who would not
11 likely increase the risk to the public safety based on an objective risk and needs
12 assessment that indicates that the offender can be safely treated and supervised in
13 the community.

14 (m) "Offender who would likely be sentenced to imprisonment" means either of the
15 following:

16 (i) A felon or misdemeanant who receives a sentencing disposition that appears to
17 be in place of incarceration in a state correctional facility or jail, according to
18 historical local sentencing patterns.

19 (ii) A currently incarcerated felon or misdemeanant who is granted early release
20 from incarceration to a community corrections program or who is granted early release
21 from incarceration as a result of a community corrections program.

22 (n) "RSAT" means residential substance abuse treatment.

23 (o) "Serious emotional disturbance" means that term as defined in section 100d(2)
24 of the mental health code, 1974 PA 328, MCL 330.1100d.

25 (p) "Serious mental illness" means that term as defined in section 100d(3) of the
26 mental health code, 1974 PA 328, MCL 330.1100d.

27 (q) "SSA" means the United States Social Security Administration.

1 (r) "SSA-SSI" means SSA supplemental security income.

2 Sec. 4-204. The departments and agencies receiving appropriations in part 1 shall
3 use the Internet to fulfill the reporting requirements of this article. This
4 requirement may include transmission of reports via electronic mail to the recipients
5 identified for each reporting requirement, or it may include placement of reports on
6 an Internet or Intranet site.

7 Sec. 4-205. Funds appropriated in part 1 shall not be used for the purchase of
8 foreign goods or services, or both, if competitively priced and of comparable quality
9 American goods or services, or both, are available. Preference shall be given to goods
10 or services, or both, manufactured or provided by Michigan businesses, if they are
11 competitively priced and of comparable quality. In addition, preference should be
12 given to goods or services, or both, that are manufactured or provided by Michigan
13 businesses owned and operated by veterans, if they are competitively priced and of
14 comparable quality.

15 Sec. 4-207. The departments and agencies receiving appropriations in part 1 shall
16 prepare a report on out-of-state travel expenses not later than January 1 of each
17 year. The travel report shall be a listing of all travel by classified and
18 unclassified employees outside this state in the immediately preceding fiscal year
19 that was funded in whole or in part with funds appropriated in the department's
20 budget. The report shall be submitted to the senate and house appropriations
21 committees, the house and senate fiscal agencies, and the state budget director. The
22 report shall include the following information:

23 (a) The dates of each travel occurrence.

24 (b) The transportation and related costs of each travel occurrence, including the
25 proportion funded with state general fund/general purpose revenues, the proportion
26 funded with state restricted revenues, the proportion funded with federal revenues,
27 and the proportion funded with other revenues.

1 Sec. 4-208. Funds appropriated in part 1 shall not be used by a principal
2 executive department, state agency, or authority to hire a person to provide legal
3 services that are the responsibility of the attorney general. This prohibition does
4 not apply to legal services for bonding activities and for those outside services that
5 the attorney general authorizes.

6 Sec. 4-209. Not later than November 30, the state budget office shall prepare and
7 transmit a report that provides for estimates of the total general fund/general
8 purpose appropriation lapses at the close of the prior fiscal year. This report shall
9 summarize the projected year-end general fund/general purpose appropriation lapses by
10 major departmental program or program areas. The report shall be transmitted to the
11 chairpersons of the senate and house appropriations committees, and the senate and
12 house fiscal agencies.

13 Sec. 4-210. (1) In addition to the funds appropriated in part 1, there is
14 appropriated an amount not to exceed \$10,000,000.00 for federal contingency funds.
15 These funds are not available for expenditure until they have been transferred to
16 another line item in this article under section 393(2) of the management and budget
17 act, 1984 PA 431, MCL 18.1393.

18 (2) In addition to the funds appropriated in part 1, there is appropriated an
19 amount not to exceed \$10,000,000.00 for state restricted contingency funds. These
20 funds are not available for expenditure until they have been transferred to another
21 line item in this article under section 393(2) of the management and budget act, 1984
22 PA 431, MCL 18.1393.

23 (3) In addition to the funds appropriated in part 1, there is appropriated an
24 amount not to exceed \$2,000,000.00 for local contingency funds. These funds are not
25 available for expenditure until they have been transferred to another line item in
26 this article under section 393(2) of the management and budget act, 1984 PA 431, MCL
27 18.1393.

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

6 Sec. 4-211. The department shall cooperate with the department of technology,
7 management and budget to maintain a searchable website accessible by the public at no
8 cost that includes, but is not limited to, all of the following for each department or
9 agency:

10 (a) Fiscal year-to-date expenditures by category.

11 (b) Fiscal year-to-date expenditures by appropriation unit.

12 (c) Fiscal year-to-date payments to a selected vendor, including the vendor name,
13 payment date, payment amount, and payment description.

14 (d) The number of active department employees by job classification.

15 (e) Job specifications and wage rates.

16 Sec. 4-212. Within 14 days after the release of the executive budget
17 recommendation, the department shall cooperate with the state budget office to provide
18 the senate and house appropriations chairs, the senate and house appropriations
19 subcommittees chairs, and the senate and house fiscal agencies with an annual report
20 on estimated state restricted fund balances, state restricted fund projected revenues,
21 and state restricted fund expenditures for the fiscal years ending September 30, 2016
22 and September 30, 2017.

23 Sec. 4-213. The department shall maintain, on a publicly accessible website, a
24 department scorecard that identifies, tracks and regularly updates key metrics that
25 are used to monitor and improve the agency's performance.

26 Sec. 4-214. Total authorized appropriations from all sources under part 1 for
27 legacy costs for the fiscal year ending September 30, 2017 is \$337,858,200.00. From

1 this amount, total agency appropriations for pension-related legacy costs are
2 estimated at \$187,327,100.00. Total agency appropriations for retiree health care
3 legacy costs are estimated at \$150,531,100.00.

4 Sec. 4-215. The department may charge fees and collect revenues in excess of
5 appropriations in part 1 not to exceed the cost of offender services and programming,
6 employee meals, parolee loans, academic/vocational services, custody escorts,
7 compassionate visits, union steward activities, and public works programs and services
8 provided to local units of government or private nonprofit organizations. The revenues
9 and fees collected are appropriated for all expenses associated with these services
10 and activities.

11 Sec. 4-216. (1) Any contract for prisoner telephone services entered into after
12 the effective date of this section shall include a condition that fee schedules for
13 prisoner telephone calls, including rates and any surcharges other than those
14 necessary to meet program and special equipment costs, be the same as fee schedules
15 for calls placed from outside of correctional facilities.

16 (2) Revenues appropriated and collected for program and special equipment funds
17 shall be considered state restricted revenue. Funding will be used for prisoner
18 programming and special equipment and security projects. Unexpended funds remaining at
19 the close of the fiscal year shall not lapse to the general fund but shall be carried
20 forward and be available for appropriation in subsequent fiscal years.

21 (3) The department shall submit a report to the senate and house appropriations
22 subcommittees on corrections, the senate and house fiscal agencies, the legislative
23 corrections ombudsman, and the state budget director by February 1 outlining revenues
24 and expenditures from program and special equipment funds. The report shall include
25 all of the following:

26 (a) A list of all individual projects and purchases financed with program and
27 special equipment funds in the immediately preceding fiscal year, the amounts expended

1 on each project or purchase, and the name of each vendor the products or services were
2 purchased from.

3 (b) A list of planned projects and purchases to be financed with program and
4 special equipment funds during the current fiscal year, the amounts to be expended on
5 each project or purchase, and the name of each vendor for which the products or
6 services were purchased.

7 (c) A review of projects and purchases planned for future fiscal years from
8 program and special equipment funds.

9 **EXECUTIVE**

10 Sec. 4-301. For 3 years after a felony offender is released from the department's
11 jurisdiction, the department shall maintain the offender's file on the offender
12 tracking information system and make it publicly accessible in the same manner as the
13 file of the current offender. However, the department shall immediately remove the
14 offender's file from the offender tracking information system upon determination that
15 the offender was wrongfully convicted and the offender's file is not otherwise
16 required to be maintained on the offender tracking information system.

17 Sec. 4-304. The department shall maintain a staff savings initiative program in
18 conjunction with the EPIC program for employees to submit suggestions for efficiencies
19 for the department. The department shall consider each suggestion in a timely manner.
20 The department shall report by March 1 to the senate and house appropriations
21 subcommittees on corrections, the legislative corrections ombudsman, the senate and
22 house fiscal agencies, and the state budget director on process improvements that were
23 implemented based on suggestions that were recommended for the implementation from the
24 staff savings initiative and EPIC programs.

25 **PRISONER RE-ENTRY AND COMMUNITY SUPPORT**

1 Sec. 4-401. The department shall submit 3-year and 5-year prison population
2 projection updates concurrent with submission of the executive budget to the senate
3 and house appropriations subcommittees on corrections, the legislative corrections
4 ombudsman, the senate and house fiscal agencies, and the state budget director. The
5 report shall include explanations of the methodology and assumptions used in
6 developing the projection updates.

7 Sec. 4-405. By March 1, the department shall report to the senate and house
8 appropriations subcommittees on corrections, the legislative corrections ombudsman,
9 the senate and house fiscal agencies, and the state budget director on substance abuse
10 testing and treatment program objectives, outcome measures, and results, including
11 program impact on offender success and programmatic success.

12 Sec. 4-407. By June 30, the department shall place the statistical report from
13 the immediately preceding calendar year on an Internet site. The statistical report
14 shall include, but not be limited to, the information as provided in the 2004
15 statistical report.

16 Sec. 4-408. The department shall measure the recidivism rates of offenders.

17 Sec. 4-410. (1) The funds included in part 1 for community corrections
18 comprehensive plans and services are to encourage the development through technical
19 assistance grants, implementation, and operation of community corrections programs
20 that enhance offender success and that also may serve as an alternative to
21 incarceration in a state facility or jail. The comprehensive corrections plans shall
22 include an explanation of how the public safety will be maintained, the goals for the
23 local jurisdiction, offender target populations intended to be affected, offender
24 eligibility criteria for purposes outlined in the plan, and how the plans will meet
25 the following objectives, consistent with section 8(4) of the community corrections
26 act, 1988 PA 511, MCL 791.408:

27 (a) Reduce admissions to prison of offenders who would likely be sentenced to

1 imprisonment, including probation violators.

2 (b) Improve the appropriate utilization of jail facilities, the first priority of
3 which is to open jail beds intended to house otherwise prison-bound felons, and the
4 second priority being to appropriately utilize jail beds so that jail crowding does
5 not occur.

6 (c) Open jail beds through the increase of pretrial release options.

7 (d) Reduce the readmission to prison of parole violators.

8 (e) Reduce the admission or readmission to prison of offenders, including
9 probation violators and parole violators, for substance abuse violations.

10 (f) Contribute to offender success.

11 (2) The award of community corrections comprehensive plans and residential
12 services funds shall be based on criteria that include, but are not limited to, the
13 prison commitment rate by category of offenders, trends in prison commitment rates and
14 jail utilization, historical trends in community corrections program capacity and
15 program utilization, and the projected impact and outcome of annual policies and
16 procedures of programs on offender success, prison commitment rates, and jail
17 utilization.

18 (3) Funds awarded for residential services in part 1 shall provide for a per diem
19 reimbursement of not more than \$47.50 for nonaccredited facilities, or of not more
20 than \$48.50 for facilities that have been accredited by the American corrections
21 association or a similar organization as approved by the department.

22 Sec. 4-411. The comprehensive corrections plans shall also include, where
23 appropriate, descriptive information on the full range of sanctions and services that
24 are available and utilized within the local jurisdiction and an explanation of how
25 jail beds, residential services, the special alternative incarceration program,
26 probation detention centers, the electronic monitoring program for probationers, and
27 treatment and rehabilitative services will be utilized to support the objectives and

1 priorities of the comprehensive corrections plans and the purposes and priorities of
2 section 8(4) of the community corrections act, 1988 PA 511, MCL 791.408, that
3 contribute to the success of offenders. The plans shall also include, where
4 appropriate, provisions that detail how the local communities plan to respond to
5 sentencing guidelines found in chapter XVII of the code of criminal procedure, 1927 PA
6 175, MCL 777.1 to 777.69, and use the county jail reimbursement program under section
7 414. The state community corrections board shall encourage local community corrections
8 advisory boards to include in their comprehensive corrections plans strategies to
9 collaborate with local alcohol and drug treatment agencies of the MDHHS for the
10 provision of alcohol and drug screening, assessment, case management planning, and
11 delivery of treatment to alcohol- and drug-involved offenders.

12 Sec. 4-414. (1) The department shall administer a county jail reimbursement
13 program from the funds appropriated in part 1 for the purpose of reimbursing counties
14 for housing in jails certain felons who otherwise would have been sentenced to prison.

15 (2) The county jail reimbursement program shall reimburse counties for convicted
16 felons in the custody of the sheriff if the conviction was for a crime committed on or
17 after January 1, 1999 and 1 of the following applies:

18 (a) The felon's sentencing guidelines recommended range upper limit is more than
19 18 months, the felon's sentencing guidelines recommended range lower limit is 12
20 months or less, the felon's prior record variable score is 35 or more points, and the
21 felon's sentence is not for commission of a crime in crime class G or crime class H or
22 a nonperson crime in crime class F under chapter XVII of the code of criminal
23 procedure, 1927 PA 175, MCL 777.1 to 777.69.

24 (b) The felon's minimum sentencing guidelines range minimum is more than 12
25 months under the sentencing guidelines described in subdivision (a).

26 (c) The felon was sentenced to jail for a felony committed while he or she was on
27 parole and under the jurisdiction of the parole board and for which the sentencing

1 guidelines recommended range for the minimum sentence has an upper limit of more than
2 18 months.

3 (3) State reimbursement under this subsection shall be \$60.00 per diem per
4 diverted offender for offenders with a presumptive prison guideline score, \$50.00 per
5 diem per diverted offender for offenders with a straddle cell guideline for a group 1
6 crime, and \$35.00 per diem per diverted offender for offenders with a straddle cell
7 guideline for a group 2 crime. Reimbursements shall be paid for sentences up to a 1-
8 year total.

9 (4) As used in this subsection:

10 (a) "Group 1 crime" means a crime in 1 or more of the following offense
11 categories: arson, assault, assaultive other, burglary, criminal sexual conduct,
12 homicide or resulting in death, other sex offenses, robbery, and weapon possession as
13 determined by the department of corrections based on specific crimes for which
14 counties received reimbursement under the county jail reimbursement program in fiscal
15 year 2007 and fiscal year 2008, and listed in the county jail reimbursement program
16 document titled "FY 2007 and FY 2008 Group One Crimes Reimbursed", dated March 31,
17 2009.

18 (b) "Group 2 crime" means a crime that is not a group 1 crime, including larceny,
19 fraud, forgery, embezzlement, motor vehicle, malicious destruction of property,
20 controlled substance offense, felony drunk driving, and other nonassaultive offenses.

21 (c) "In the custody of the sheriff" means that the convicted felon has been
22 sentenced to the county jail and is either housed in the county jail or has been
23 released from jail and is being monitored through the use of the sheriff's electronic
24 monitoring system.

25 (5) County jail reimbursement program expenditures shall not exceed the amount
26 appropriated in part 1 for the county jail reimbursement program. Payments to counties
27 under the county jail reimbursement program shall be made in the order in which

1 properly documented requests for reimbursements are received. A request shall be
2 considered to be properly documented if it meets MDOC requirements for documentation.
3 By October 15, the department shall distribute the documentation requirements to all
4 counties.

5 (6) Any county that receives funding under this section for the purpose of
6 housing in jails certain felons who otherwise would have been sentenced to prison
7 shall, as a condition of receiving the funding, report by September 30 an annual
8 average jail capacity and annual average jail occupancy for the immediately preceding
9 fiscal year.

10 Sec. 4-416. Allowable uses for the felony drunk driver jail reduction and
11 community treatment program funding shall include reimbursing counties for
12 transportation, treatment costs, and housing felony drunk drivers during a period of
13 assessment for treatment and case planning. Reimbursements for housing during the
14 assessment process shall be at the rate of \$43.50 per day per offender, up to a
15 maximum of 5 days per offender.

16 Sec. 4-418. (1) The department shall collaborate with the state court
17 administrative office on facilitating changes to Michigan court rules that would
18 require the court to collect at the time of sentencing the state operator's license,
19 state identification card, or other documentation used to establish the identity of
20 the individual to be admitted to the department. The department shall maintain those
21 documents in the prisoner's personal file.

22 (2) The department shall cooperate with MDHHS to create and maintain a process by
23 which prisoners can obtain their Michigan birth certificates if necessary. The
24 department shall describe a process for obtaining birth certificates from other
25 states, and in situations where the prisoner's effort fails, the department shall
26 assist in obtaining the birth certificate.

27 (3) The department shall collaborate with the department of military and veterans

1 affairs to create and maintain a process by which prisoners can obtain a copy of their
2 DD Form 214 or other military discharge documentation if necessary.

3 Sec. 4-419. (1) The department shall provide monthly electronic mail reports to
4 the senate and house appropriations subcommittees on corrections, the legislative
5 corrections ombudsman, the senate and house fiscal agencies, and the state budget
6 director on prisoner populations by security levels by facility, prison facility
7 capacities, and parolee and probationer populations.

8 (2) The department shall provide quarterly electronic mail reports to the senate
9 and house appropriations subcommittees on corrections, the legislative corrections
10 ombudsman, the senate and house fiscal agencies, and the state budget director. The
11 reports shall include information on end-of-month prisoner populations in county
12 jails, the net operating capacity according to the most recent certification report,
13 identified by date, and end-of-month data, year-to-date data, and comparisons to the
14 prior year for the following:

15 (a) Community residential program populations, separated by centers and
16 electronic monitoring.

17 (b) Parole populations.

18 (c) Probation populations, with identification of the number in special
19 alternative incarceration.

20 (d) Prison and camp populations, with separate identification of the number in
21 special alternative incarceration and the number of lifers.

22 (e) Prisoners classified as past their earliest release date.

23 (f) Parole board activity, including the numbers and percentages of parole grants
24 and parole denials.

25 (g) Prisoner exits, identifying transfers to community placement, paroles from
26 prisons and camps, paroles from community placement, total movements to parole, prison
27 intake, prisoner deaths, prisoners discharging on the maximum sentence, and other

1 prisoner exits.

2 (h) Prison intake and returns, including probation violators, new court
3 commitments, violators with new sentences, escaper new sentences, total prison intake,
4 returns from court with additional sentences, community placement returns, technical
5 parole violator returns, and total returns to prison and camp.

6 **BUDGET AND OPERATIONS ADMINISTRATION**

7 Sec. 4-501. From the funds appropriated in part 1 for prosecutorial and detainer
8 expenses, the department shall reimburse counties for housing and custody of parole
9 violators and offenders being returned by the department from community placement who
10 are available for return to institutional status and for prisoners who volunteer for
11 placement in a county jail.

12 Sec. 4-502. Funds included in part 1 for the sheriffs' coordinating and training
13 office are appropriated for and may be expended to defray costs of continuing
14 education, certification, recertification, decertification, and training of local
15 corrections officers, the personnel and administrative costs of the sheriffs'
16 coordinating and training office, the local corrections officers advisory board, and
17 the sheriffs' coordinating and training council under the local corrections officers
18 training act, 2003 PA 125, MCL 791.531 to 791.546.

19 **FIELD OPERATIONS ADMINISTRATION**

20 Sec. 4-603. (1) All prisoners, probationers, and parolees involved with the
21 curfew monitoring program shall reimburse the department for costs associated with
22 their participation in the program. The department may require community service work
23 reimbursement as a means of payment for those able-bodied individuals unable to pay
24 for the costs of the equipment.

25 (2) Program participant contributions and local program reimbursement for the

1 curfew monitoring program appropriated in part 1 are related to program expenditures
2 and may be used to offset expenditures for this purpose.

3 (3) Included in the appropriation in part 1 is adequate funding to implement the
4 curfew monitoring program to be administered by the department. The curfew monitoring
5 program is intended to provide sentencing judges and county sheriffs in coordination
6 with local community corrections advisory boards access to the state's curfew
7 monitoring program to reduce prison admissions and improve local jail utilization. The
8 department shall determine the appropriate distribution of the curfew monitor units
9 throughout the state based upon locally developed comprehensive corrections plans
10 under the community corrections act, 1988 PA 511, MCL 791.401 to 791.414.

11 (4) For a fee determined by the department, the department shall provide counties
12 with the curfew monitor equipment, replacement parts, administrative oversight of the
13 equipment's operation, notification of violators, and periodic reports regarding
14 county program participants. Counties are responsible for curfew monitor equipment
15 installation and service. For an additional fee as determined by the department, the
16 department shall provide staff to install and service the equipment. Counties are
17 responsible for the coordination and apprehension of program violators.

18 (5) Any county with curfew monitor charges outstanding over 60 days shall be
19 considered in violation of the community curfew monitor program agreement and lose
20 access to the program.

21 Sec. 4-615. The department shall submit a report containing a list detailing the
22 number of prisoners who have received life imprisonment sentences with the possibility
23 of parole and who are currently eligible for parole to the senate and house
24 appropriations subcommittees on corrections, the senate and house fiscal agencies, the
25 legislative corrections ombudsman, and the state budget director by January 1.

26 Sec. 4-616. The parole board shall review its policies related to the review and
27 parole of those offenders serving a parolable life sentence with consideration given

1 to those that do not pose an ongoing risk to society.

2 **HEALTH CARE**

3 Sec. 4-804. The department shall report quarterly to the senate and house
4 appropriations subcommittees on corrections, the legislative corrections ombudsman,
5 the senate and house fiscal agencies, and the state budget director on prisoner health
6 care utilization. The report shall include the number of inpatient hospital days,
7 outpatient visits, emergency room visits, and prisoners receiving off-site inpatient
8 medical care in the previous quarter, by facility.

9 Sec. 4-805. From the funds appropriated in part 1 for substance abuse testing and
10 treatment services, the department shall implement the living in recovery program
11 serving at least 500 offenders in the current fiscal year. The purpose of this new
12 program is to cost effectively target relapse prevention and help develop sobriety
13 support systems to deter further criminal behavior and recidivism. The department will
14 track the outcome of the program to determine the number of participants that
15 succeeded, the number that failed and were returned to prison, and the number that
16 failed, but were not returned to prison.

17 Sec. 4-806. From the funds appropriated in part 1 for clinical and mental health
18 services and support, the department shall expand its mental health treatment and sex
19 offender treatment programs. The purpose of this enhancement is to address increased
20 caseloads, reduce the number of prisoners on the waiting list of prisoners who are
21 past their earliest release date, and reduce the percentage of prisoners readmitted to
22 mental health programs at their previous level of care.

23 **CORRECTIONAL FACILITIES ADMINISTRATION**

24 Sec. 4-906. Any local unit of government or private nonprofit organization that
25 contracts with the department for public works services shall be responsible for

1 financing the entire cost of such an agreement.

2 Sec. 4-907. The department shall report by March 1 to the senate and house
3 appropriations subcommittees on corrections, the legislative corrections ombudsman,
4 the senate and house fiscal agencies, and the state budget director on academic and
5 vocational programs. The report shall provide information relevant to an assessment of
6 the department's academic and vocational programs, including, but not limited to, all
7 of the following:

8 (a) The number of instructors and the number of instructor vacancies, by program
9 and facility.

10 (b) The number of prisoners enrolled in each program, the number of prisoners
11 completing each program, the number of prisoners transferred to another facility while
12 enrolled in a program and the reason for transfer, the number of prisoners enrolled
13 who repeat the program, and the number of prisoners on waiting lists for each program,
14 all itemized by facility.

15 (c) The steps the department has undertaken to improve programs, track records,
16 accommodate transfers and prisoners with health care needs, and reduce waiting lists.

17 (d) The number of prisoners paroled without a high school diploma and the number
18 of prisoners paroled without a high school equivalency.

19 (e) An explanation of the value and purpose of each program, for example, to
20 improve employability, reduce recidivism, reduce prisoner idleness, or some
21 combination of these and other factors.

22 (f) An identification of program outcomes for each academic and vocational
23 program.

24 (g) An explanation of the department's plans for academic and vocational
25 programs.

26 (h) The number of prisoners not paroled at their earliest release date due to
27 lack of a high school equivalency, and the reason those prisoners have not obtained a

1 high school equivalency.

2 Sec. 4-910. The department shall allow the Michigan Braille transcribing fund
3 program to operate at its current location. The donation of the building by the
4 Michigan Braille transcribing fund at the G. Robert Cotton Correctional Facility in
5 Jackson is acknowledged and appreciated. The department shall continue to encourage
6 the Michigan Braille transcribing fund program to produce high-quality materials for
7 use by the visually impaired.

8 Sec. 4-913. (1) Any prisoner required to complete a violence prevention program,
9 sexual offender program, or other program as a condition of parole shall be
10 transferred to a facility where that program is available in order to accomplish
11 timely completion of that program prior to the expiration of his or her minimum
12 sentence and eligibility for parole. Nothing in this section should be deemed to make
13 parole denial appealable in court.

14 (2) The department shall submit a biannual report to the members of the senate
15 and house appropriations subcommittees on corrections, the senate and house fiscal
16 agencies, the state budget director, and the legislative corrections ombudsman
17 detailing enrollment in sex offender programming, assaultive offender programming,
18 violent offender programming, and thinking for change. At a minimum, the report shall
19 include the following:

20 (a) A full accounting of the number of individuals who are required to complete
21 the programming, but have not yet done so.

22 (b) The number of individuals who have reached their earliest release date, but
23 who have not completed required programming.

24 (c) A plan of action for addressing any waiting lists or backlogs for programming
25 that may exist.

26 Sec. 4-924. The department shall evaluate all prisoners at intake for substance
27 abuse disorders, serious developmental disorders, serious mental illness, and other

1 mental health disorders. Prisoners with serious mental illness or serious
2 developmental disorders shall not be removed from the general population as a punitive
3 response to behavior caused by their serious mental illness or serious developmental
4 disorder. Due to persistent high violence risk or severe disruptive behavior that is
5 unresponsive to treatment, prisoners with serious mental illness or serious
6 developmental disorders may be placed in secure residential housing programs that will
7 facilitate access to institutional programming and ongoing mental health services. A
8 prisoner with serious mental illness or serious developmental disorder who is confined
9 in these specialized housing programs shall be evaluated or monitored by a medical
10 professional at a frequency of not less than every 12 hours.

11 Sec. 4-925. By March 1, the department shall report to the senate and house
12 appropriations subcommittees on corrections, the senate and house fiscal agencies, the
13 legislative corrections ombudsman, and the state budget director on the annual number
14 of prisoners in administrative segregation between October 1, 2016 and September 30,
15 2017, and the annual number of prisoners in administrative segregation between October
16 1, 2016 and September 30, 2017 who at any time during the current or prior prison term
17 were diagnosed with serious mental illness or have a developmental disorder and the
18 number of days each of the prisoners with serious mental illness or a developmental
19 disorder have been confined to administrative segregation.

20 Sec. 4-929. From the funds appropriated in part 1, the department shall do all of
21 the following:

22 (a) Ensure that any inmate care and control staff in contact with prisoners less
23 than 18 years of age are adequately trained with regard to the developmental and
24 mental health needs of prisoners less than 18 years of age. By April 1, the department
25 shall report to the senate and house appropriations subcommittees on corrections, the
26 senate and house fiscal agencies, and the state budget director on the training
27 curriculum used and the number and types of staff receiving annual training under that

1 curriculum.

2 (b) Provide appropriate placement for prisoners less than 18 years of age who
3 have serious mental illness, serious emotional disturbance, or a serious developmental
4 disorder and need to be housed separately from the general population. Prisoners less
5 than 18 years of age who have serious mental illness, serious emotional disturbance,
6 or a serious developmental disorder shall not be removed from an existing placement as
7 a punitive response to behavior caused by their serious mental illness, serious
8 emotional disturbance, or a serious developmental disorder. Due to persistent high
9 violence risk or severe disruptive behavior that is unresponsive to treatment,
10 prisoners less than 18 years of age with serious emotional disturbance, serious mental
11 illness, or serious developmental disorders may be placed in secure residential
12 housing programs that will facilitate access to institutional programming and ongoing
13 mental health services. A prisoner less than 18 years of age with serious mental
14 illness, serious emotional disturbance, or a serious developmental disorder who is
15 confined in these specialized housing programs shall be evaluated or monitored by a
16 medical professional at a frequency of not less than every 12 hours.

17 (c) Implement a specialized re-entry program that recognizes the needs of
18 prisoners less than 18 years old for supervised re-entry.

19 **INFORMATION TECHNOLOGY**

20 Sec. 4-1000. From the funds appropriated in part 1 for information technology
21 services and projects, the department shall expand bandwidth in 27 correctional
22 facilities and 113 field operations offices. The purpose of this bandwidth expansion
23 is to support critical information technology systems that provide platforms for
24 several mandated programs and department cost savings efforts.

25 **ONE-TIME APPROPRIATIONS**

1 Sec. 4-1100. From the funds appropriated in part 1 for new custody staff
2 training, the department will increase the training capacity for new custody staff by
3 350 officers. The purpose of this academy is to address higher than normal attrition
4 of correction officers and decrease overtime costs.

Article 5

DEPARTMENT OF EDUCATION

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 5-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of education and certain state purposes related to education are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

DEPARTMENT OF EDUCATION

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0	6.0
Full-time equated classified positions	596.5	596.5
GROSS APPROPRIATION	\$ 316,917,400	\$ 308,367,300
Total interdepartmental grants and intradepartmental transfers	0	0
ADJUSTED GROSS APPROPRIATION	\$ 316,917,400	\$ 308,367,300
Total federal revenues	225,164,100	217,114,100
Total local revenues	5,557,200	5,557,200
Total private revenues	2,034,200	2,034,200
Total other state restricted revenues	7,780,700	7,780,600
State general fund/general purpose	\$ 76,381,200	\$ 75,881,200
<i>State general fund/general purpose schedule:</i>		
Ongoing state general fund/general purpose	75,881,200	75,881,200
One-time state general fund/general purpose	500,000	0

Sec. 5-102. STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT

1	Full-time equated unclassified positions	6.0	6.0
2	Full-time equated classified positions	10.0	10.0
3	State board of education, per diem payments	\$ 24,400	\$ 24,400
4	Unclassified positions-6.0 FTE positions	827,200	827,200
5	State board/superintendent operations-10.0 FTE		
6	positions	1,888,700	1,888,700
7	Education commission of the states	<u>120,800</u>	<u>120,800</u>
8	GROSS APPROPRIATION	\$ 2,861,100	\$ 2,861,100
9	Appropriated from:		
10	Federal revenues:		
11	Federal revenues	227,000	227,000
12	Special revenue funds:		
13	Private foundations	28,100	28,100
14	Certification fees	771,400	771,400
15	State general fund/general purpose	\$ 1,834,600	\$ 1,834,600
16	Sec. 5-103. CENTRAL SUPPORT		
17	Full-time equated classified positions	23.6	23.6
18	Central support operations-23.6 FTE positions	\$ 6,686,700	\$ 6,686,700
19	Worker's compensation	24,300	24,300
20	Building occupancy charges - property management		
21	services	3,196,200	3,196,200
22	Training and orientation workshops	150,000	150,000
23	Terminal leave payments	<u>353,300</u>	<u>353,300</u>
24	GROSS APPROPRIATION	\$ 10,410,500	\$ 10,410,500
25	Appropriated from:		
26	Federal revenues:		
27	Federal revenues	3,690,100	3,690,100

1	Federal indirect funds	2,430,700	2,430,700
2	Special revenue funds:		
3	Certification fees	399,300	399,300
4	Teacher testing fees	4,000	4,000
5	Training and orientation workshop fees	150,000	150,000
6	Private foundations	1,000,000	1,000,000
7	State general fund/general purpose	\$ 2,736,400	\$ 2,736,400
8	Sec. 5-104. INFORMATION TECHNOLOGY SERVICES		
9	Information technology operations	\$ <u>4,192,600</u>	\$ <u>4,192,600</u>
10	GROSS APPROPRIATION	\$ 4,192,600	\$ 4,192,600
11	Appropriated from:		
12	Federal revenues:		
13	Federal revenues	616,900	616,900
14	Federal indirect funds	1,824,300	1,824,300
15	Special revenue funds:		
16	Certification fees	397,500	397,500
17	State general fund/general purpose	\$ 1,353,900	\$ 1,353,900
18	Sec. 5-105. SPECIAL EDUCATION SERVICES		
19	Full-time equated classified positions	47.0	47.0
20	Special education operations-47.0 FTE positions	\$ <u>9,320,500</u>	\$ <u>9,320,500</u>
21	GROSS APPROPRIATION	\$ 9,320,500	\$ 9,320,500
22	Appropriated from:		
23	Federal revenues:		
24	Federal revenues	8,544,000	8,544,000
25	Special revenue funds:		
26	Private foundations	110,100	110,100
27	Certification fees	44,700	44,700

1	State general fund/general purpose	\$	621,700	\$	621,700
2	Sec. 5-106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND				
3	Full-time equated classified positions		77.0		77.0
4	Michigan schools for the deaf and blind operations-76.0				
5	FTE positions	\$	12,812,700	\$	12,812,700
6	Camp Tuhsmebeta-1.0 FTE position		296,000		296,000
7	Private gifts - blind		200,000		200,000
8	Private gifts - deaf		<u>150,000</u>		<u>150,000</u>
9	GROSS APPROPRIATION	\$	13,458,700	\$	13,458,700
10	Appropriated from:				
11	Federal revenues:				
12	Federal revenues		7,048,600		7,048,600
13	Special revenue funds:				
14	Local cost sharing (schools for blind/deaf)		5,233,000		5,233,000
15	Local school district service fees		312,500		312,500
16	Gifts, bequests, and donations		646,000		646,000
17	Student insurance revenue		218,600		218,600
18	State general fund/general purpose	\$	0	\$	0
19	Sec. 5-107. PROFESSIONAL PREPARATION SERVICES				
20	Full-time equated classified positions		33.0		33.0
21	Professional preparation operations-33.0 FTE positions	\$	<u>5,653,900</u>	\$	<u>5,653,900</u>
22	GROSS APPROPRIATION	\$	5,653,900	\$	5,653,900
23	Appropriated from:				
24	Federal revenues:				
25	Federal revenues		1,464,100		1,464,100
26	Special revenue funds:				
27	Certification fees		3,602,000		3,602,000

1	Teacher testing fees	364,100		364,100
2	State general fund/general purpose	\$ 223,700	\$	223,700
3	Sec. 5-108. MICHIGAN OFFICE OF GREAT START			
4	Full-time equated classified positions	66.0		66.0
5	Office of great start operations-65.0 FTE positions ...	\$ 23,177,400	\$	23,177,400
6	Child development and care external support	27,182,800		27,182,800
7	Head start collaboration office-1.0 FTE position	309,900		309,900
8	Child development and care public assistance	<u>124,200,000</u>		<u>124,200,000</u>
9	GROSS APPROPRIATION	\$ 174,870,100	\$	174,870,100
10	Appropriated from:			
11	Federal revenues:			
12	Federal revenues	136,964,800		136,964,800
13	Special revenue funds:			
14	Private foundations	250,000		250,000
15	Certification fees	64,600		64,600
16	State general fund/general purpose	\$ 37,590,700	\$	37,590,700
17	Sec. 5-109. STATE AID AND SCHOOL FINANCE SERVICES			
18	Full-time equated classified positions	11.5		11.5
19	State aid and school finance operations-11.5 FTE			
20	positions	<u>1,638,600</u>	<u>\$</u>	<u>1,638,600</u>
21	GROSS APPROPRIATION	\$ 1,638,600	\$	1,638,600
22	Appropriated from:			
23	Special revenue funds:			
24	State general fund/general purpose	\$ 1,638,600	\$	1,638,600
25	Sec. 5-110. AUDIT SERVICES			
26	Full-time equated classified positions	4.5		4.5
27	Audit operations-4.5 FTE positions	<u>612,500</u>	<u>\$</u>	<u>612,500</u>

1	GROSS APPROPRIATION	\$	612,500	\$	612,500
2	Appropriated from:				
3	Federal revenues:				
4	Federal indirect funds		486,800		486,800
5	Special revenue funds:				
6	Certification fees		62,300		62,300
7	State general fund/general purpose	\$	63,400	\$	63,400
8	Sec. 5-111. ADMINISTRATIVE LAW SERVICES				
9	Full-time equated classified positions		2.0		2.0
10	Administrative law operations-2.0 FTE positions	\$	1,364,300	\$	1,364,300
11	GROSS APPROPRIATION	\$	1,364,300	\$	1,364,300
12	Appropriated from:				
13	Federal revenues:				
14	Federal revenues		564,200		564,200
15	Special revenue funds:				
16	Certification fees		701,500		701,500
17	State general fund/general purpose	\$	98,600	\$	98,600
18	Sec. 5-112. ACCOUNTABILITY SERVICES				
19	Full-time equated classified positions		64.6		64.6
20	Accountability services operations-64.6 FTE positions .	\$	14,619,400	\$	14,619,400
21	GROSS APPROPRIATION	\$	14,619,400	\$	14,619,400
22	Appropriated from:				
23	Federal revenues:				
24	Federal revenues		13,476,200		13,476,200
25	Special revenue funds:				
26	State general fund/general purpose	\$	1,143,200	\$	1,143,200
27	Sec. 5-113. SCHOOL SUPPORT SERVICES				

1	Full-time equated classified positions	83.6	83.6
2	School support services operations-83.6 FTE positions .	\$ <u>15,495,200</u>	\$ <u>15,495,200</u>
3	GROSS APPROPRIATION	\$ 15,495,200	\$ 15,495,200
4	Appropriated from:		
5	Federal revenues:		
6	Federal revenues	14,455,700	14,455,700
7	Special revenue funds:		
8	Local school district service fees	11,700	11,700
9	Certification fees	86,900	86,900
10	Commodity distribution fees	71,700	71,700
11	State general fund/general purpose	\$ 869,200	\$ 869,200
12	Sec. 5-114. FIELD SERVICES		
13	Full-time equated classified positions	45.0	45.0
14	Field services operations-45.0 FTE positions	\$ <u>9,349,200</u>	\$ <u>9,349,200</u>
15	GROSS APPROPRIATION	\$ 9,349,200	\$ 9,349,200
16	Appropriated from:		
17	Federal revenues:		
18	Federal revenues	8,599,200	8,599,200
19	Special revenue funds:		
20	Certification fees	37,300	37,300
21	State general fund/general purpose	\$ 712,700	\$ 712,700
22	Sec. 5-115. EDUCATIONAL IMPROVEMENT AND INNOVATION SERVICES		
23	Full-time equated classified positions	49.7	49.7
24	Educational improvement and innovation operations-49.7		
25	FTE positions	\$ <u>9,689,900</u>	\$ <u>9,689,900</u>
26	GROSS APPROPRIATION	\$ 9,689,900	\$ 9,689,900
27	Appropriated from:		

1	Federal revenues:		
2	Federal revenues	6,596,600	6,596,600
3	Special revenue funds:		
4	Certification fees	565,100	565,100
5	State general fund/general purpose	\$ 2,528,200	\$ 2,528,200
6	Sec. 5-116. CAREER AND TECHNICAL EDUCATION		
7	Full-time equated classified positions	29.0	29.0
8	Career and technical education operations-29.0 FTE		
9	positions	\$ <u>5,220,800</u>	\$ <u>5,220,800</u>
10	GROSS APPROPRIATION	\$ 5,220,800	\$ 5,220,800
11	Appropriated from:		
12	Federal revenues:		
13	Federal revenues	3,887,400	3,887,400
14	Special revenue funds:		
15	State general fund/general purpose	\$ 1,333,400	\$ 1,333,400
16	Sec. 5-117. LIBRARY OF MICHIGAN		
17	Full-time equated classified positions	33.0	33.0
18	Library of Michigan operations-31.0 FTE positions	\$ 4,497,400	\$ 4,497,400
19	Library services and technology program-1.0 FTE		
20	position	5,610,100	5,610,100
21	State aid to libraries	9,876,000	9,876,000
22	Michigan eLibrary-1.0 FTE position	1,752,300	1,752,300
23	Renaissance zone reimbursements	<u>5,300,000</u>	<u>5,300,000</u>
24	GROSS APPROPRIATION	\$ 27,035,800	\$ 27,035,800
25	Appropriated from:		
26	Federal revenues:		
27	Federal revenues	5,610,100	5,610,100

1	Special revenue funds:			
2	State general fund/general purpose	\$	21,425,700	\$ 21,425,700
3	Sec. 5-118. EDUCATOR TALENT AND POLICY COORDINATION			
4	Full-time equated classified positions		17.0	17.0
5	Educator talent and policy coordination operations-17.0			
6	FTE positions	\$	<u>2,574,200</u>	\$ <u>2,574,200</u>
7	GROSS APPROPRIATION	\$	2,574,200	\$ 2,574,200
8	Appropriated from:			
9	Federal revenues:			
10	Federal revenues		627,400	627,400
11	Certification fees		239,600	239,600
12	Special revenue funds:			
13	State general fund/general purpose	\$	1,707,200	\$ 1,707,200
14	Sec. 5-119. ONE-TIME APPROPRIATIONS			
15	Certification fees subsidy	\$	500,000	\$ 0
16	Flint declaration of emergency		<u>8,050,100</u>	<u>0</u>
17	GROSS APPROPRIATION	\$	8,550,100	\$ 0
18	Appropriated from:			
19	Federal revenues:			
20	Federal revenues		8,050,000	0
21	Special revenue funds:			
22	Flint emergency reserve fund		100	0
23	State general fund/general purpose	\$	500,000	\$ 0

24 PART 2
 25 PROVISIONS CONCERNING APPROPRIATIONS
 26 FISCAL YEAR 2017

1 GENERAL SECTIONS

2 Sec. 5-201. Pursuant to section 30 of article IX of the state constitution of
3 1963, total state spending from state resources under part 1 for fiscal year 2016-2017
4 is \$84,161,900.00 and state spending from state resources to be paid to local units of
5 government for fiscal year 2016-2017 is \$15,176,000.00. The itemized statement below
6 identifies appropriations from which spending to local units of government will occur:

7 DEPARTMENT OF EDUCATION

8 State aid to libraries	\$	9,876,000
9 Renaissance zone reimbursements		<u>5,300,000</u>
10 TOTAL	\$	15,176,000

11 Sec. 5-202. The appropriations authorized under this article are subject to the
12 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

13 Sec. 5-203. As used in this article:

14 (a) "Department" means the Michigan department of education.

15 (b) "District" means a local school district as defined in section 6 of the
16 revised school code, 1976 PA 451, MCL 380.6, or a public school academy as defined in
17 section 5 of the revised school code, 1976 PA 451, MCL 380.5.

18 (c) "FTE" means full-time equated.

19 Sec. 5-204. The departments and agencies receiving appropriations in part 1 shall
20 use the Internet to fulfill the reporting requirements of this article. This
21 requirement may include transmission of reports via electronic mail to the recipients
22 identified for each reporting requirement, or it may include placement of reports on
23 an Internet or Intranet site.

24 Sec. 5-205. Funds appropriated in part 1 shall not be used for the purchase of
25 foreign goods or services, or both, if competitively priced and of comparable quality
26 American goods or services, or both, are available. Preference shall be given to goods
27 or services, or both, manufactured or provided by Michigan businesses, if they are

1 competitively priced and of comparable quality. In addition, preference should be
2 given to goods or services, or both, that are manufactured or provided by Michigan
3 businesses owned and operated by veterans, if they are competitively priced and of
4 comparable quality.

5 Sec. 5-206. The state superintendent of public instruction shall take all
6 reasonable steps to ensure businesses in deprived and depressed communities compete
7 for and perform contracts to provide services or supplies, or both. The state
8 superintendent of public instruction shall strongly encourage firms with which the
9 department contracts to subcontract with certified businesses in depressed and
10 deprived communities for services, supplies, or both.

11 Sec. 5-207. The departments and agencies receiving appropriations in part 1 shall
12 prepare a report on out-of-state travel expenses not later than January 1 of each
13 year. The travel report shall be a listing of all travel by classified and
14 unclassified employees outside this state in the immediately preceding fiscal year
15 that was funded in whole or in part with funds appropriated in the department's
16 budget. The report shall be submitted to the senate and house appropriations
17 committees, the house and senate fiscal agencies, and the state budget director. The
18 report shall include the following information:

19 (a) The dates of each travel occurrence.

20 (b) The transportation and related costs of each travel occurrence, including the
21 proportion funded with state general fund/general purpose revenues, the proportion
22 funded with state restricted revenues, the proportion funded with federal revenues,
23 and the proportion funded with other revenues.

24 Sec. 5-208. Funds appropriated in part 1 shall not be used by a principal
25 executive department, state agency, or authority to hire a person to provide legal
26 services that are the responsibility of the attorney general. This prohibition does
27 not apply to legal services for bonding activities and for those outside services that

1 the attorney general authorizes.

2 Sec. 5-209. Not later than November 30, the state budget office shall prepare and
3 transmit a report that provides for estimates of the total general fund/general
4 purpose appropriation lapses at the close of the prior fiscal year. This report shall
5 summarize the projected year-end general fund/general purpose appropriation lapses by
6 major departmental program or program areas. The report shall be transmitted to the
7 chairpersons of the senate and house appropriations committees, and the senate and
8 house fiscal agencies.

9 Sec. 5-210. (1) In addition to the funds appropriated in part 1, there is
10 appropriated an amount not to exceed \$10,000,000.00 for federal contingency funds.
11 These funds are not available for expenditure until they have been transferred to
12 another line item in this article under section 393(2) of the management and budget
13 act, 1984 PA 431, MCL 18.1393.

14 (2) In addition to the funds appropriated in part 1, there is appropriated an
15 amount not to exceed \$700,000.00 for state restricted contingency funds. These funds
16 are not available for expenditure until they have been transferred to another line
17 item in this article under section 393(2) of the management and budget act, 1984 PA
18 431, MCL 18.1393.

19 (3) In addition to the funds appropriated in part 1, there is appropriated an
20 amount not to exceed \$250,000.00 for local contingency funds. These funds are not
21 available for expenditure until they have been transferred to another line item in
22 this article under section 393(2) of the management and budget act, 1984 PA 431, MCL
23 18.1393.

24 (4) In addition to the funds appropriated in part 1, there is appropriated an
25 amount not to exceed \$3,000,000.00 for private contingency funds. These funds are not
26 available for expenditure until they have been transferred to another line item in
27 this article under section 393(2) of the management and budget act, 1984 PA 431, MCL

1 18.1393.

2 Sec. 5-211. The department shall cooperate with the department of technology,
3 management and budget to maintain a searchable website accessible by the public at no
4 cost that includes, but is not limited to, all of the following for each department or
5 agency:

6 (a) Fiscal year-to-date expenditures by category.

7 (b) Fiscal year-to-date expenditures by appropriation unit.

8 (c) Fiscal year-to-date payments to a selected vendor, including the vendor name,
9 payment date, payment amount, and payment description.

10 (d) The number of active department employees by job classification.

11 (e) Job specifications and wage rates.

12 Sec. 5-212. Within 14 days after the release of the executive budget
13 recommendation, the department shall cooperate with the state budget office to provide
14 the senate and house appropriations chairs, the senate and house appropriations
15 subcommittees chairs, and the senate and house fiscal agencies with an annual report
16 on estimated state restricted fund balances, state restricted fund projected revenues,
17 and state restricted fund expenditures for the fiscal years ending September 30, 2016
18 and September 30, 2017.

19 Sec. 5-213. The department shall maintain, on a publicly accessible website, a
20 department scorecard that identifies, tracks and regularly updates key metrics that
21 are used to monitor and improve the agency's performance.

22 Sec. 5-214. Total authorized appropriations from all sources under part 1 for
23 legacy costs for the fiscal year ending September 30, 2017 is \$16,971,500.00. From
24 this amount, total agency appropriations for pension-related legacy costs are
25 estimated at \$9,410,700.00. Total agency appropriations for retiree health care legacy
26 costs are estimated at \$7,560,800.00.

27 Sec. 5-215. The department shall provide through the Internet the state board of

1 education agenda and all supporting documents, and shall notify the state budget
2 director and the senate and house fiscal agencies that the agenda and supporting
3 documents are available on the Internet, at the time the agenda and supporting
4 documents are provided to state board of education members.

5 Sec. 5-216. To the extent the state continues to identify schools as meeting
6 proficiency targets, before publishing a list of schools or districts determined to
7 have failed to make adequate yearly progress as required by the no child left behind
8 act of 2001, Public Law 107-110, the department shall allow a school or district to
9 appeal that determination. Those appeals shall be addressed before designations may be
10 published.

11 Sec. 5-217. The department may assist the department of health and human
12 services, other departments, and local school districts to secure reimbursement for
13 eligible services provided in Michigan schools from the federal Medicaid program. The
14 department may submit reports of direct expenses related to this effort to the
15 department of health and human services for reimbursement.

16 Sec. 5-218. The department shall not seek a federal waiver from the no child left
17 behind act of 2001, Public Law 107-110, or an amendment to the federal waiver, until
18 after notification of the content to both the house and senate appropriations
19 committees and the state budget director.

20 Sec. 5-219. From the funds appropriated in part 1, the department shall ensure
21 that kindergarten benchmark data includes a method for information to be provided
22 regarding a child's participation in the great start readiness program.

23 Sec. 5-220. The department shall post on its website a link to the federal
24 Institute of Education Sciences' What Works Clearinghouse. The department also shall
25 work to disseminate knowledge about the What Works Clearinghouse to districts and
26 intermediate districts so that it may be used to improve reading proficiency for
27 pupils in grades K to 3.

1 STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT

2 Sec. 5-301. (1) The appropriations in part 1 may be used for per diem payments to
3 the state board for meetings at which a quorum is present or for performing official
4 business authorized by the state board. The per diem payments shall be at a rate as
5 follows:

6 (a) State board of education - president - \$110.00 per day.

7 (b) State board of education - member other than president - \$100.00 per day.

8 (2) A state board of education member shall not be paid a per diem for more than
9 30 days per year.

10 Sec. 5-302. From the amount appropriated in part 1 to the state board of
11 education, not more than \$35,000.00 for the fiscal year ending September 30, 2017
12 shall be expended for in-state travel and out-of-state travel directly related to the
13 duties of the state board of education.

14 MICHIGAN SCHOOLS FOR THE DEAF AND BLIND

15 Sec. 5-401. The employees at the Michigan schools for the deaf and blind who work
16 on a school year basis are considered annual employees for purposes of service
17 credits, retirement, and insurance benefits.

18 Sec. 5-402. For each student enrolled at the Michigan schools for the deaf and
19 blind, the department shall assess the intermediate school district of residence 100%
20 of the cost of operating the student's instructional program. The amount shall exclude
21 room and board related costs and the cost of weekend transportation between the school
22 and the student's home.

23 Sec. 5-406. (1) The Michigan schools for the deaf and blind may promote its
24 residential program as a possible appropriate option for children who are deaf or hard
25 of hearing or who are blind or visually impaired. The Michigan schools for the deaf
26 and blind shall distribute information detailing its services to all intermediate

1 school districts in the state.

2 (2) Upon knowledge of or recognition by an intermediate school district that a
3 child in the district is deaf or hard of hearing or blind or visually impaired, the
4 intermediate school district shall provide to the parents of the child the literature
5 distributed by the Michigan schools for the deaf and blind to intermediate school
6 districts under subsection (1).

7 (3) Parents will continue to have a choice regarding the educational placement of
8 their deaf or hard-of-hearing children.

9 Sec. 5-407. Revenue received by the Michigan schools for the deaf and blind from
10 gifts, bequests, donations and local district service fees that is unexpended at the
11 end of the state fiscal year may be carried over to the succeeding fiscal year and
12 shall not revert to the general fund.

13 Sec. 5-408. In addition to the funds appropriated in part 1, the funds collected
14 by the Michigan schools for the deaf and the low incidence outreach program for
15 document reproduction and services; conferences, workshops, and training classes; and
16 the use of specialized equipment, facilities, and software are appropriated for all
17 expenses necessary to provide the required services. These funds are available for
18 expenditure when they are received and may be carried forward into the next succeeding
19 fiscal year.

20 **PROFESSIONAL PREPARATION SERVICES**

21 Sec. 5-501. From the funds appropriated in part 1 for professional preparation
22 services, the department shall maintain certificate revocation/felony conviction files
23 of educational personnel.

24 Sec. 5-506. Revenue received from teacher testing fees that is unexpended at the
25 end of the state fiscal year may be carried over to the succeeding fiscal year and
26 shall not revert to the general fund.

1 FIELD SERVICES

2 Sec. 5-701. (1) From the funds appropriated in part 1 for field services
3 operations, the department shall produce a report detailing the progress made by
4 districts with grades K-3 receiving at-risk funding under section 31a of the state aid
5 act, 1979 PA 94, MCL 388.1631a in implementing multi-tiered systems of supports in the
6 prior school fiscal year.

7 (2) The report shall include, at a minimum:

8 (a) A description of the training, coaching, and technical assistance offered by
9 the department to districts to support the implementation of effective multi-tiered
10 systems of supports.

11 (b) A list of district determined by the department to have successfully
12 implemented multi-tiered systems of supports.

13 (c) A list of best practices that the department has identified that may be used
14 by districts to implement multi-tiered systems of supports.

15 (d) Other information the department determines would be useful to understanding
16 the status of districts' implementation of effective multi-tiered systems of supports.

17 (3) The report shall be provided to the state budget director, the house and
18 senate subcommittees that oversee the department of education and school aid budgets,
19 and the house and senate fiscal agencies by September 30, 2017.

20 LIBRARY OF MICHIGAN

21 Sec. 5-801. In addition to the funds appropriated in part 1, the funds collected
22 by the department for document reproduction and services; conferences, workshops, and
23 training classes; and the use of specialized equipment, facilities, and software are
24 appropriated for all expenses necessary to provide the required services. These funds
25 are available for expenditure when they are received and may be carried forward into
26 the next succeeding fiscal year.

1 Sec. 5-804. (1) The funds appropriated in part 1 for renaissance zone
2 reimbursements shall be used to reimburse public libraries under section 12 of the
3 Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in 2016.
4 The allocations shall be made not later than 60 days after the department of treasury
5 certifies to the department and to the state budget director that the department of
6 treasury has received all necessary information to properly determine the amounts due
7 to each eligible recipient.

8 (2) If the amount appropriated under this section is not sufficient to fully pay
9 obligations under this section, payments shall be prorated on an equal basis among all
10 eligible public libraries.

11 **SPECIAL EDUCATION SERVICES**

12 Sec. 5-901. From the increased funds in part 1 for special education operations,
13 the department shall perform the following activities:

14 (a) Design and distribute information about federal and state mandates regarding
15 the rights and protections of students with disabilities including but not limited to
16 individualized education programs to ensure that parents and legal guardians are fully
17 informed about laws, rules, procedural safeguards, problem-solving options and any
18 other information the department determines is necessary so that parents and legal
19 guardians may be able to provide meaningful input in collaboration with districts to
20 develop and implement an individualized education program.

21 (b) Train mediators who are knowledgeable about the dispute resolution system and
22 state and federal mandates pertaining to the rights and protections of students with
23 disabilities outlined in the Individuals with Disabilities Education Act and the
24 Michigan Administrative Rules for Special Education. This annual training will include
25 coursework, resources and materials.

1 **MICHIGAN OFFICE OF GREAT START**

2 Sec. 5-1007. (1) From the funds appropriated in part 1 for child development and
3 care - external support, the department shall create progress reports that shall
4 include, but are not limited to, the following:

5 (a) Both the on-site and off-site activities that are intended to improve child
6 care provider quality and the number of times those activities are performed by the
7 licensing consultants.

8 (b) How many on-site visits a single licensing consultant has made since the
9 start of the 2016-2017 fiscal year.

10 (c) The types of on-site visits and the number of visits for each type that a
11 single consultant has made since the start of fiscal year 2016-2017.

12 (d) The number of providers that have improved their quality rating since the
13 start of fiscal year 2016-2017 compared to the same time period in fiscal year 2015-
14 2016.

15 (e) The types of activities that are intended to improve licensing consultant
16 performance and child care provider quality and the number of times those activities
17 are performed by the managers and administrators.

18 (2) The progress reports shall be sent to the state budget director, the house
19 and senate subcommittees that oversee the department of education, and the house and
20 senate fiscal agencies by April 1, 2017 and September 30, 2017.

21 **ONE-TIME APPROPRIATIONS**

22 Sec. 5-1101. (1) From the funds appropriated in part 1 for the Flint declaration
23 of emergency, the department shall allocate funding to address the childcare needs in
24 the city in which a declaration of emergency was issued on January 5, 2016. Funds
25 shall be used to support the following activities in the city:

26 (a) Pilot the expansion of child development and care eligibility to children

1 ages birth to three for half-day childcare services by removing household income as a
2 determinate of eligibility.

3 (b) Provide information to childcare providers on identification and intervention
4 services for children demonstrating potential developmental delays associated with
5 exposure to lead.

6 (2) The department shall amend definitions and eligibility requirements in the
7 child care and development fund state plan as necessary to implement this section.

Article 6

DEPARTMENT OF ENVIRONMENTAL QUALITY

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 6-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of environmental quality are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

DEPARTMENT OF ENVIRONMENTAL QUALITY

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0	6.0
Full-time equated classified positions	1,232.0	1,222.0
GROSS APPROPRIATION	\$ 513,499,400	\$ 486,749,300
Total interdepartmental grants and intradepartmental transfers	9,225,700	9,225,700
ADJUSTED GROSS APPROPRIATION	\$ 504,273,700	\$ 477,523,600
Total federal revenues	138,687,200	138,687,200
Total local revenues	0	0
Total private revenues	555,300	555,300
Total other state restricted revenues	317,344,800	302,944,700
State general fund/general purpose	\$ 47,686,400	\$ 35,336,400
<i>State general fund/general purpose schedule:</i>		
Ongoing state general fund/general purpose	35,336,400	35,366,400
One-time general fund/general purpose	12,350,000	0

Sec. 6-102. EXECUTIVE OPERATIONS

1	Full-time equated unclassified positions	6.0	6.0
2	Full-time equated classified positions	13.0	13.0
3	Unclassified salaries	\$ 754,000	\$ 754,000
4	Executive direction-13.0 FTE positions	<u>2,099,400</u>	<u>2,099,400</u>
5	GROSS APPROPRIATION	\$ 2,853,400	\$ 2,853,400
6	Appropriated from:		
7	Federal revenues	27,600	27,600
8	State restricted revenues	1,317,500	1,317,500
9	State general fund/general purpose	\$ 1,508,300	\$ 1,508,300
10	Sec. 6-103. OFFICE OF THE GREAT LAKES		
11	Full-time equated classified positions	12.0	12.0
12	Office of the Great Lakes-12.0 FTE positions	\$ 2,170,700	\$ 2,170,700
13	Coastal management grants	<u>1,250,000</u>	<u>1,250,000</u>
14	GROSS APPROPRIATION	\$ 3,420,700	\$ 3,420,700
15	Appropriated from:		
16	Federal revenues	2,037,900	2,037,900
17	State restricted revenues	483,100	483,100
18	State general fund/general purpose	\$ 899,700	\$ 899,700
19	Sec. 6-104. GREAT LAKES RESTORATION INITIATIVE		
20	Full-time equated classified positions	6.0	6.0
21	Great Lakes restoration initiative-6.0 FTE positions ..	<u>\$ 15,090,700</u>	<u>\$ 15,090,700</u>
22	GROSS APPROPRIATION	\$ 15,090,700	\$ 15,090,700
23	Appropriated from:		
24	Federal revenues	15,090,700	15,090,700
25	State general fund/general purpose	\$ 0	\$ 0
26	Sec. 6-105. DEPARTMENT SUPPORT SERVICES		
27	Full-time equated classified positions	34.0	34.0

1	Central support services-34.0 FTE positions	\$	4,147,800	\$	4,147,800
2	Accounting service center		1,391,400		1,391,400
3	Administrative hearings		381,200		381,200
4	Automated data processing		2,053,400		2,053,400
5	Building occupancy charges		4,582,800		4,582,800
6	Environmental support projects		5,000,000		5,000,000
7	Rent		<u>2,240,600</u>		<u>2,240,600</u>
8	GROSS APPROPRIATION	\$	19,797,200	\$	19,797,200
9	Appropriated from:				
10	Interdepartmental grant revenues		2,266,800		2,266,800
11	State restricted revenues		15,441,600		15,441,600
12	State general fund/general purpose	\$	2,088,800	\$	2,088,800
13	Sec. 6-106. OFFICE OF ENVIRONMENTAL ASSISTANCE				
14	Full-time equated classified positions		38.0		38.0
15	Office of environmental assistance-38.0 FTE positions .	\$	6,257,700	\$	6,257,700
16	Pollution prevention local grants		<u>250,000</u>		<u>250,000</u>
17	GROSS APPROPRIATION	\$	6,507,700	\$	6,507,700
18	Appropriated from:				
19	Federal revenues		704,800		704,800
20	Private revenues		364,200		364,200
21	State restricted revenues		2,571,200		2,571,200
22	State general fund/general purpose	\$	2,867,500	\$	2,867,500
23	Sec. 6-107. WATER RESOURCE DIVISION				
24	Full-time equated classified positions		316.0		316.0
25	Land and water interface permit programs-82.0 FTE				
26	positions	\$	11,659,600	\$	11,659,600
27	Program direction and project assistance-27.0 FTE				

1	positions.....	3,030,700	3,030,700
2	Water withdrawal assessment programs-4.0 FTE positions	1,423,500	1,423,500
3	Expedited water/wastewater permits-1.0 FTE position ...	50,900	50,900
4	Fish contaminant monitoring	316,100	316,100
5	Groundwater discharge permit program-22.0 FTE positions	3,215,900	3,215,900
6	Aquatic nuisance control program-6.0 FTE positions	913,200	913,200
7	NPDES nonstormwater program-83.0 FTE positions	13,003,900	13,003,900
8	Surface water-86.0 FTE positions	15,871,800	15,871,800
9	Water quality and use initiative-5.0 FTE positions	1,645,700	1,645,700
10	Real-time beach monitoring program	500,000	500,000
11	Wetlands program	1,000,000	1,000,000
12	Federal - Great Lakes remedial action plan grants	583,800	583,800
13	Federal - nonpoint source water pollution grants	4,083,300	4,083,300
14	Contaminated lake and river sediment cleanup program ..	1,565,000	1,565,000
15	Nonpoint source pollution prevention and control project		
16	program.....	2,000,000	2,000,000
17	Wetland mitigation banking grants and loans	3,000,000	3,000,000
18	Water quality protection grants	<u>100,000</u>	<u>100,000</u>
19	GROSS APPROPRIATION	\$ 63,963,400	\$ 63,963,400
20	Appropriated from:		
21	Interdepartmental grant revenues	1,249,000	1,249,000
22	Federal revenues	19,479,100	19,479,100
23	State restricted revenues	25,039,200	25,039,200
24	State general fund/general purpose	<u>\$ 18,196,100</u>	<u>\$ 18,196,100</u>
25	Sec. 6-108. LAW ENFORCEMENT DIVISION		
26	Full-time equated classified positions	14.0	14.0
27	Environmental investigations-14.0 FTE positions	<u>\$ 2,837,200</u>	<u>\$ 2,837,200</u>

1	GROSS APPROPRIATION	\$	2,837,200	\$	2,837,200
2	Appropriated from:				
3	Interdepartmental grant revenues		15,800		15,800
4	Federal revenues		575,700		575,700
5	State restricted revenues		1,675,700		1,675,700
6	State general fund/general purpose	\$	570,000	\$	570,000
7	Sec. 6-109. AIR QUALITY DIVISION				
8	Full-time equated classified positions		188.0		188.0
9	Air quality programs-188.0 FTE positions	\$	27,231,500	\$	27,231,500
10	GROSS APPROPRIATION	\$	27,231,500	\$	27,231,500
11	Appropriated from:				
12	Federal revenues		7,450,200		7,450,200
13	State restricted revenues		15,377,000		15,377,000
14	State general fund/general purpose	\$	4,404,300	\$	4,404,300
15	Sec. 6-110. RESOURCE MANAGEMENT DIVISION				
16	Full-time equated classified positions		305.0		305.0
17	Drinking water and environmental health-106.0 FTE				
18	positions	\$	14,901,900	\$	14,901,900
19	Hazardous waste management program-45.0 FTE positions .		6,946,100		6,946,100
20	Low-level radioactive waste authority-2.0 FTE positions		232,600		232,600
21	Medical waste program-2.0 FTE positions		302,300		302,300
22	Municipal assistance-29.0 FTE positions		4,800,500		4,800,500
23	Radiological protection program-12.0 FTE positions		1,966,500		1,966,500
24	Recycling initiative-3.0 FTE positions		1,008,700		1,008,700
25	Scrap tire regulatory program-10.0 FTE positions		1,334,700		1,334,700
26	Oil, gas and mineral services-59.0 FTE positions		6,794,800		6,794,800
27	Solid waste management program-37.0 FTE positions		5,026,400		5,026,400

1	Scrap tire grants	3,500,000	3,500,000
2	Drinking water program grants	830,000	830,000
3	Noncommunity water grants	2,000,000	2,000,000
4	Septage waste compliance grants	275,000	275,000
5	Strategic water quality initiative grants and loans ...	97,000,000	97,000,000
6	Water pollution control and drinking water revolving fund	<u>84,993,000</u>	<u>84,993,000</u>
7	GROSS APPROPRIATION	\$ 231,912,500	\$ 231,912,500
8	Appropriated from:		
9	Interdepartmental grant revenues	1,658,600	1,658,600
10	Federal revenues	86,027,300	86,027,300
11	State restricted revenues	139,860,500	139,860,500
12	State general fund/general purpose	\$ 4,366,100	\$ 4,366,100
13	Sec. 6-111. REMEDIATION AND REDEVELOPMENT DIVISION		
14	Full-time equated classified positions	291.0	291.0
15	Contaminated site investigation, cleanup, and		
16	revitalization-127.0 FTE positions	\$ 13,859,200	\$ 13,859,200
17	Federal cleanup project management-40.0 FTE positions .	6,934,500	6,934,500
18	Laboratory services-39.0 FTE positions	6,175,300	6,175,300
19	Emergency cleanup actions	4,000,000	4,000,000
20	Environmental cleanup support	1,840,000	1,840,000
21	Environmental cleanup and redevelopment program	29,900,000	15,000,000
22	Refined petroleum product cleanup program-85.0 FTE		
23	positions	34,475,700	35,675,700
24	Superfund cleanup	<u>1,000,000</u>	<u>1,000,000</u>
25	GROSS APPROPRIATION	\$ 98,184,700	\$ 84,484,700
26	Appropriated from:		
27	Interdepartmental grant revenues	3,858,800	3,858,800

1	Federal revenues	6,305,400	6,305,400
2	Private revenues	191,100	191,100
3	State restricted revenues	87,829,400	74,129,400
4	State general fund/general purpose	\$ 0	\$ 0
5	Sec. 6-112. UNDERGROUND STORAGE TANK AUTHORITY		
6	Full-time equated classified positions	5.0	5.0
7	Underground storage tank cleanup program-5.0 FTE		
8	position	\$ <u>20,011,400</u>	\$ <u>20,011,400</u>
9	GROSS APPROPRIATION	\$ 20,011,400	\$ 20,011,400
10	Appropriated from:		
11	State restricted revenues	20,011,400	20,011,400
12	State general fund/general purpose	\$ 0	\$ 0
13	Sec. 6-113. INFORMATION TECHNOLOGY		
14	Information technology services and projects	\$ <u>8,638,900</u>	\$ <u>8,638,900</u>
15	GROSS APPROPRIATION	\$ 8,638,900	\$ 8,638,900
16	Appropriated from:		
17	Interdepartmental grant revenues	176,700	176,700
18	Federal revenues	988,500	988,500
19	State restricted revenues	7,038,100	7,038,100
20	State general fund/general purpose	\$ 435,600	\$ 435,600
21	Sec. 6-114. ONE-TIME APPROPRIATIONS		
22	Full-time equated classified positions	10.0	0.0
23	Contaminated lake and river sediment cleanup program		
24	(one-time)	\$ 700,000	\$ 0
25	Flint declaration of emergency-10.0 FTE positions	5,400,100	0
26	Oil, gas and mineral services (one-time)	4,000,000	0
27	Water pollution control and drinking water revolving		

1	fund.....		2,950,000	0
2	GROSS APPROPRIATION	\$	13,050,100	\$ 0
3	Appropriated from:			
4	State restricted revenues		700,100	0
5	State general fund/general purpose	\$	12,350,000	\$ 0

6 PART 2

7 PROVISIONS CONCERNING APPROPRIATIONS

8 FISCAL YEAR 2017

9 **GENERAL SECTIONS**

10 Sec. 6-201. Pursuant to section 30 of article IX of the state constitution of

11 1963, total state spending from state resources under part 1 for fiscal year 2016-2017

12 is \$365,031,200.00 and state spending from state resources to be paid to local units

13 of government for fiscal year 2016-2017 is \$3,750,000.00. The itemized statement below

14 identifies appropriations from which spending to local units of government will occur:

15 DEPARTMENT OF ENVIRONMENTAL QUALITY

16	Drinking water and environmental health	\$ 212,000
17	Drinking water program grants	157,000
18	Emergency cleanup actions	106,000
19	Noncommunity water grants	1,700,000
20	Scrap tire grants	500,000
21	Pollution prevention local grants	250,000
22	Real-time beach monitoring program	500,000
23	Septage waste compliance grants	100,000
24	Solid waste management program	65,000
25	Surface water	<u>160,000</u>

1 TOTAL \$ 3,750,000

2 Sec. 6-202. The appropriations authorized under this article are subject to the
3 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

4 Sec. 6-203. As used in this article:

5 (a) "Department" means the department of environmental quality.

6 (b) "Director" means the director of the department.

7 (c) "FTE" means full-time equated.

8 (d) "NPDES" means national pollution discharge elimination system.

9 Sec. 6-204. The departments and agencies receiving appropriations in part 1 shall
10 use the Internet to fulfill the reporting requirements of this article. This
11 requirement may include transmission of reports via electronic mail to the recipients
12 identified for each reporting requirement, or it may include placement of reports on
13 an Internet or Intranet site.

14 Sec. 6-205. Funds appropriated in part 1 shall not be used for the purchase of
15 foreign goods or services, or both, if competitively priced and of comparable quality
16 American goods or services, or both, are available. Preference shall be given to goods
17 or services, or both, manufactured or provided by Michigan businesses, if they are
18 competitively priced and of comparable quality. In addition, preference should be
19 given to goods or services, or both, that are manufactured or provided by Michigan
20 businesses owned and operated by veterans, if they are competitively priced and of
21 comparable quality.

22 Sec. 6-206. The director shall take all reasonable steps to ensure businesses in
23 deprived and depressed communities compete for and perform contracts to provide
24 services or supplies, or both. Each director shall strongly encourage firms with which
25 the department contracts to subcontract with certified businesses in depressed and
26 deprived communities for services, supplies, or both.

27 Sec. 6-207. The departments and agencies receiving appropriations in part 1 shall

1 prepare a report on out-of-state travel expenses not later than January 1 of each
2 year. The travel report shall be a listing of all travel by classified and
3 unclassified employees outside this state in the immediately preceding fiscal year
4 that was funded in whole or in part with funds appropriated in the department's
5 budget. The report shall be submitted to the senate and house appropriations
6 committees, the house and senate fiscal agencies, and the state budget director. The
7 report shall include the following information:

8 (a) The dates of each travel occurrence.

9 (b) The transportation and related costs of each travel occurrence, including the
10 proportion funded with state general fund/general purpose revenues, the proportion
11 funded with state restricted revenues, the proportion funded with federal revenues,
12 and the proportion funded with other revenues.

13 Sec. 6-208. Funds appropriated in part 1 shall not be used by a principal
14 executive department, state agency, or authority to hire a person to provide legal
15 services that are the responsibility of the attorney general. This prohibition does
16 not apply to legal services for bonding activities and for those outside services that
17 the attorney general authorizes.

18 Sec. 6-209. Not later than November 30, the state budget office shall prepare and
19 transmit a report that provides for estimates of the total general fund/general
20 purpose appropriation lapses at the close of the prior fiscal year. This report shall
21 summarize the projected year-end general fund/general purpose appropriation lapses by
22 major departmental program or program areas. The report shall be transmitted to the
23 chairpersons of the senate and house appropriations committees, and the senate and
24 house fiscal agencies.

25 Sec. 6-210. (1) In addition to the funds appropriated in part 1, there is
26 appropriated an amount not to exceed \$30,000,000.00 for federal contingency funds.
27 These funds are not available for expenditure until they have been transferred to

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

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

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

13 (4) In addition to the funds appropriated in part 1, there is appropriated an
14 amount not to exceed \$500,000.00 for private contingency funds. These funds are not
15 available for expenditure until they have been transferred to another line item in
16 this article under section 393(2) of the management and budget act, 1984 PA 431, MCL
17 18.1393.

18 Sec. 6-211. The department shall cooperate with the department of technology,
19 management and budget to maintain a searchable website accessible by the public at no
20 cost that includes, but is not limited to, all of the following for each department or
21 agency:

22 (a) Fiscal year-to-date expenditures by category.

23 (b) Fiscal year-to-date expenditures by appropriation unit.

24 (c) Fiscal year-to-date payments to a selected vendor, including the vendor name,
25 payment date, payment amount, and payment description.

26 (d) The number of active department employees by job classification.

27 (e) Job specifications and wage rates.

1 Sec. 6-212. Within 14 days after the release of the executive budget
2 recommendation, the department shall cooperate with the state budget office to provide
3 the senate and house appropriations chairs, the senate and house appropriations
4 subcommittees chairs, and the senate and house fiscal agencies with an annual report
5 on estimated state restricted fund balances, state restricted fund projected revenues,
6 and state restricted fund expenditures for the fiscal years ending September 30, 2016
7 and September 30, 2017.

8 Sec. 6-213. The department shall maintain, on a publicly accessible website, a
9 department scorecard that identifies, tracks and regularly updates key metrics that
10 are used to monitor and improve the agency's performance.

11 Sec. 6-214. Total authorized appropriations from all sources under part 1 for
12 legacy costs for the fiscal year ending September 30, 2017 is \$33,238,200.00. From
13 this amount, total agency appropriations for pension-related legacy costs are
14 estimated at \$18,429,800.00. Total agency appropriations for retiree health care
15 legacy costs are estimated at \$14,808,400.00.

16 Sec. 6-216. (1) The department shall report all of the following information
17 relative to allocations made from appropriations for the environmental cleanup and
18 redevelopment program, state cleanup, emergency actions, superfund cleanup, the
19 revitalization revolving loan program, the brownfield grants and loans program, the
20 leaking underground storage tank cleanup program, the contaminated lake and river
21 sediments cleanup program, the refined petroleum product cleanup program, and the
22 environmental protection bond projects under section 19508(7) of the natural resources
23 and environmental protection act, 1994 PA 451, MCL 324.19508, to the state budget
24 director, the senate and house appropriations subcommittees on environmental quality,
25 and the senate and house fiscal agencies:

26 (a) The name and location of the site for which an allocation is made.

27 (b) The nature of the problem encountered at the site.

1 (c) A brief description of how the problem will be resolved if the allocation is
2 made for a response activity.

3 (d) The estimated date that site closure activities will be completed.

4 (e) The amount of the allocation, or the anticipated financing for the site.

5 (f) A summary of the sites and the total amount of funds expended at the sites at
6 the conclusion of the fiscal year.

7 (g) The number of brownfield projects that were successfully redeveloped.

8 (2) The report prepared under subsection (1) shall also include all of the
9 following:

10 (a) The status of all state-owned facilities that are on the list compiled under
11 part 201 of the natural resources and environmental protection act, 1994 PA 451, MCL
12 324.20101 to 324.20142.

13 (b) The report shall include the total amount of funds expended during the fiscal
14 year and the total amount of funds awaiting expenditure.

15 (c) The total amount of bonds issued for the environmental protection bond
16 program pursuant to part 193 of the natural resources and environmental protection
17 act, 1994 PA 451, MCL 324.19301 to 324.19306, and bonds issued pursuant to the clean
18 Michigan initiative act, 1998 PA 284, MCL 324.95101 to 324.95108.

19 (3) The report shall be made available by March 31 of each year.

20 Sec. 6-217. (1) The department may expend amounts remaining from the current and
21 prior fiscal year appropriations to meet funding needs of legislatively approved sites
22 for the environmental cleanup and redevelopment program, the refined petroleum product
23 cleanup program, brownfield grants and loans, waterfront grants, and the environmental
24 bond site reclamation program.

25 (2) Unexpended and unencumbered amounts remaining from appropriations from the
26 environmental protection bond fund contained in 2003 PA 173, 2005 PA 109, 2006 PA 343,
27 2011 PA 63, and 2012 PA 236 are appropriated for expenditure for any site listed in

1 this part and part 1 and any site listed in the public acts referenced in this
2 section.

3 (3) Unexpended and unencumbered amounts remaining from appropriations from the
4 clean Michigan initiative fund - response activities contained in 2000 PA 52, 2004 PA
5 309, 2005 PA 11, 2006 PA 343, 2007 PA 121, 2011 PA 63, 2013 PA 59, 2014 PA 252 and
6 2015 PA 84 are appropriated for expenditure for any site listed in this part and part
7 1 and any site listed in the public acts referenced in this section.

8 (4) Unexpended and unencumbered amounts remaining from appropriations from the
9 refined petroleum fund activities contained in 2007 PA 121, 2008 PA 247, 2009 PA 118,
10 2010 PA 189, 2012 PA 200, 2013 PA 59, 2014 PA 252 and 2015 PA 84 are appropriated for
11 expenditure for any site listed in this part and part 1 and any site listed in the
12 public acts referenced in this section.

13 (5) Unexpended and unencumbered amounts remaining from the appropriations from
14 the strategic water quality initiatives fund contained in 2011 PA 50, 2011 PA 63, 2012
15 PA 200, 2013 PA 59, 2014 PA 252 and 2015 PA 84 are appropriated for expenditure for
16 any site listed in this part and part 1 and any site listed in the public acts
17 referenced in this section.

18 Sec. 6-219. Unexpended settlement revenues at the end of the fiscal year may be
19 carried forward into the settlement fund in the succeeding fiscal year up to a maximum
20 carryforward of \$2,500,000.00.

21 **REMEDATION AND REDEVELOPMENT DIVISION**

22 Sec. 6-301. Revenues remaining in the interdepartmental transfers, laboratory
23 services at the end of the fiscal year shall carry forward into the succeeding fiscal
24 year.

25 Sec. 6-302. The unexpended funds appropriated in part 1 for emergency cleanup
26 actions, the environmental cleanup and redevelopment program, and the refined

1 petroleum product cleanup program are considered work project appropriations and any
2 unencumbered or unallotted funds are carried forward into the succeeding fiscal year.
3 The following is in compliance with section 451a(1) of the management and budget act,
4 1984 PA 431, MCL 18.1451a:

5 (a) The purpose of the projects to be carried forward is to provide contaminated
6 site cleanup.

7 (b) The projects will be accomplished by contract.

8 (c) The total estimated cost of all projects is identified in each line-item
9 appropriation.

10 (d) The tentative completion date is September 30, 2021.

11 Sec. 6-303. Effective October 1, 2016, surplus funds not to exceed \$1,000,000.00
12 in the cleanup and redevelopment trust fund are appropriated to the environmental
13 protection fund created in section 503a of the natural resources and environmental
14 protection act, 1994 PA 451, MCL 324.503a.

15 Sec. 6-304. Effective October 1, 2016, surplus funds not to exceed \$1,000,000.00
16 in the community pollution prevention fund created in section 3f of 1976 initiated law
17 1, MCL 445.573f, are appropriated to the environmental protection fund created in
18 section 503a of the natural resources and environmental protection act, 1994 PA 451,
19 MCL 324.503a.

20 Sec. 6-310. (1) Upon approval by the state budget director, the department may
21 expend from the general fund of the state an amount to meet the cash-flow requirements
22 of projects funded under any of the following that are financed from bond proceeds and
23 for which bonds have been authorized but not yet issued:

24 (a) Part 52 of the natural resources and environmental protection act, 1994 PA
25 451, MCL 324.5201 to 324.5206.

26 (b) Part 193 of the natural resources and environmental protection act, 1994 PA
27 451, MCL 324.19301 to 324.19306.

1 (c) Part 196 of the natural resources and environmental protection act, 1994 PA
2 451, MCL 324.19601 to 324.19616.

3 (2) Upon the sale of bonds for projects described in subsection (1), the
4 department shall credit the general fund of the state an amount equal to that expended
5 from the general fund.

6 **RESOURCE MANAGEMENT DIVISION**

7 Sec. 6-405. If a certified health department does not exist in a city, county, or
8 district or does not fulfill its responsibilities under part 117 of the natural
9 resources and environmental protection act, 1994 PA 451, MCL 324.11701 to 324.11720,
10 then the department may spend funds appropriated in part 1 under the septage waste
11 compliance program in accordance with section 11716 of the natural resources and
12 environmental protection act, 1994 PA 451, MCL 324.11716.

13 Sec. 6-407. The unexpended funds appropriated in part 1 for the contaminated lake
14 and river sediment cleanup program are considered work project appropriations and any
15 unencumbered or unallotted funds are carried forward into the succeeding fiscal year.
16 The following is in compliance with section 451a(1) of the management and budget act,
17 1984 PA 431, MCL 18.1451a:

18 (a) The purpose of the projects to be carried forward is to provide contaminated
19 sediment cleanup.

20 (b) The projects will be accomplished by contract.

21 (c) The total estimated cost of all projects is \$2,265,000.

22 (d) The tentative completion date is September 30, 2021.

23 **UNDERGROUND STORAGE TANK AUTHORITY**

24 Sec. 6-701. The unexpended funds appropriated in part 1 for the underground
25 storage tank cleanup program are considered work project appropriations and any

1 unencumbered or unallotted funds are carried forward into the succeeding fiscal year.
2 The following is in compliance with section 451a(1) of the management and budget act,
3 1984 PA 431, MCL 18.1451a:

4 (a) The purpose of the projects to be carried forward is to provide contaminated
5 site cleanup.

6 (b) The projects will be accomplished by contract.

7 (c) The total estimated cost of all projects is \$20,000,000.00.

8 (d) The tentative completion date is September 30, 2021.

9 ONE-TIME APPROPRIATIONS

10 Sec. 6-801. From the funds appropriated in part 1 for the Flint declaration of
11 emergency, the department shall allocate funds to address needs related to the
12 declaration of emergency issued on January 5, 2016. These funds may support, but are
13 not limited to the following activities:

14 (a) Funding to keep Flint on Detroit water system.

15 (b) Staff, lab and testing, and contract costs.

Article 7

EXECUTIVE OFFICE

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 7-101. Subject to the conditions set forth in this article, the amounts listed in this part for the executive office are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

EXECUTIVE OFFICE

APPROPRIATION SUMMARY

Full-time equated unclassified positions.....	10.0	10.0
Full-time equated classified positions.....	74.2	74.2
GROSS APPROPRIATION	\$ 5,636,300	\$ 5,636,300
Total interdepartmental grants and intradepartmental transfers.....	0	0
ADJUSTED GROSS APPROPRIATION	\$ 5,636,300	\$ 5,636,300
Total federal revenues	0	0
Total local revenues	0	0
Total private revenues	0	0
Total other state restricted revenues	0	0
State general fund/general purpose	\$ 5,636,300	\$ 5,636,300
<i>State general fund/general purpose schedule:</i>		
Ongoing state general fund/general purpose	5,636,300	5,636,300
One-time state general fund/general purpose	0	0
Sec. 7-102. EXECUTIVE OFFICE OPERATIONS		
Full-time equated unclassified positions.....	10.0	10.0

1	Full-time equated classified positions		74.2		74.2
2	Governor	\$	159,300	\$	159,300
3	Lieutenant governor		111,600		111,600
4	Executive office-74.2 FTE positions		4,108,100		4,108,100
5	Unclassified positions-8.0 FTE positions		<u>1,257,300</u>		<u>1,257,300</u>
6	GROSS APPROPRIATION	\$	5,636,300	\$	5,636,300
7	Appropriated from:				
8	Special revenue funds:				
9	State general fund/general purpose	\$	5,636,300	\$	5,636,300

10 PART 2
 11 PROVISIONS CONCERNING APPROPRIATIONS
 12 FISCAL YEAR 2017

13 GENERAL SECTIONS

14 Sec. 7-201. Pursuant to section 30 of article IX of the state constitution of
 15 1963, total state spending from state resources under part 1 for fiscal year 2016-2017
 16 is \$5,636,300.00 and state spending from state resources to be paid to local units of
 17 government for fiscal year 2016-2017 is \$0.00.

Article 8

DEPARTMENT OF HEALTH AND HUMAN SERVICES

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 8-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of health and human services are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

APPROPRIATION SUMMARY

Full-time equated classified positions.....	15,554.5	15,553.5
Unclassified positions.....	6.0	6.0
Total full-time equated positions.....	15,560.5	15,559.5
GROSS APPROPRIATION	\$ 24,707,967,700	\$ 24,434,360,300
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers.....	13,513,700	13,513,700
ADJUSTED GROSS APPROPRIATION	\$ 24,694,454,000	\$ 24,420,846,600
Federal revenues:		
Social security act, temporary assistance for needy families.....		
.....	556,929,300	533,947,800
Federal supplemental security income	8,588,600	8,588,600
Total other federal revenues	17,169,165,700	16,923,106,700
Special revenue funds:		
Total private revenues	156,279,300	156,279,300

1	Total local revenues	123,892,300	123,892,300
2	Total other state restricted revenues	2,328,831,500	2,362,899,800
3	State general fund/general purpose	\$ 4,350,767,300	\$ 4,312,132,100
4	<i>State general fund/general purpose schedule:</i>		
5	Ongoing state general fund/general purpose	4,310,548,100	4,312,132,100
6	One-time general fund/general purpose	40,219,200	0
7	Sec. 8-102. DEPARTMENTWIDE ADMINISTRATION		
8	Full-time equated unclassified positions.....	6.0	6.0
9	Full-time equated classified positions.....	714.2	714.2
10	Director and other unclassified-6.0 FTE positions	\$ 1,119,300	\$ 1,119,300
11	Departmental administration and management-520.2 FTE		
12	positions.....	82,269,600	82,269,600
13	Demonstration projects-7.0 FTE positions	6,905,100	6,905,100
14	Developmental disabilities council and projects-10.0		
15	FTE positions.....	3,067,000	3,067,000
16	Information technology projects and services	158,998,300	158,998,300
17	Michigan Medicaid information system	50,634,400	50,634,400
18	Office of inspector general-177.0 FTE positions	21,633,000	21,633,000
19	Rent and state office facilities	62,783,800	62,783,800
20	State office of administrative hearings and rules	11,140,300	11,140,300
21	Terminal pay and other employee costs	5,686,100	5,686,100
22	Worker's compensation program	<u>7,956,500</u>	<u>7,956,500</u>
23	GROSS APPROPRIATION	\$ 412,193,400	\$ 412,193,400
24	Appropriated from:		
25	Interdepartmental grant revenues:		
26	IDG from department of education	2,979,000	2,979,000
27	Federal revenues:		

1	Social security act, temporary assistance for needy		
2	families	33,546,800	33,546,800
3	Total other federal revenues	192,558,400	192,558,400
4	Special revenue funds:		
5	Total local revenues	16,400	16,400
6	Total private revenues	23,842,000	23,842,000
7	Total other state restricted revenues	2,836,300	2,836,300
8	State general fund/general purpose	\$ 156,414,500	\$ 156,414,500
9	Sec. 8-103. CHILD SUPPORT ENFORCEMENT		
10	Full-time equated classified positions	185.7	185.7
11	Child support enforcement operations—179.7 FTE		
12	positions	\$ 22,151,300	\$ 22,151,300
13	Legal support contracts	113,359,100	113,359,100
14	Child support incentive payments	24,409,600	24,409,600
15	State disbursement unit—6.0 FTE positions	8,101,700	8,101,700
16	Child support automation	<u>41,877,600</u>	<u>41,877,600</u>
17	GROSS APPROPRIATION	\$ 209,899,300	\$ 209,899,300
18	Appropriated from:		
19	Federal revenues:		
20	Total other federal revenues	175,393,000	175,393,000
21	State general fund/general purpose	\$ 34,506,300	\$ 34,506,300
22	Sec. 8-104. COMMUNITY SERVICES AND OUTREACH		
23	Full-time equated classified positions	70.6	70.6
24	Bureau of community services and outreach—16.0 FTE		
25	positions	\$ 2,103,700	\$ 2,103,700
26	Community services block grants	25,840,000	25,840,000
27	Weatherization assistance	16,340,000	16,340,000

1	School success partnership program	450,000	450,000
2	Homeless programs	15,721,900	15,721,900
3	Domestic violence prevention and treatment-14.6 FTE		
4	positions.....	15,766,200	15,766,200
5	Rape prevention and services-0.5 FTE position	5,097,300	5,097,300
6	Child advocacy centers-0.5 FTE position	2,000,000	2,000,000
7	Michigan community service commission-15.0 FTE		
8	positions.....	11,621,300	11,621,300
9	Housing and support services	13,031,000	13,031,000
10	Grants administration services-13.0 FTE positions	2,165,100	2,165,100
11	Justice assistance grants	59,279,300	59,279,300
12	Crime victim rights services grants	16,870,000	16,870,000
13	Community services and outreach administration-11.0		
14	FTE positions.....	<u>1,459,100</u>	<u>1,459,100</u>
15	GROSS APPROPRIATION	\$ 187,744,900	\$ 187,744,900
16	Appropriated from:		
17	Federal revenues:		
18	Social security act, temporary assistance for needy		
19	families.....	11,673,100	11,673,100
20	Total other federal revenues	142,139,000	142,139,000
21	Special revenue funds:		
22	Private - collections	44,100	44,100
23	Child advocacy centers fund	2,000,000	2,000,000
24	Sexual assault victims' prevention and treatment fund .	3,000,000	3,000,000
25	Compulsive gambling prevention fund	1,043,100	1,043,100
26	Crime victims rights fund	15,327,200	15,327,200
27	State general fund/general purpose	<u>\$ 12,518,400</u>	<u>\$ 12,518,400</u>

1	Sec. 8-105. CHILDREN'S SERVICES AGENCY - CHILD WELFARE		
2	Full-time equated classified positions	3,848.2	3,848.2
3	Children's services administration-169.0 FTE		
4	positions	\$ 19,513,200	\$ 19,513,200
5	Title IV-E compliance and accountability office-4.0		
6	FTE positions	421,300	421,300
7	Child welfare field staff - caseload compliance-		
8	2,511.0 FTE positions	230,862,600	230,862,600
9	Child welfare field staff - noncaseload compliance-		
10	320.0 FTE positions	33,671,400	33,671,400
11	Education planners-15.0 FTE positions	1,521,100	1,521,100
12	Peer coaches-45.5 FTE positions	5,702,100	5,702,100
13	Child welfare first line supervisors-578.0 FTE		
14	positions	72,313,800	72,313,800
15	Second line supervisors and technical staff-54.0 FTE		
16	positions	8,833,600	8,833,600
17	Permanency resources managers-28.0 FTE positions	3,170,200	3,170,200
18	Contractual services, supplies, and materials	9,280,000	9,280,000
19	Settlement monitor	1,885,800	1,885,800
20	Foster care payments	184,213,500	184,213,500
21	Guardianship assistance program	11,966,500	11,966,500
22	Child care fund	180,201,700	180,201,700
23	Child care fund administration-4.2 FTE positons	592,900	592,900
24	Adoption subsidies	223,365,400	223,365,400
25	Adoption support services-10.0 FTE positions	26,926,700	26,926,700
26	Youth in transition-4.5 FTE positions	15,021,900	15,021,900
27	Child welfare medical/psychiatric evaluations	10,435,500	10,435,500

1	Psychotropic oversight	618,200	618,200
2	Performance based funding implementation-3.0 FTE		
3	positions.....	1,778,900	1,778,900
4	Family support subsidy	16,951,400	16,951,400
5	Interstate compact	179,600	179,600
6	Strong families/safe children	12,350,100	12,350,100
7	Family preservation programs-23.0 FTE positions	38,872,800	38,872,800
8	Family preservation and prevention services		
9	administration-9.0 FTE positions.....	1,291,300	1,291,300
10	Child abuse and neglect - children's justice act-1.0		
11	FTE position.....	621,800	621,800
12	Children's trust fund-12.0 FTE positions	3,323,400	3,323,400
13	Attorney general contract	4,321,800	4,321,800
14	Prosecuting attorney contracts	3,061,700	3,061,700
15	Child protection	800,300	800,300
16	Child welfare licensing-57.0 FTE positions	6,549,800	6,549,800
17	Child welfare administration travel	<u>375,000</u>	<u>375,000</u>
18	GROSS APPROPRIATION	\$ 1,130,995,300	\$ 1,130,995,300
19	Appropriated from:		
20	Interdepartmental grant revenues:		
21	IDG from department of education	90,200	90,200
22	Federal revenues:		
23	Social security act, temporary assistance for needy		
24	families.....	312,560,100	312,560,100
25	Total other federal revenues	365,783,600	365,783,600
26	Special revenue funds:		
27	Private - collections	2,424,000	2,424,000

1	Local funds - county chargeback	14,194,000	14,194,000
2	Children's trust fund	2,090,500	2,090,500
3	State general fund/general purpose	\$ 433,852,900	\$ 433,852,900
4	Sec. 8-106. CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE		
5	Full-time equated classified positions	111.5	111.5
6	W.J. Maxey training school	\$ 1,000,000	\$ 1,000,000
7	Bay pines center-42.0 FTE positions	4,933,300	4,933,300
8	Shawono center-42.0 FTE positions	5,021,400	5,021,400
9	County juvenile officers	3,904,300	3,904,300
10	Community support services-3.0 FTE positions	2,110,500	2,110,500
11	Juvenile justice, administration and maintenance-22.0		
12	FTE positions	3,543,700	3,543,700
13	Committee on juvenile justice administration-2.5 FTE		
14	positions	350,700	350,700
15	Committee on juvenile justice grants	<u>3,000,000</u>	<u>3,000,000</u>
16	GROSS APPROPRIATION	\$ 23,863,900	\$ 23,863,900
17	Appropriated from:		
18	Federal revenues:		
19	Total other federal revenues	8,028,400	8,028,400
20	Special revenue funds:		
21	Local funds - state share education funds	1,324,200	1,324,200
22	Local funds - county chargeback	4,512,000	4,512,000
23	State general fund/general purpose	\$ 9,999,300	\$ 9,999,300
24	Sec. 8-107. PUBLIC ASSISTANCE		
25	Full-time equated classified positions	8.0	8.0
26	Family independence program	\$ 115,224,600	\$ 115,224,600
27	State disability assistance payments	12,353,900	12,353,900

1	Food assistance program benefits	2,348,117,400	2,348,117,400
2	State supplementation	63,357,400	63,357,400
3	State supplementation administration	2,381,100	2,381,100
4	Low-income home energy assistance program	174,951,600	174,951,600
5	Food bank funding	1,795,000	1,795,000
6	Multicultural integration funding	13,303,800	13,303,800
7	Indigent burial	4,300,000	4,300,000
8	Emergency services local office allocations	10,357,500	10,357,500
9	Michigan energy assistance program-1.0 FTE position ...	50,000,000	50,000,000
10	Refugee assistance program-7.0 FTE positions	<u>27,986,100</u>	<u>27,986,100</u>
11	GROSS APPROPRIATION	\$ 2,824,128,400	\$ 2,824,128,400
12	Appropriated from:		
13	Federal revenues:		
14	Social security act, temporary assistance for needy		
15	families	69,267,600	69,267,600
16	Total other federal revenues	2,545,749,600	2,545,749,600
17	Special revenue funds:		
18	Child support collections	10,863,700	10,863,700
19	Supplemental security income recoveries	5,470,900	5,470,900
20	Public assistance recoupment revenue	6,290,000	6,290,000
21	Low-income energy assistance fund	50,000,000	50,000,000
22	Michigan merit award trust fund	30,100,000	30,100,000
23	State general fund/general purpose	\$ 106,386,600	\$ 106,386,600
24	Sec. 8-108. FIELD OPERATIONS AND SUPPORT SERVICES		
25	Full-time equated classified positions	6,546.5	6,546.5
26	Public assistance field staff-5,349.5 FTE positions ...	\$ 533,255,500	\$ 533,255,500
27	Contractual services, supplies, and materials	16,282,000	16,282,000

1	Medical/psychiatric evaluations	1,420,100	1,420,100
2	Donated funds positions-538.0 FTE positions	60,878,700	60,878,700
3	Training and program support-65.0 FTE positions	10,252,400	10,252,400
4	Volunteer services and reimbursement	942,400	942,400
5	Field policy and administration-66.0 FTE positions	10,262,400	10,262,400
6	Nutrition education-2.0 FTE positions	23,042,700	23,042,700
7	Employment and training support services	4,219,100	4,219,100
8	Michigan rehabilitation services-526.0 FTE		
9	positions.....	131,171,800	131,171,800
10	Independent living	12,031,600	12,031,600
11	Electronic benefit transfer (EBT)	8,509,000	8,509,000
12	Elder law of Michigan MiCAFE contract	350,000	350,000
13	Field staff travel	<u>8,103,900</u>	<u>8,103,900</u>
14	GROSS APPROPRIATION	\$ 820,721,600	\$ 820,721,600
15	Appropriated from:		
16	Interdepartmental grant revenues:		
17	IDG from department of corrections	101,200	101,200
18	IDG from department of education	7,678,800	7,678,800
19	Federal revenues:		
20	Social security act, temporary assistance for needy		
21	families.....	102,539,700	102,539,700
22	Federal supplemental security income	8,588,600	8,588,600
23	Total other federal revenues	410,322,600	410,322,600
24	Special revenue funds:		
25	Local funds - donated funds	11,137,600	11,137,600
26	Local vocational rehabilitation match	6,534,600	6,534,600
27	Private funds - donated funds	18,440,200	18,440,200

1	Private funds - gifts, bequests, and donations	1,854,600	1,854,600
2	Rehabilitation service fees	400,000	400,000
3	Second injury fund	40,000	40,000
4	State general fund/general purpose	\$ 253,083,700	\$ 253,083,700
5	Sec. 8-109. DISABILITY DETERMINATION SERVICES		
6	Full-time equated classified positions.....	587.4	587.4
7	Disability determination operations—583.3 FTE		
8	positions.....	\$ 111,392,700	\$ 111,392,700
9	Retirement disability determination—4.1 FTE		
10	positions.....	<u>602,900</u>	<u>602,900</u>
11	GROSS APPROPRIATION	\$ 111,995,600	\$ 111,995,600
12	Appropriated from:		
13	Interdepartmental grant revenues:		
14	IDG from DTMB - office of retirement services	778,300	778,300
15	Federal revenues:		
16	Total other federal revenues	107,784,000	107,784,000
17	State general fund/general purpose	\$ 3,433,300	\$ 3,433,300
18	Sec. 8-110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS		
19	Full-time equated classified positions.....	100.0	100.0
20	Behavioral health program administration—99.0 FTE		
21	positions.....	\$ 60,084,200	\$ 60,084,200
22	Gambling addiction—1.0 FTE position	3,005,900	3,005,900
23	Protection and advocacy services support	194,400	194,400
24	Federal and other special projects	2,535,600	2,535,600
25	Office of recipient rights	<u>2,700,000</u>	<u>2,700,000</u>
26	GROSS APPROPRIATION	\$ 68,520,100	\$ 68,520,100
27	Appropriated from:		

1	Federal revenues:		
2	Social security act, temporary assistance for needy		
3	families	180,500	180,500
4	Total other federal revenues	36,493,600	36,493,600
5	Special revenue funds:		
6	Total private revenues	1,004,700	1,004,700
7	Total other state restricted revenues	3,005,900	3,005,900
8	State general fund/general purpose	\$ 27,835,400	\$ 27,835,400
9	Sec. 8-111. BEHAVIORAL HEALTH SERVICES		
10	Full-time equated classified positions	9.5	9.5
11	Medicaid mental health services	\$ 2,287,190,100	\$ 2,287,190,100
12	Community mental health non-Medicaid services	117,050,400	117,050,400
13	Medicaid substance abuse disorder services	49,964,500	49,964,500
14	Civil service charges	1,499,300	1,499,300
15	Federal mental health block grant-2.5 FTE positions ...	15,454,600	15,454,600
16	State disability assistance program substance use		
17	disorder services	2,018,800	2,018,800
18	Community substance use disorder, prevention,		
19	education, and treatment	73,811,800	73,811,800
20	Children's waiver home care program	20,000,000	20,000,000
21	Nursing home PAS/ARR-OBRA-7.0 FTE positions	12,272,000	12,272,000
22	Children with serious emotional disturbance waiver	12,647,900	12,647,900
23	Health homes	3,369,000	3,369,000
24	Healthy Michigan Plan - behavioral health	226,210,300	226,210,300
25	Autism services	63,036,800	63,036,800
26	University autism programs	<u>2,500,000</u>	<u>2,500,000</u>
27	GROSS APPROPRIATION	\$ 2,887,025,500	\$ 2,887,025,500

1	Appropriated from:		
2	Federal revenues:		
3	Total other federal revenues	1,894,552,800	1,889,805,800
4	Special revenue funds:		
5	Total local revenues	25,475,800	25,475,800
6	Total other state restricted revenues	22,512,700	22,512,700
7	State general fund/general purpose	\$ 944,484,200	\$ 949,231,200
8	Sec. 8-112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES		
9	Total average population.....	770.0	770.0
10	Full-time equated classified positions.....	2,181.9	2,181.9
11	Caro regional mental health center-psychiatric		
12	hospital-adult-461.3 FTE positions.....	\$ 57,270,900	\$ 57,270,900
13	Average population.....	145.0	145.0
14	Kalamazoo psychiatric hospital-adult-466.1 FTE		
15	positions.....	65,674,600	65,674,600
16	Average population.....	170.0	170.0
17	Walter P. Reuther psychiatric hospital-adult-420.8		
18	FTE positions.....	56,872,000	56,872,000
19	Average population.....	160.0	160.0
20	Hawthorn center-psychiatric hospital-children and		
21	adolescents-226.4 FTE positions.....	29,142,500	29,142,500
22	Average population	55.0	55.0
23	Center for forensic psychiatry-607.3 FTE positions	81,702,000	81,702,000
24	Average population.....	240.0	240.0
25	Revenue recapture	750,000	750,000
26	IDEA, federal special education	120,000	120,000
27	Special maintenance	924,600	924,600

1	Purchase of medical services for residents of		
2	hospitals and centers	445,600	445,600
3	Gifts and bequests for patient living and treatment		
4	environment	<u>1,000,000</u>	<u>1,000,000</u>
5	GROSS APPROPRIATION	\$ 293,902,200	\$ 293,902,200
6	Appropriated from:		
7	Federal revenues:		
8	Total other federal revenues	35,545,300	35,545,300
9	Special revenue funds:		
10	Other local revenues	19,886,700	19,886,700
11	Total private revenues	1,000,000	1,000,000
12	Total other state restricted revenues	19,238,100	19,238,100
13	State general fund/general purpose	\$ 218,232,100	\$ 218,232,100
14	Sec. 8-113. HEALTH POLICY		
15	Full-time equated classified positions	32.8	32.8
16	Bone marrow transplant registry	\$ 250,000	\$ 250,000
17	Certificate of need program administration-12.3 FTE		
18	positions	2,803,800	2,803,800
19	Health innovation grants	1,500,000	1,500,000
20	Health policy administration-15.1 FTE positions	26,564,000	26,564,000
21	Human trafficking intervention services	200,000	200,000
22	Michigan essential health provider	3,591,300	3,591,300
23	Minority health grants and contracts	612,700	612,700
24	Nurse education and research program-3.0 FTE positions	780,900	780,900
25	Primary care services-1.4 FTE positions	4,068,500	4,068,500
26	Rural health services-1.0 FTE position	<u>1,555,500</u>	<u>1,555,500</u>
27	GROSS APPROPRIATION	\$ 41,926,700	\$ 41,926,700

1	Appropriated from:		
2	Interdepartmental grant revenues:		
3	Interdepartmental grant from the department of licensing		
4	and regulatory affairs.....	780,900	780,900
5	Interdepartmental grant from the department of treasury,		
6	Michigan state hospital finance authority.....	117,700	117,700
7	Federal revenues:		
8	Total other federal revenues	31,631,200	31,631,200
9	Special revenues funds:		
10	Total private revenues	865,000	865,000
11	Total other state restricted revenues	2,686,100	2,686,100
12	State general fund/general purpose	\$ 5,845,800	\$ 5,845,800
13	Sec. 8-114. LABORATORY SERVICES		
14	Full-time equated classified positions	100.0	100.0
15	Laboratory services-100.0 FTE positions	\$ <u>20,520,500</u>	\$ <u>20,520,500</u>
16	GROSS APPROPRIATION	\$ 20,520,500	\$ 20,520,500
17	Appropriated from:		
18	Interdepartmental grant revenues:		
19	Interdepartmental grant from the department of		
20	environmental quality.....	987,600	987,600
21	Federal revenues:		
22	Total other federal revenues	2,326,300	2,326,300
23	Special revenue funds:		
24	Total other state restricted revenues	10,403,900	10,403,900
25	State general fund/general purpose	\$ 6,802,700	\$ 6,802,700
26	Sec. 8-115. DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY		
27	Full-time equated classified positions.....	74.9	74.9

1	Epidemiology administration-43.6 FTE positions	\$	16,044,500	\$	16,044,500
2	Healthy homes program-8.0 FTE positions		4,254,900		4,254,900
3	Immunization program-12.8 FTE positions		19,372,100		19,372,100
4	Newborn screening follow-up and treatment services-				
5	10.5 FTE positions		<u>7,253,500</u>		<u>7,253,500</u>
6	GROSS APPROPRIATION	\$	46,925,000	\$	46,925,000
7	Appropriated from:				
8	Federal revenues:				
9	Total other federal revenues		28,704,900		28,704,900
10	Special revenue funds:				
11	Total private revenues		2,339,400		2,339,400
12	Total other state restricted revenues		9,501,300		9,501,300
13	State general fund/general purpose	\$	6,379,400	\$	6,379,400
14	Sec. 8-116. LOCAL HEALTH AND ADMINISTRATIVE SERVICES				
15	Full-time equated classified positions		236.2		236.2
16	AIDS prevention, testing, and care programs-47.7 FTE				
17	positions	\$	70,605,900	\$	70,605,900
18	Cancer prevention and control program-13.0 FTE				
19	positions		15,051,600		15,051,600
20	Chronic disease control and health promotion				
21	administration-27.4 FTE positions		6,044,800		6,044,800
22	Dental programs-3.8 FTE positions		1,949,800		1,949,800
23	Diabetes and kidney program-8.0 FTE positions		3,049,100		3,049,100
24	Essential local public health services-8.3 FTE positions		42,905,400		42,905,400
25	Health and wellness initiatives-11.7 FTE positions		8,994,100		8,994,100
26	Implementation of 1993 PA 133, MCL 333.17015		20,000		20,000
27	Medicaid outreach cost reimbursement to local health				

1	departments.....	9,000,000	9,000,000
2	Sexually transmitted disease control program-20.0 FTE		
3	positions.....	6,279,600	6,279,600
4	Smoking prevention program-12.0 FTE positions	2,142,100	2,142,100
5	Violence prevention-2.9 FTE positions	2,122,500	2,122,500
6	Vital records and health statistics-81.4 FTE positions	<u>11,932,300</u>	<u>11,932,300</u>
7	GROSS APPROPRIATION	\$ 180,097,200	\$ 180,097,200
8	Appropriated from:		
9	Federal revenues:		
10	Total other federal revenues	71,477,800	71,477,800
11	Special revenue funds:		
12	Total local revenues	5,150,000	5,150,000
13	Total private revenues	39,028,400	39,028,400
14	Total other state restricted revenues	20,164,900	20,164,900
15	State general fund/general purpose	\$ 44,276,100	\$ 44,276,100
16	Sec. 8-117. FAMILY, MATERNAL, AND CHILD HEALTH		
17	Full-time equated classified positions.....	110.8	110.8
18	Childhood lead program-2.5 FTE positions	\$ 1,571,400	\$ 1,571,400
19	Family, maternal, and child health administration-49.3		
20	FTE positions.....	8,460,900	8,460,900
21	Family planning local agreements	8,912,800	8,912,800
22	Local MCH services	7,018,100	7,018,100
23	Prenatal care outreach and service delivery support-		
24	14.0 FTE positions.....	18,422,600	18,422,600
25	Special projects	6,289,100	6,289,100
26	Sudden infant death syndrome program	321,300	321,300
27	Women, infants, and children program administration		

1	and special projects-45.0 FTE positions.....	18,014,400	18,014,400
2	Women, infants, and children program local agreements		
3	and food costs	<u>256,285,000</u>	<u>256,285,000</u>
4	GROSS APPROPRIATION	\$ 325,295,600	\$ 325,295,600
5	Appropriated from:		
6	Federal revenues:		
7	Total other federal revenues	254,324,000	254,324,000
8	Special revenue funds:		
9	Total local revenues	75,000	75,000
10	Total private revenues	61,702,400	61,702,400
11	State general fund/general purpose	\$ 9,194,200	\$ 9,194,200
12	Sec. 8-118. EMERGENCY MEDICAL SERVICES, TRAUMA, AND PREPAREDNESS		
13	Full-time equated classified positions.....	75.0	75.0
14	Emergency medical services program-23.0 FTE positions .	\$ 6,563,600	\$ 6,563,600
15	Bioterrorism preparedness-52.0 FTE positions	<u>30,207,700</u>	<u>30,207,700</u>
16	GROSS APPROPRIATION	\$ 36,771,300	\$ 36,771,300
17	Appropriated from:		
18	Federal revenues:		
19	Total other federal revenues	31,332,300	31,332,300
20	Special revenue funds:		
21	Total other state restricted revenues	4,004,900	4,004,900
22	State general fund/general purpose	\$ 1,434,100	\$ 1,434,100
23	Sec. 8-119. CHILDREN'S SPECIAL HEALTH CARE SERVICES		
24	Full-time equated classified positions.....	46.8	46.8
25	Children's special health care services		
26	administration-44.0 FTE positions.....	\$ 5,990,100	\$ 5,990,100
27	Bequests for care and services-2.8 FTE positions	1,534,800	1,534,800

1	Outreach and advocacy	5,510,000	5,510,000
2	Nonemergency medical transportation	905,900	905,900
3	Medical care and treatment	<u>232,655,300</u>	<u>232,655,300</u>
4	GROSS APPROPRIATION	\$ 246,596,100	\$ 246,596,100
5	Appropriated from:		
6	Federal revenues:		
7	Total other federal revenues	112,529,500	112,529,500
8	Special revenue funds:		
9	Total private revenues	1,013,200	1,013,200
10	Total other state restricted revenues	3,383,000	3,383,000
11	State general fund/general purpose	\$ 129,670,400	\$ 129,670,400
12	Sec. 8-120. AGING AND ADULT SERVICES AGENCY		
13	Full-time equated classified positions	48.0	48.0
14	Aging and adult services administration-48.0 FTE		
15	positions	\$ 9,344,100	\$ 9,344,100
16	Community services	39,163,900	39,163,900
17	Nutrition services	39,044,000	39,044,000
18	Employment assistance	3,500,000	3,500,000
19	Respite care program	5,868,700	5,868,700
20	Senior volunteer service programs	<u>4,465,300</u>	<u>4,465,300</u>
21	GROSS APPROPRIATION	\$ 101,386,000	\$ 101,386,000
22	Appropriated from:		
23	Federal revenues:		
24	Total other federal revenues	58,561,800	58,561,800
25	Special revenue funds:		
26	Total private revenues	520,000	520,000
27	Merit award trust fund	4,068,700	4,068,700

1	Total other state restricted revenues	1,400,000	1,400,000
2	State general fund/general purpose	\$ 36,835,500	\$ 36,835,500
3	Sec. 8-121. MEDICAL SERVICES ADMINISTRATION		
4	Full-time equated classified positions	465.5	465.5
5	Medical services administration-395.5 FTE positions ...	\$ 83,565,600	\$ 83,565,600
6	Healthy Michigan plan administration-31.0 FTE positions	68,412,400	68,412,400
7	Electronic health record incentive program-24.0 FTE		
8	positions	144,297,800	144,297,800
9	Technology supporting integrated service delivery-15.0		
10	FTE positions	<u>12,307,500</u>	<u>12,307,500</u>
11	GROSS APPROPRIATION	\$ 308,583,300	\$ 308,583,300
12	Appropriated from:		
13	Federal revenues:		
14	Total other federal revenues	253,134,200	253,134,200
15	Social security act, temporary assistance for needy		
16	families	4,180,000	4,180,000
17	Special revenues funds:		
18	Total local revenues	107,300	107,300
19	Total private revenues	101,300	101,300
20	Total other state restricted revenues	336,300	336,300
21	State general fund/general purpose	\$ 50,724,200	\$ 50,724,200
22	Sec. 8-122. MEDICAL SERVICES		
23	Hospital services and therapy	\$ 1,150,265,400	\$ 1,150,265,400
24	Hospital disproportionate share payments	45,000,000	45,000,000
25	Physician services	314,884,100	314,884,100
26	Medicare premium payments	458,763,500	458,763,500
27	Pharmaceutical services	617,729,900	617,729,900

1	Home health services	6,287,800	6,287,800
2	Hospice services	96,732,000	96,732,000
3	Transportation	20,094,000	20,094,000
4	Auxiliary medical services	5,489,200	5,489,200
5	Dental services	250,790,000	250,790,000
6	Ambulance services	17,604,500	17,604,500
7	Long-term care services	1,665,789,800	1,665,789,800
8	Integrated care organization services	220,300,000	220,300,000
9	Medicaid home-and community-based services waiver	342,650,500	342,650,500
10	Adult home help services	327,364,500	327,364,500
11	Personal care services	9,639,800	9,639,800
12	Program of all-inclusive care for the elderly	92,524,400	92,524,400
13	Health plan services	4,668,657,900	4,560,308,000
14	Federal Medicare pharmaceutical program	261,845,200	261,845,200
15	Maternal and child health	20,279,500	20,279,500
16	Healthy Michigan Plan	3,193,386,100	3,188,936,000
17	Subtotal basic medical services program	13,786,078,100	13,673,278,100
18	School-based services	112,102,700	112,102,700
19	Dental clinic program	1,000,000	1,000,000
20	Special Medicaid reimbursement	368,887,600	368,887,600
21	Subtotal special medical services payments	<u>481,990,300</u>	<u>481,990,300</u>
22	GROSS APPROPRIATION	\$ 14,268,068,400	\$ 14,155,268,400
23	Appropriated from:		
24	Federal revenues:		
25	Total other federal revenues	10,313,660,600	10,169,481,400
26	Special revenue funds:		
27	Total local revenues	35,478,700	35,478,700

1	Total private revenues	2,100,000	2,100,000
2	Merit awards trust fund	40,604,100	16,563,600
3	Total other state restricted revenues	2,057,586,000	2,116,168,700
4	State general fund/general purpose	\$ 1,818,639,000	\$ 1,815,476,000
5	Sec. 8-123. ONE-TIME APPROPRIATIONS		
6	Full-time equated classified positions	1.0	0.0
7	Family preservation programs-1.0 FTE position	\$ 10,000,000	\$ 0
8	Integrated service delivery	36,922,500	0
9	Flint declaration of emergency	15,138,100	0
10	MiSACWIS implementation	11,538,600	0
11	Pharmacy reserve	86,083,200	0
12	Autism navigator	<u>1,125,000</u>	<u>0</u>
13	GROSS APPROPRIATION	\$ 160,807,400	\$ 0
14	Appropriated from:		
15	Federal revenues:		
16	Social security act, temporary assistance for needy		
17	families	22,981,500	0
18	Total other federal revenues	97,132,800	0
19	Total other state restricted revenues	473,900	0
20	State general fund/general purpose	\$ 40,219,200	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

GENERAL SECTIONS

Sec. 8-201. Pursuant to section 30 of article IX of the state constitution of

1 1963, total state spending from state resources under part 1 for fiscal year 2016-2017
 2 is \$6,679,598,800.00 and state spending from state resources to be paid to local units
 3 of government for fiscal year 2016-2017 is \$1,259,438,500.00. The itemized statement
 4 below identifies appropriations from which spending to local units of government will
 5 occur:

6	DEPARTMENT OF HEALTH AND HUMAN SERVICES	
7	COMMUNITY SERVICES AND OUTREACH	
8	Housing and support services	\$ 638,300
9	Crime victim rights services grants	6,825,000
10	CHILDREN'S SERVICES AGENCY-CHILD WELFARE	
11	Child care fund	137,512,800
12	CHILDREN'S SERVICES AGENCY-JUVENILE JUSTICE	
13	County juvenile officers	3,525,200
14	PUBLIC ASSISTANCE	
15	Family independence program	8,500
16	State disability assistance payments	948,400
17	Multicultural integration funding	5,478,200
18	BEHAVIORAL HEALTH SERVICES	
19	Medicaid mental health services	769,585,300
20	Community mental health non-Medicaid services	117,050,400
21	Medicaid substance use disorder services	16,661,100
22	State disability assistance program substance use disorder services .	1,914,000
23	Community substance use disorder prevention, education, and treatment	13,547,400
24	Children's waiver home care program	4,579,800
25	Nursing home PAS/ARR-OBRA	2,407,300
26	HEALTH POLICY	
27	Primary care services	87,700

1	LABORATORY SERVICES	
2	Laboratory services	5,200
3	DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY	
4	Immunization program	1,042,700
5	LOCAL HEALTH ADMINISTRATION AND GRANTS	
6	Essential local public health services	32,304,800
7	Implementation of 1993 PA 133, MCL 333.17015	300
8	Health and wellness initiatives	1,918,300
9	Sexually transmitted disease control program	194,300
10	Cancer prevention and control program	102,700
11	Chronic disease control and health promotion administration	7,100
12	AIDS prevention, testing, and care programs	929,400
13	FAMILY, MATERNAL, AND CHILDREN'S HEALTH SERVICES	
14	Prenatal care outreach and service delivery support	3,469,800
15	CHILDREN'S SPECIAL HEALTH CARE SERVICES	
16	Outreach and advocacy	2,440,900
17	Medical care and treatment	949,800
18	AGING AND ADULT SERVICES AGENCY	
19	Community services	16,533,500
20	Nutrition services	11,087,000
21	Respite care program	6,500,300
22	Senior volunteer service programs	963,600
23	MEDICAL SERVICES	
24	Hospital services and therapy	2,449,500
25	Physician services	12,504,900
26	Transportation	949,800
27	Dental services	1,402,400

1	Long-term care services	82,912,800
2	TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT	\$ 1,259,438,500

3 Sec. 8-202. The appropriations authorized under this article are subject to the
4 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

5 Sec. 8-203. As used in this article:

6 (a) "AFC" means adult foster care.

7 (b) "AIDS" means acquired immunodeficiency syndrome.

8 (c) "CMHSP" means a community mental health services program as that term is
9 defined in section 100a of the mental health code, 1974 PA 258, MCL 330.1100a.

10 (d) "Department" means the department of health and human services.

11 (e) "Director" means the director of the department.

12 (f) "DSH" means disproportionate share hospital.

13 (g) "EPSDT" means early and periodic screening, diagnosis, and treatment.

14 (h) "Federal poverty level" means the poverty guidelines published annually in
15 the Federal Register by the United States Department of Health and Human Services
16 under its authority to revise the poverty line under 42 USC 9902.

17 (i) "FTE" means full-time equated.

18 (j) "GME" means graduate medical education.

19 (k) "Health plan" means, at a minimum, an organization that meets the criteria
20 for delivering the comprehensive package of services under the department's
21 comprehensive health plan.

22 (l) "HEDIS" means healthcare effectiveness data and information set.

23 (m) "HMO" means health maintenance organization.

24 (n) "IDEA" means the individuals with disabilities education act, 20 USC 1400 to
25 1482.

26 (o) "IDG" means interdepartmental grant.

27 (p) "MCH" means maternal and child health.

1 (q) "Medicare" means subchapter XVIII of the social security act, 42 USC 1395 to
2 1395111.

3 (r) "MiCAFE" means Michigan's coordinated access to food for the elderly.

4 (s) "MiChild" means the program described in section 1670.

5 (t) "MiSACWIS" means Michigan Statewide Automated Child Welfare Information
6 System.

7 (u) "MMIS" means the Medicaid Management Information System.

8 (v) "PAS/ARR-OBRA" means the preadmission screening and annual resident review
9 required under the omnibus budget reconciliation act of 1987, section 1919(e)(7) of
10 the social security act, 42 USC 1396r.

11 (w) "PIHP" means an entity designated by the department as a regional entity or a
12 specialty prepaid inpatient health plan for Medicaid mental health services, services
13 to individuals with developmental disabilities, and substance use disorder services.
14 Regional entities are described in section 204b of the mental health code, 1974 PA
15 258, MCL 330.1204b. Specialty prepaid inpatient health plans are described in section
16 232b of the mental health code, 1974 PA 258, MCL 330.1232b.

17 (x) "Settlement" means the settlement agreement entered in the case of Dwayne B.
18 v Snyder, docket no. 2:06-cv-13548 in the United States district court for the eastern
19 district of Michigan.

20 (y) "SSI" means supplemental security income.

21 (z) "Temporary assistance for needy families" or "TANF" or "title IV-A" means
22 part A of subchapter IV of the social security act, 42 USC 601 to 619.

23 (aa) "Title IV-B" means part B of title IV of the social security act, 42 USC 620
24 to 629 M.

25 (bb) "Title IV-D" means part D of title IV of the social security act, 42 USC 651
26 to 669b.

27 (cc) "Title IV-E" means part E of title IV of the social security act, 42 USC 670

1 to 679c.

2 (dd) "Title X" means title X of the public health service act, 42 USC 300 to
3 300a-8, which establishes grants to states for family planning services.

4 (ee) "Title XIX" and "Medicaid" mean subchapter XIX of the social security act,
5 42 USC 1396 to 1396w-5.

6 Sec. 8-206. (1) In addition to the funds appropriated in part 1, there is
7 appropriated an amount not to exceed \$400,000,000.00 for federal contingency funds.
8 These funds are not available for expenditure until they have been transferred to
9 another line item in this article under section 393(2) of the management and budget
10 act, 1984 PA 431, MCL 18.1393. These funds shall not be made available to increase
11 TANF authorization.

12 (2) In addition to the funds appropriated in part 1, there is appropriated an
13 amount not to exceed \$45,000,000.00 for state restricted contingency funds. These
14 funds are not available for expenditure until they have been transferred to another
15 line item in this article under section 393(2) of the management and budget act, 1984
16 PA 431, MCL 18.1393.

17 (3) In addition to the funds appropriated in part 1, there is appropriated an
18 amount not to exceed \$40,000,000.00 for local contingency funds. These funds are not
19 available for expenditure until they have been transferred to another line item in
20 this article under section 393(2) of the management and budget act, 1984 PA 431, MCL
21 18.1393.

22 (4) In addition to the funds appropriated in part 1, there is appropriated an
23 amount not to exceed \$60,000,000.00 for private contingency funds. These funds are not
24 available for expenditure until they have been transferred to another line item in
25 this article under section 393(2) of the management and budget act, 1984 PA 431, MCL
26 18.1393.

27 Sec. 8-207. The department shall maintain, on a publicly accessible website, a

1 department scorecard that identifies, tracks and regularly updates key metrics that
2 are used to monitor and improve the agency's performance.

3 Sec. 8-208. The departments and agencies receiving appropriations in part 1 shall
4 use the Internet to fulfill the reporting requirements of this article. This
5 requirement may include transmission of reports via electronic mail to the recipients
6 identified for each reporting requirement, or it may include placement of reports on
7 an Internet or Intranet site.

8 Sec. 8-209. Funds appropriated in part 1 shall not be used for the purchase of
9 foreign goods or services, or both, if competitively priced and of comparable quality
10 American goods or services, or both, are available. Preference shall be given to goods
11 or services, or both, manufactured or provided by Michigan businesses, if they are
12 competitively priced and of comparable quality. In addition, preference should be
13 given to goods or services, or both, that are manufactured or provided by Michigan
14 businesses owned and operated by veterans, if they are competitively priced and of
15 comparable quality.

16 Sec. 8-210. The director shall take all reasonable steps to ensure businesses in
17 deprived and depressed communities compete for and perform contracts to provide
18 services or supplies, or both. Each director shall strongly encourage firms with which
19 the department contracts to subcontract with certified businesses in depressed and
20 deprived communities for services, supplies, or both.

21 Sec. 8-211. If the revenue collected by the department from fees and collections
22 exceeds the amount appropriated in part 1, the revenue may be carried forward with the
23 approval of the state budget director into the subsequent fiscal year. The revenue
24 carried forward under this section shall be used as the first source of funds in the
25 subsequent fiscal year.

26 Sec. 8-212. (1) On or before February 1 of the current fiscal year, the
27 department shall report to the house and senate appropriations subcommittees on the

1 department budget, the house and senate fiscal agencies, and the state budget director
2 on the detailed name and amounts of estimated federal, restricted, private, and local
3 sources of revenue that support the appropriations in each of the line items in part
4 1.

5 (2) Upon the release of the next fiscal year executive budget recommendation, the
6 department shall report to the same parties in subsection (1) on the amounts and
7 detailed sources of federal, restricted, private, and local revenue proposed to
8 support the total funds appropriated in each of the line items in part 1 of the next
9 fiscal year executive budget proposal.

10 Sec. 8-213. The state departments, agencies, and commissions receiving tobacco
11 tax funds and Healthy Michigan fund revenue from part 1 shall report by April 1 of the
12 current fiscal year to the senate and house appropriations committees, the senate and
13 house fiscal agencies, and the state budget director on the following:

14 (a) Detailed spending plan by appropriation line item including description of
15 programs and a summary of organizations receiving these funds.

16 (b) Description of allocations or bid processes including need or demand
17 indicators used to determine allocations.

18 (c) Eligibility criteria for program participation and maximum benefit levels
19 where applicable.

20 (d) Outcome measures used to evaluate programs, including measures of the
21 effectiveness of these programs in improving the health of Michigan residents.

22 (e) Any other information considered necessary by the house of representatives or
23 senate appropriations committees or the state budget director.

24 Sec. 8-215. If a legislative objective of this part or of a bill or amendment to
25 a bill to amend the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be
26 implemented because implementation would conflict with or violate federal regulations,
27 the department shall notify the state budget director, the chairs of the house and

1 senate subcommittees on the department budget, and the house and senate fiscal
2 agencies and policy offices of that fact.

3 Sec. 8-216. (1) In addition to funds appropriated in part 1 for all programs and
4 services, there is appropriated for write-offs of accounts receivable, deferrals, and
5 for prior year obligations in excess of applicable prior year appropriations, an
6 amount equal to total write-offs and prior year obligations, but not to exceed amounts
7 available in prior year revenues.

8 (2) The department's ability to satisfy appropriation fund sources in part 1
9 shall not be limited to collections and accruals pertaining to services provided in
10 the current fiscal year, but shall also include reimbursements, refunds, adjustments,
11 and settlements from prior years.

12 Sec. 8-217. The departments and agencies receiving appropriations in part 1 shall
13 prepare a report on out-of-state travel expenses not later than January 1 of each
14 year. The travel report shall be a listing of all travel by classified and
15 unclassified employees outside this state in the immediately preceding fiscal year
16 that was funded in whole or in part with funds appropriated in the department's
17 budget. The report shall be submitted to the senate and house appropriations
18 committees, the house and senate fiscal agencies, and the state budget director. The
19 report shall include the following information:

20 (a) The dates of each travel occurrence.

21 (b) The transportation and related costs of each travel occurrence, including the
22 proportion funded with state general fund/general purpose revenues, the proportion
23 funded with state restricted revenues, the proportion funded with federal revenues,
24 and the proportion funded with other revenues.

25 Sec. 8-219. (1) The department may contract with the Michigan Public Health
26 Institute for the design and implementation of projects and for other public health-
27 related activities prescribed in section 2611 of the public health code, 1978 PA 368,

1 MCL 333.2611. The department may develop a master agreement with the Institute to
2 carry out these purposes for up to a 3-year period. The department shall report to the
3 house and senate appropriations subcommittees on the department budget, the house and
4 senate fiscal agencies, and the state budget director on or before January 1 of the
5 current fiscal year all of the following:

6 (a) A detailed description of each funded project.

7 (b) The amount allocated for each project, the appropriation line item from which
8 the allocation is funded, and the source of financing for each project.

9 (c) The expected project duration.

10 (d) A detailed spending plan for each project, including a list of all
11 subgrantees and the amount allocated to each subgrantee.

12 (2) On or before September 30 of the current fiscal year, the department shall
13 provide to the same parties listed in subsection (1) a copy of all reports, studies,
14 and publications produced by the Michigan Public Health Institute, its subcontractors,
15 or the department with the funds appropriated in part 1 and allocated to the Michigan
16 Public Health Institute.

17 Sec. 8-220. The department shall ensure that faith-based organizations are able
18 to apply and compete for services, programs, or contracts that they are qualified and
19 suitable to fulfill. The department shall not disqualify faith-based organizations
20 solely on the basis of the religious nature of their organization or their guiding
21 principles or statements of faith.

22 Sec. 8-223. The department may establish and collect fees for publications,
23 videos and related materials, conferences, and workshops. Collected fees shall be used
24 to offset expenditures to pay for printing and mailing costs of the publications,
25 videos and related materials, and costs of the workshops and conferences. The
26 department shall not collect fees under this section that exceed the cost of the
27 expenditures.

1 Sec. 8-224. The department may retain all of the state's share of food assistance
2 overissuance collections as an offset to general fund/general purpose costs. Retained
3 collections shall be applied against federal funds deductions in all appropriation
4 units where department costs related to the investigation and recoupment of food
5 assistance overissuances are incurred. Retained collections in excess of such costs
6 shall be applied against the federal funds deducted in the departmentwide
7 administration appropriation unit.

8 Sec. 8-225. (1) Sanctions, suspensions, conditions for provisional license
9 status, and other penalties shall not be more stringent for private service providers
10 than for public entities performing equivalent or similar services.

11 (2) Neither the department nor private service providers or licensees shall be
12 granted preferential treatment or considered automatically to be in compliance with
13 administrative rules based on whether they have collective bargaining agreements with
14 direct care workers. Private service providers or licensees without collective
15 bargaining agreements shall not be subjected to additional requirements or conditions
16 of licensure based on their lack of collective bargaining agreements.

17 Sec. 8-233. By the end of the current fiscal year, the department shall report to
18 the senate and house appropriations subcommittees on the department budget, the senate
19 and house fiscal agencies, the senate and house policy offices, and the state budget
20 office on the status of the merger, executed according to Executive Order No. 2015-4,
21 of the department of community health and the department of human services to create
22 the department of health and human services. The report must indicate changes from the
23 prior report and shall include, but not be limited to, all of the following
24 information:

25 (a) The impact on client service delivery or access to services, including the
26 restructuring or consolidation of services.

27 (b) Any cost increases or reductions that resulted from rent or building

1 occupancy changes.

2 (c) Facilities in use, including any office closures or consolidations, or new
3 office locations, including hoteling stations.

4 (d) Current status of FTE positions, including the number of FTE positions that
5 were eliminated or added due to duplication of efforts.

6 (e) Any other efficiencies, costs, or savings associated with the merger.

7 Sec. 8-234. The department shall include specific outcome and performance
8 reporting requirements in the interagency agreement with the Michigan talent
9 investment agency for TANF funding to provide job readiness and welfare-to-work
10 programming. TANF funding provided to the Michigan talent investment agency in the
11 current fiscal year is contingent on compliance with the data and reporting
12 requirements described in this section. The interagency agreement must require the
13 Michigan talent investment agency to provide all of the following items by January 1
14 of the current fiscal year for the previous year to the senate and house
15 appropriations committees and the state budget office:

16 (a) An itemized spending report on TANF funding, including all of the following:

17 (i) Direct services to clients.

18 (ii) Administrative expenditures.

19 (b) The number of family independence program (FIP) clients served through the
20 TANF funding, including all of the following:

21 (i) The number and percentage who obtained employment through Michigan Works!

22 (ii) The number and percentage who fulfilled their TANF work requirement through
23 other job readiness programming.

24 (iii) Average TANF spending per client.

25 (iv) The number and percentage of clients who were referred to Michigan Works!

26 but did not receive a job or job readiness placement and the reasons why.

27 Sec. 8-263. (1) Upon submission of a Medicaid waiver, a Medicaid state plan

1 amendment, or a similar proposal to the Centers for Medicare and Medicaid Services,
2 the department shall notify the house and senate appropriations subcommittees on the
3 department budget, the house and senate fiscal agencies, and the state budget office
4 of the submission.

5 (2) The department shall provide written or verbal biannual reports to the senate
6 and house appropriations subcommittees on the department budget, the senate and house
7 fiscal agencies, and the state budget office summarizing the status of any new or
8 ongoing discussions with the Centers for Medicare and Medicaid Services or the United
9 States Department of Health and Human Services regarding potential or future Medicaid
10 waiver applications.

11 Sec. 8-265. Within 14 days after the release of the executive budget
12 recommendation, the department shall cooperate with the state budget office to provide
13 the senate and house appropriations chairs, the senate and house appropriations
14 subcommittees chairs, and the senate and house fiscal agencies with an annual report
15 on estimated state restricted fund balances, state restricted fund projected revenues,
16 and state restricted fund expenditures for the fiscal years ending September 30, 2016
17 and September 30, 2017.

18 Sec. 8-270. The department shall advise the legislature of the receipt of a
19 notification from the attorney general's office of a legal action in which expenses
20 had been recovered pursuant to section 106(4) of the social welfare act, 1939 PA 280,
21 MCL 400.106, or any other statute under which the department has the right to recover
22 expenses. By November 1 and May 1 of the current fiscal year, the department shall
23 submit a written report to the house and senate appropriations subcommittees on the
24 department budget, the house and senate fiscal agencies, and the state budget office
25 which includes, at a minimum, all of the following:

26 (a) The total amount recovered from the legal action.

27 (b) The program or service for which the money was originally expended.

1 (c) Details on the disposition of the funds recovered such as the appropriation
2 or revenue account in which the money was deposited.

3 (d) A description of the facts involved in the legal action.

4 Sec. 8-274. The department, in collaboration with the state budget office, shall
5 submit to the house and senate appropriations subcommittees on the department budget,
6 the house and senate fiscal agencies, and the house and senate policy offices 1 week
7 after the day the governor submits to the legislature the budget for the ensuing
8 fiscal year a report on spending and revenue projections for each of the capped
9 federal funds listed below. The report shall contain actual spending and revenue in
10 the previous fiscal year, spending and revenue projections for the current fiscal year
11 as enacted, and spending and revenue projections within the executive budget proposal
12 for the fiscal year beginning October 1, 2016 for each individual line item for the
13 department budget. The report shall also include federal funds transferred to other
14 departments. The capped federal funds shall include, but not be limited to, all of the
15 following:

16 (a) TANF.

17 (b) Title XX social services block grant.

18 (c) Title IV-B part I child welfare services block grant.

19 (d) Title IV-B part II promoting safe and stable families funds.

20 (e) Low-income home energy assistance program.

21 Sec. 8-276. Funds appropriated in part 1 shall not be used by a principal
22 executive department, state agency, or authority to hire a person to provide legal
23 services that are the responsibility of the attorney general. This prohibition does
24 not apply to legal services for bonding activities and for those outside services that
25 the attorney general authorizes.

26 Sec. 8-279. (1) All master contracts relating to human services as funded by the
27 appropriations in section 103, 104, 105, 106, 107, 108, and 109 of part 1 shall be

1 performance-based contracts that employ a client-centered results-oriented process
2 that is based on measurable performance indicators and desired outcomes and includes
3 the annual assessment of the quality of services provided.

4 (2) By February 1 of the current fiscal year, the department shall provide the
5 senate and house appropriations subcommittees on the department budget, the senate and
6 house fiscal agencies and policy offices, and the state budget office a report
7 detailing measurable performance indicators, desired outcomes, and an assessment of
8 the quality of services provided by the department during the previous fiscal year.

9 Sec. 8-287. Not later than November 30, the state budget office shall prepare and
10 transmit a report that provides for estimates of the total general fund/general
11 purpose appropriation lapses at the close of the prior fiscal year. This report shall
12 summarize the projected year-end general fund/general purpose appropriation lapses by
13 major departmental program or program areas. The report shall be transmitted to the
14 chairpersons of the senate and house appropriations committees, and the senate and
15 house fiscal agencies.

16 Sec. 8-292. The department shall cooperate with the department of technology,
17 management and budget to maintain a searchable website accessible by the public at no
18 cost that includes, but is not limited to, all of the following for each department or
19 agency:

20 (a) Fiscal year-to-date expenditures by category.

21 (b) Fiscal year-to-date expenditures by appropriation unit.

22 (c) Fiscal year-to-date payments to a selected vendor, including the vendor name,
23 payment date, payment amount, and payment description.

24 (d) The number of active department employees by job classification.

25 (e) Job specifications and wage rates.

26 Sec. 8-294. From the funds appropriated in part 1 for the Michigan Medicaid
27 information system line item, \$20,000,000.00 in private revenue may be received from

1 and allocated for other states interested in participating as part of the broader
2 Michigan Medicaid MMIS Initiative.

3 Sec. 8-295. (1) From the funds appropriated in part 1 to agencies providing
4 physical and behavioral health services to multicultural populations, the department
5 shall competitively award grants in accordance with the requirements of subsection
6 (2). The state shall not be liable for any spending above the contract amount.

7 (2) The department shall require each contractor described in subsection (1) that
8 receives greater than \$1.0 million in state grant funding to comply with performance
9 related metrics to maintain their eligibility for funding. The organizational metrics
10 shall include, but not be limited to, all of the following:

11 (a) Each contractor or subcontractor shall have accreditations that attest to
12 their competency and effectiveness as behavioral health and social service agencies.

13 (b) Each contractor or subcontractor shall have a mission that is consistent with
14 the purpose of the multicultural agency.

15 (c) Each contractor shall validate that any subcontractors utilized within these
16 appropriations share the same mission as the lead agency receiving funding.

17 (d) Each contractor or subcontractor shall demonstrate cost-effectiveness.

18 (e) Each contractor or subcontractor shall ensure their ability to leverage
19 private dollars to strengthen and maximize service provision.

20 (f) Each contractor or subcontractor shall provide timely and accurate reports
21 regarding the number of clients served, units of service provision and ability to meet
22 their stated goals.

23 (3) The department shall require an annual report from the contractors described
24 in subsection (2). The annual report, due 60 days following the end of the contract
25 period, shall include specific information on services and programs provided, the
26 client base to which the services and programs were provided, information on any
27 wraparound services provided, and the expenditures for those services. The department

1 shall provide the annual reports to the senate and house appropriations subcommittees
2 on health and human services, the senate and house fiscal agencies and the state
3 budget office.

4 Sec. 8-297. Total authorized appropriations from all sources under part 1 for
5 legacy costs for the fiscal year ending September 30, 2017 are \$364,972,800.00. From
6 this amount, total agency appropriations for pension-related legacy costs are
7 estimated at \$202,368,400.00. Total agency appropriations for retiree health care
8 legacy costs are estimated at \$162,604,400.00.

9 Sec.8-298. (1) The department shall transfer the service funds appropriated in
10 part 1 currently provided to PIHPs through the Medicaid mental health services,
11 Medicaid substance use disorder services, Healthy Michigan plan - behavioral health
12 and Autism services lines to the Health plan services line by September 30, 2017. To
13 implement this change the department shall:

14 (a) Amend the contracts for the Medicaid health plans to include responsibility
15 for covering the full array of specialty services and supports for eligible Medicaid
16 beneficiaries with a serious mental illness, developmental disability, serious
17 emotional disturbance, or substance use disorder upon completion of a plan to
18 integrate these specialty services and supports in to the comprehensive health plan
19 contract.

20 (b) Engage external stakeholders in the development of the integration plan. This
21 process shall include, but not be limited to the Michigan association of community
22 mental health boards, the Michigan association of health plans and advocates for
23 consumers of behavioral health services.

24 (c) Contract with an administrative service organization to provide oversight of
25 the Medicaid health plans and the CMHSPs and ensure continuity of care for the served
26 populations. This organization would be responsible for, at a minimum, conducting
27 analytics on claims from the Medicaid health plans and CMHSPs, reducing duplicative

1 administrative functions at the CMHSP and the service delivery level, and advising
2 state on performance outliers and population health status. The department may issue a
3 request for information to identify potential administrative service organizations.
4 The department is authorized to conduct a competitive direct solicitation to procure
5 services in accordance with state procurement policy.

6 (2) The contract amendment described in (1) shall require Medicaid health plans
7 to contract with the existing CMHSPs for the provision of specialty services and
8 supports.

9 (3) Sixty days prior to completing the contract amendment detailed in (1), the
10 department shall provide a report describing the integration plan to the state budget
11 office, senate and house appropriations committees and senate and house fiscal
12 agencies. This report shall, at minimum, detail the following:

13 (a) An assumed timeline for completion of the integration of behavioral health
14 services into Medicaid health plan contracts.

15 (b) Information on the assumed change in rates that will be provided to Medicaid
16 health plans as a result of the integration of behavioral health services into the
17 Medicaid health plan contracts.

18 (c) Information on the projected fiscal impact of this change including any
19 administrative savings that may be generated through the integration of behavioral
20 health services into the Medicaid health plan contracts.

21 (d) A detailed plan describing steps that will be taken to ensure that current
22 consumers of behavioral health service currently funded through PIHPs will not
23 experience any disruption to their services and supports.

24 (e) A detailed plan describing how the department shall ensure the readiness of
25 Medicaid health plans to take responsibility for services previously funded through
26 PIHPs.

DEPARTMENTWIDE ADMINISTRATION

1 Sec. 8-307. (1) From the funds appropriated in part 1 for demonstration projects,
2 \$500,000.00 shall be distributed as provided in subsection (2). The amount distributed
3 under this subsection shall not exceed 50% of the total operating expenses of the
4 program described in subsection (2), with the remaining 50% paid by local United Way
5 organizations and other nonprofit organizations and foundations.
6

7 (2) Funds distributed under subsection (1) shall be distributed to Michigan 2-1-
8 1, a nonprofit corporation organized under the laws of this state that is exempt from
9 federal income tax under section 501(c)(3) of the internal revenue code, 26 USC
10 501(c)(3), and whose mission is to coordinate and support a statewide 2-1-1 system.
11 Michigan 2-1-1 shall use the funds only to fulfill the Michigan 2-1-1 business plan
12 adopted by Michigan 2-1-1 in January 2005.

13 (3) Michigan 2-1-1 shall refer to the department any calls received reporting
14 fraud, waste, or abuse of state-administered public assistance.

15 (4) Michigan 2-1-1 shall report annually to the department and the house and
16 senate standing committees with primary jurisdiction over matters relating to human
17 services and telecommunications on 2-1-1 system performance, including, but not
18 limited to, call volume by health and human service needs and unmet needs identified
19 through caller data and customer satisfaction metrics.

20 Sec. 8-316. From the funds appropriated in part 1 for terminal leave pay outs and
21 other employee costs, the department shall not spend in excess of its annual gross
22 appropriation unless it identifies and requests a legislative transfer from another
23 budgetary line item supporting administrative costs, as provided by section 393(2) of
24 the management and budget act, 1984 PA 431, MCL 18.1393.

CHILD SUPPORT ENFORCEMENT

25 Sec. 8-401. (1) The appropriations in part 1 assume a total federal child support
26

1 incentive payment of \$26,500,000.00.

2 (2) From the federal money received for child support incentive payments,
3 \$12,000,000.00 shall be retained by the state and expended for child support program
4 expenses.

5 (3) From the federal money received for child support incentive payments,
6 \$14,500,000.00 shall be paid to the counties based on each county's performance level
7 for each of the federal performance measures as established in 45 CFR 305.2.

8 (4) If the child support incentive payment to the state from the federal
9 government is greater than \$26,500,000.00, then 100% of the excess shall be retained
10 by the state and is appropriated until the total retained by the state reaches
11 \$15,397,400.00.

12 (5) If the child support incentive payment to the state from the federal
13 government is greater than the amount needed to satisfy the provisions identified in
14 subsections (1), (2), (3), and (4), the additional funds shall be subject to
15 appropriation by the legislature.

16 (6) If the child support incentive payment to the state from the federal
17 government is less than \$26,500,000.00, then the state and county share shall each be
18 reduced by 50% of the shortfall.

19 Sec. 8-409. (1) If statewide retained child support collections exceed
20 \$38,300,000.00, 75% of the amount in excess of \$38,300,000.00 is appropriated to legal
21 support contracts. This excess appropriation may be distributed to eligible counties
22 to supplement and not supplant county title IV-D funding.

23 (2) Each county whose retained child support collections in the current fiscal
24 year exceed its fiscal year 2004-2005 retained child support collections, excluding
25 tax offset and financial institution data match collections in both the current year
26 and fiscal year 2004-2005, shall receive its proportional share of the 75% excess.

27 Sec. 8-410. (1) If title IV-D-related child support collections are escheated,

1 the state budget director is authorized to adjust the sources of financing for the
2 funds appropriated in part 1 for legal support contracts to reduce federal
3 authorization by 66% of the escheated amount and increase general fund/general purpose
4 authorization by the same amount. This budget adjustment is required to offset the
5 loss of federal revenue due to the escheated amount being counted as title IV-D
6 program income in accordance with federal regulations at 45 CFR 304.50.

7 (2) The department shall notify the chairs of the house and senate appropriations
8 subcommittees on the department budget and the house and senate fiscal agencies within
9 15 days of the authorization adjustment in subsection (1).

10 COMMUNITY SERVICES AND OUTREACH

11 Sec. 8-450. (1) From the funds appropriated in part 1 for school success
12 partnership program, the department shall allocate \$450,000.00 by December 1 of the
13 current fiscal year to support the Northeast Michigan Community Service Agency
14 programming, which will take place in each county in the Governor's Prosperity Region
15 3. The department shall require the following performance objectives be measured and
16 reported for the duration of the state funding for the school success partnership
17 program:

18 (a) Increasing school attendance and decreasing chronic absenteeism.

19 (b) Increasing academic performance based on grades with emphasis on math and
20 reading.

21 (c) Identifying barriers to attendance and success and connecting families with
22 resources to reduce these barriers.

23 (d) Increasing parent involvement with the parent's child's school and community.

24 (2) The Northeast Michigan Community Service Agency shall provide reports to the
25 department on January 31 and June 30 of the current fiscal year on the number of
26 children and families served and the services that were provided to families to meet

1 the performance objectives identified in this section. The department shall distribute
2 the reports within 1 week after receipt to the house and senate appropriations
3 subcommittees on the department budget, house and senate fiscal agencies, house and
4 senate policy offices, and the state budget office.

5 **CHILDREN'S SERVICES AGENCY - CHILD WELFARE**

6 Sec. 8-501. A goal is established that not more than 27% of all children in
7 foster care at any given time during the current fiscal year will have been in foster
8 care for 24 months or more.

9 Sec. 8-502. From the funds appropriated in part 1 for foster care, the department
10 shall provide 50% reimbursement to Indian tribal governments for foster care
11 expenditures for children who are under the jurisdiction of Indian tribal courts and
12 who are not otherwise eligible for federal foster care cost sharing.

13 Sec. 8-503. (1) In accordance with the final report of the Michigan child welfare
14 performance-based funding task force issued in response to section 503 of article X of
15 2013 PA 59, the department shall continue to develop actuarially sound case rates for
16 necessary out-of-home child welfare services that achieve permanency by the department
17 and private child placing agencies in a prospective payment system under a
18 performance-based funding model.

19 (2) The department shall continue to develop a prospective rate payment system
20 for private agencies that includes funding for adoption incentive payments. The full
21 cost prospective rate payment system will identify and cover contractual costs paid
22 through the case rate developed by an independent actuary.

23 (3) In accordance with the final report of the Michigan child welfare
24 performance-based funding task force issued in response to section 503 of article X of
25 2013 PA 59, the department shall implement a 5-year independent, third-party
26 evaluation of the performance-based funding model. The evaluator shall be selected

1 through a competitive process by a rating committee that includes, but is not limited
2 to, representatives from the department and private child placing agencies.

3 (4) The department, in conjunction with members from both the house of
4 representatives and senate, private child placing agencies, the courts, and counties
5 shall implement the recommendations that are described in the workgroup report that
6 was provided in section 503 of article X of 2013 PA 59 to establish a performance-
7 based funding for public and private child welfare services providers. The department
8 shall provide a quarterly report on the status of the performance-based contracting
9 model to the senate and house appropriations subcommittees on the department budget,
10 the senate and house standing committees on families and human services, the senate
11 and house fiscal agencies and policy offices, and the state budget office.

12 Sec. 8-504. (1) The department may establish a master agreement with a consortium
13 in Kent county for a performance-based child welfare contracting pilot program. The
14 consortium must be recognized by this state as a nonprofit organization and must have
15 submitted an application to the Internal Revenue Service for 501(c)(3) status. The
16 consortium shall consist of a network of affiliated child welfare service providers
17 that will accept and comprehensively assess referred youth, assign cases to members of
18 its continuum or leverage services from other entities, and make appropriate case
19 management decisions during the duration of a case.

20 (2) The consortium shall operate an integrated continuum of care structure, with
21 services provided by private or public agencies, based on individual case needs. The
22 consortium shall demonstrate significant organizational capacity and competencies,
23 including financial strength, experienced staff and leadership, and appropriate
24 governance structure.

25 (3) By March 1 of the current fiscal year, the consortium shall provide to the
26 department, the house and senate appropriations subcommittees on the department
27 budget, and the state budget office, a report on the status of the implementation of

1 the consortium, including, but not limited to, actual expenditures.

2 Sec. 8-505. By March 1 of the current fiscal year, the department and Wayne
3 county shall provide to the senate and house appropriations committees on the
4 department budget, the senate and house fiscal agencies and policy offices, and the
5 state budget office a report for youth served in the previous fiscal year and in the
6 first quarter of the current fiscal year outlining the number of youth served within
7 each juvenile justice system, the type of setting for each youth, performance
8 outcomes, and financial costs or savings.

9 Sec. 8-507. The department's ability to satisfy appropriation deducts in part 1
10 for foster care private collections shall not be limited to collections and accruals
11 pertaining to services provided only in the current fiscal year but may include
12 revenues collected during the current fiscal year for services provided in prior
13 fiscal years.

14 Sec. 8-508. (1) In addition to the amount appropriated in part 1 for children's
15 trust fund grants, money granted or money received as gifts or donations to the
16 children's trust fund created by 1982 PA 249, MCL 21.171 to 21.172, is appropriated
17 for expenditure.

18 (2) The department and the child abuse neglect and prevention board shall
19 collaborate to ensure that administrative delays are avoided and the local grant
20 recipients and direct service providers receive money in an expeditious manner. The
21 department and board shall make available the children's trust fund contract funds to
22 grantees within 31 days of the start date of the funded project.

23 Sec. 8-513. (1) The department shall not expend funds appropriated in part 1 to
24 pay for the direct placement by the department of a child in an out-of-state facility
25 unless all of the following conditions are met:

26 (a) There is no appropriate placement available in this state as determined by
27 the department interstate compact office.

1 (b) An out-of-state placement exists that is nearer to the child's home than the
2 closest appropriate in-state placement as determined by the department interstate
3 compact office.

4 (c) The out-of-state facility meets all of the licensing standards of this state
5 for a comparable facility.

6 (d) The out-of-state facility meets all of the applicable licensing standards of
7 the state in which it is located.

8 (e) The department has done an on-site visit to the out-of-state facility,
9 reviewed the facility records, reviewed licensing records and reports on the facility,
10 and believes that the facility is an appropriate placement for the child.

11 (2) The department shall submit an annual report to the state court
12 administrative office, the house and senate appropriations subcommittees on the
13 department budget, the house and senate fiscal agencies, the house and senate policy
14 offices, and the state budget office, on the number of Michigan children residing in
15 out-of-state facilities at the time of the report, the total cost and average per diem
16 cost of these out-of-state placements to this state, and a list of each such placement
17 arranged by the Michigan county of residence for each child.

18 Sec. 8-522. (1) From the funds appropriated in part 1 for youth in transition,
19 the department shall allocate \$750,000.00 for college scholarships through the
20 fostering futures scholarship program in the Michigan education trust to youths who
21 were in foster care because of child abuse or neglect and are attending a college
22 located in this state. Of the funds appropriated, 100% shall be used to fund
23 scholarships for the youths described in this section.

24 (2) Not later than March 1 of the current fiscal year, the department shall
25 provide a report to the house and senate appropriations subcommittees on the
26 department budget, the house and senate fiscal agencies, the house and senate policy
27 offices, and the state budget office that includes the number of youths who received

1 scholarships and the amount of each scholarship, and the total amount of funds spent
2 or encumbered in the current fiscal year.

3 Sec. 8-523. (1) By February 15 of the current fiscal year, the department shall
4 report on the families first, family reunification, and families together building
5 solutions family preservation programs to the senate and house appropriations
6 subcommittees on the department budget, the senate and house fiscal agencies, the
7 senate and house policy offices, and the state budget office. The report shall provide
8 an estimate of total cost savings as a result of avoiding placement of children in
9 foster care for families who received family preservation services.

10 (2) From the funds appropriated in part 1 for youth in transition and domestic
11 violence prevention and treatment, the department is authorized to make allocations of
12 TANF funds only to agencies that report necessary data to the department for the
13 purpose of meeting TANF eligibility reporting requirements.

14 Sec. 8-524. As a condition of receiving funds appropriated in part 1 for strong
15 families/safe children, counties must submit the service spending plan to the
16 department by October 1 of the current fiscal year for approval. The department shall
17 approve the service spending plan within 30 calendar days after receipt of a properly
18 completed service spending plan.

19 Sec. 8-526. From the funds appropriated in part 1 for foster care payments and
20 related administrative costs, the department may implement the federally approved
21 title IV-E child welfare waiver demonstration project. As required under the waiver,
22 any savings resulting from the demonstration project must be quantified and reinvested
23 into child welfare programming.

24 Sec. 8-534. (1) The department shall report to the senate and house
25 appropriations subcommittees on the department budget, the senate and house fiscal
26 agencies, the senate and house policy offices, and the state budget office by November
27 1 of the current fiscal year an implementation plan regarding the appropriation in

1 part 1 to implement the Michigan statewide automated child welfare information system.
2 The plan shall include, but not be limited to, efforts to bring the system in
3 compliance with the Dwayne B. v Snyder modified settlement agreement and other federal
4 guidelines set forth by the United States Department of Health and Human Services
5 Administration for Children and Families.

6 (2) The department shall report to the senate and house appropriations
7 subcommittees on the department budget, the senate and house fiscal agencies, the
8 senate and house policy offices, and the state budget office by June 1 of the current
9 fiscal year a status report regarding the appropriation in part 1 to implement the
10 Michigan statewide automated child welfare information system. The report shall
11 provide details on the planning, implementation, and operation of the system
12 including, but not limited to, all of the following:

- 13 (a) Areas where implementation went as planned.
- 14 (b) The number of known issues.
- 15 (c) Any additional overtime or other staffing costs to address known issues.
- 16 (d) Any contract revisions to address known issues.
- 17 (e) Other strategies undertaken to improve implementation.
- 18 (f) Progress developing cross-system trusted data exchanges with MiSACWIS.
- 19 (g) Progress moving away from a statewide/tribal automated child welfare
20 information system (SACWIS/TACWIS) to a comprehensive child welfare information system
21 (CCWIS).
- 22 (h) Progress developing and implementing a program to monitor data quality.
- 23 (i) Progress developing and implementing custom integrated systems for private
24 agencies and tribal governments.

25 Sec. 8-546. (1) From the funds appropriated in part 1 for foster care payments
26 and from child care fund, the department shall pay providers of foster care services
27 not less than a \$37.00 administrative rate.

1 (2) From the funds appropriated in part 1 for foster care payments and from child
2 care fund, the department shall pay providers of general independent living services
3 not less than a \$28.00 administrative rate.

4 (3) From the funds appropriated in part 1, the department shall pay providers of
5 independent living plus services statewide per diem rates for staff-supported housing
6 and host-home housing based on proposals submitted in response to a solicitation for
7 pricing. The independent living plus program provides staff-supported housing and
8 services for foster youth ages 16 through 19 who, because of their individual needs
9 and assessments, are not initially appropriate for general independent living foster
10 care.

11 (4) If required by the federal government to meet title IV-E requirements,
12 providers of foster care services shall submit quarterly expenditure reports to the
13 department to identify actual costs of providing foster care services.

14 Sec. 8-558. The department shall explore ways to maximize use of training
15 programs or courses provided through the child welfare training institute accessible
16 online and in service areas throughout the state, provided the delivery is an
17 appropriate option for achieving specific learning objectives. These training programs
18 and courses shall be made available to employees of private child placing agencies and
19 child caring institutions.

20 Sec. 8-569. The department shall reimburse private child placing agencies that
21 complete adoptions at the rate according to the date on which the petition for
22 adoption and required support documentation was accepted by the court and not
23 according to the date the court's order placing for adoption was entered.

24 Sec. 8-574. (1) From the funds appropriated in part 1 for foster care payments,
25 \$2,500,000.00 is allocated to support performance-based contracts with child placing
26 agencies to facilitate the licensure of relative caregivers as foster parents.
27 Agencies shall receive \$2,300.00 for each facilitated licensure if completed within

1 180 days after a child's placement or, if a waiver was previously approved, 180 days
2 from the application date. If the facilitated licensure, or approved waiver, is
3 completed after 180 days, the agency shall receive up to \$2,300.00. The agency
4 facilitating the licensure would retain the placement and continue to provide case
5 management services for at least 50% of the newly licensed cases for which the
6 placement was appropriate to the agency. Up to 50% of the newly licensed cases would
7 have direct foster care services provided by the department.

8 (2) From the funds appropriated for foster care payments, \$375,000.00 is
9 allocated to support family incentive grants to private and community-based foster
10 care service providers to assist with home improvements or payment for physical exams
11 for applicants needed by foster families to accommodate foster children.

12 Sec. 8-583. By February 1 of the current fiscal year, the department shall
13 provide to the senate and house appropriations subcommittees on the department budget,
14 the senate and house standing committees on families and human services, the senate
15 and house fiscal agencies and policy offices, and the state budget office a report
16 that includes:

17 (a) The number and percentage of foster parents that dropped out of the program
18 in the previous fiscal year and the reasons the foster parents left the program and
19 how those figures compare to prior fiscal years.

20 (b) The number and percentage of foster parents successfully retained in the
21 previous fiscal year and how those figures compare to prior fiscal years.

22 Sec. 8-588. (1) Concurrently with public release, the department shall transmit
23 all reports from the court-appointed settlement monitor, including, but not limited
24 to, the needs assessment and period outcome reporting, to the state budget office, the
25 senate and house appropriations subcommittees on the department budget, and the senate
26 and house fiscal agencies, without revision.

27 (2) The department shall report quarterly to the state budget office, the senate

1 and house appropriations subcommittees on the department budget, and the senate and
2 house fiscal agencies, on the number of children enrolled in the guardianship
3 assistance and foster care - children with serious emotional disturbance waiver
4 programs.

5 **PUBLIC ASSISTANCE**

6 Sec. 8-601. Whenever a client agrees to the release of his or her name and
7 address to the local housing authority, the department shall request from the local
8 housing authority information regarding whether the housing unit for which vrending
9 has been requested meets applicable local housing codes. Vrending shall be terminated
10 for those units that the local authority indicates in writing do not meet local
11 housing codes until such time as the local authority indicates in writing that local
12 housing codes have been met.

13 Sec. 8-604. (1) The department shall operate a state disability assistance
14 program. Except as provided in subsection (3), persons eligible for this program shall
15 include needy citizens of the United States or aliens exempted from the supplemental
16 security income citizenship requirement who are at least 18 years of age or
17 emancipated minors meeting 1 or more of the following requirements:

18 (a) A recipient of supplemental security income, social security, or medical
19 assistance due to disability or 65 years of age or older.

20 (b) A person with a physical or mental impairment which meets federal
21 supplemental security income disability standards, except that the minimum duration of
22 the disability shall be 90 days. Substance abuse alone is not defined as a basis for
23 eligibility.

24 (c) A resident of an adult foster care facility, a home for the aged, a county
25 infirmary, or a substance abuse treatment center.

26 (d) A person receiving 30-day post residential substance abuse treatment.

1 (e) A person diagnosed as having acquired immunodeficiency syndrome.

2 (f) A person receiving special education services through the local intermediate
3 school district.

4 (g) A caretaker of a disabled person who meets the requirements specified in
5 subdivision (a), (b), (e), or (f).

6 (2) Applicants for and recipients of the state disability assistance program
7 shall be considered needy if they:

8 (a) Meet the same asset test as is applied for the family independence program.

9 (b) Have a monthly budgetable income that is less than the payment standards.

10 (3) Except for a person described in subsection (1)(c) or (d), a person is not
11 disabled for purposes of this section if his or her drug addiction or alcoholism is a
12 contributing factor material to the determination of disability. "Material to the
13 determination of disability" means that, if the person stopped using drugs or alcohol,
14 his or her remaining physical or mental limitations would not be disabling. If his or
15 her remaining physical or mental limitations would be disabling, then the drug
16 addiction or alcoholism is not material to the determination of disability and the
17 person may receive state disability assistance. Such a person must actively
18 participate in a substance abuse treatment program, and the assistance must be paid to
19 a third party or through vendor payments. For purposes of this section, substance
20 abuse treatment includes receipt of inpatient or outpatient services or participation
21 in alcoholics anonymous or a similar program.

22 Sec. 8-605. The level of reimbursement provided to state disability assistance
23 recipients in licensed adult foster care facilities shall be the same as the
24 prevailing supplemental security income rate under the personal care category.

25 Sec. 8-606. County department offices shall require each recipient of family
26 independence program and state disability assistance who has applied with the social
27 security administration for supplemental security income to sign a contract to repay

1 any assistance rendered through the family independence program or state disability
2 assistance program upon receipt of retroactive supplemental security income benefits.

3 Sec. 8-607. (1) The department's ability to satisfy appropriation deductions in
4 part 1 for state disability assistance/supplemental security income recoveries and
5 public assistance recoupment revenues shall not be limited to recoveries and accruals
6 pertaining to state disability assistance, or family independence assistance grant
7 payments provided only in the current fiscal year, but may include revenues collected
8 during the current year that are prior year related and not a part of the department's
9 accrued entries.

10 (2) The department may use supplemental security income recoveries to satisfy the
11 deduct in any line in which the revenues are appropriated, regardless of the source
12 from which the revenue is recovered.

13 Sec. 8-608. Adult foster care facilities providing domiciliary care or personal
14 care to residents receiving supplemental security income or homes for the aged serving
15 residents receiving supplemental security income shall not require those residents to
16 reimburse the home or facility for care at rates in excess of those legislatively
17 authorized. To the extent permitted by federal law, adult foster care facilities and
18 homes for the aged serving residents receiving supplemental security income shall not
19 be prohibited from accepting third-party payments in addition to supplemental security
20 income provided that the payments are not for food, clothing, shelter, or result in a
21 reduction in the recipient's supplemental security income payment.

22 Sec. 8-609. The state supplementation level under the supplemental security
23 income program for the personal care/adult foster care and home for the aged
24 categories shall not be reduced during the current fiscal year. The legislature shall
25 be notified not less than 30 days before any proposed reduction in the state
26 supplementation level.

27 Sec. 8-610. (1) In developing good cause criteria for the state emergency relief

1 program, the department shall grant exemptions if the emergency resulted from
2 unexpected expenses related to maintaining or securing employment.

3 (2) For purposes of determining housing affordability eligibility for state
4 emergency relief, a group is considered to have sufficient income to meet ongoing
5 housing expenses if their total housing obligation does not exceed 75% of their total
6 net income.

7 (3) State emergency relief payments shall not be made to individuals who have
8 been found guilty of fraud in regard to obtaining public assistance.

9 (4) State emergency relief payments shall not be made available to persons who
10 are out-of-state residents or illegal immigrants.

11 (5) State emergency relief payments for rent assistance shall be distributed
12 directly to landlords and shall not be added to Michigan bridge cards.

13 Sec. 8-611. The state supplementation level under the supplemental security
14 income program for the living independently or living in the household of another
15 categories shall not exceed the minimum state supplementation level as required under
16 federal law or regulations.

17 Sec. 8-613. The department shall provide reimbursements for the final disposition
18 of indigent persons. The reimbursements shall include the following:

19 (a) The maximum allowable reimbursement for the final disposition is \$800.00.

20 (b) The adult burial with services allowance is \$720.00.

21 (c) The adult burial without services allowance is \$485.00.

22 (d) The infant burial allowance is \$165.00.

23 Sec. 8-615. Except as required by federal law or regulations, funds appropriated
24 in part 1 shall not be used to provide public assistance to a person who is an illegal
25 alien. This section shall not prohibit the department from entering into contracts
26 with food banks, emergency shelter providers, or other human services agencies who
27 may, as a normal part of doing business, provide food or emergency shelter.

1 Sec. 8-616. The department shall require retailers that participate in the
2 electronic benefits transfer program to charge no more than \$2.50 in fees for cash
3 back as a condition of participation.

4 Sec. 8-619. (1) Subject to subsection (2), the department shall exempt from the
5 denial of title IV-A assistance and food assistance benefits under 21 USC 862a any
6 individual who has been convicted of a felony that included the possession, use, or
7 distribution of a controlled substance, after August 22, 1996, provided that the
8 individual is not in violation of his or her probation or parole requirements.
9 Benefits shall be provided to such individuals as follows:

10 (a) A third-party payee or vendor shall be required for any cash benefits
11 provided.

12 (b) An authorized representative shall be required for food assistance receipt.

13 (2) Subject to federal approval, an individual is not entitled to the exemption
14 in this section if the individual was convicted in 2 or more separate cases of a
15 felony that included the possession, use, or distribution of a controlled substance
16 after August 22, 1996.

17 Sec. 8-620. (1) The department shall make a determination of Medicaid eligibility
18 not later than 90 days if disability is an eligibility factor. For all other Medicaid
19 applicants, including patients of a nursing home, the department shall make a
20 determination of Medicaid eligibility within 45 days of application.

21 (2) The department shall report on a quarterly basis to the senate and house
22 appropriations subcommittees on the department budget, the senate and house standing
23 committees on families and human services, the senate and house fiscal agencies and
24 policy offices, and the state budget office on the average Medicaid eligibility
25 standard of promptness for each of the required standards of promptness under
26 subsection (1) and for medical review team reviews achieved statewide and at each
27 local office.

1 Sec. 8-630. From the funds appropriated in part 1 for family independence
2 program, the department shall conduct a suspicion-based drug testing pilot program for
3 the family independence program according to sections 57y and 57z of the social
4 welfare act, 1939 PA 280, MCL 400.57y and 400.57z.

5 Sec. 8-642. The department shall allocate the full amount of funds appropriated
6 in part 1 for homeless programs to provide services for homeless individuals and
7 families, including, but not limited to, third-party contracts for emergency shelter
8 services.

9 Sec. 8-643. As a condition of receipt of federal TANF funds, homeless shelters
10 and human services agencies shall collaborate with the department to obtain necessary
11 TANF eligibility information on families as soon as possible after admitting a family
12 to the homeless shelter. From the funds appropriated in part 1 for homeless programs,
13 the department is authorized to make allocations of TANF funds only to the agencies
14 that report necessary data to the department for the purpose of meeting TANF
15 eligibility reporting requirements. Homeless shelters or human services agencies that
16 do not report necessary data to the department for the purpose of meeting TANF
17 eligibility reporting requirements will not receive reimbursements which exceed the
18 per diem amount they received in fiscal year 2000. The use of TANF funds under this
19 section should not be considered an ongoing commitment of funding.

20 Sec. 8-645. An individual or family is considered homeless, for purposes of
21 eligibility for state emergency relief, if living temporarily with others in order to
22 escape domestic violence. For purposes of this section, domestic violence is defined
23 and verified in the same manner as in the department's policies on good cause for not
24 cooperating with child support and paternity requirements.

25 Sec. 8-653. From the funds appropriated in part 1 for food assistance, an
26 individual who is the victim of domestic violence and does not qualify for any other
27 exemption may be exempt from the 3-month in 36-month limit on receiving food

1 assistance under 7 USC 2015. This exemption can be extended an additional 3 months
2 upon demonstration of continuing need.

3 Sec. 8-654. The department shall notify recipients of food assistance program
4 benefits that their benefits can be spent with their bridge cards at many farmers'
5 markets in the state. The department shall also notify recipients about the Double Up
6 Food Bucks program that is administered by the Fair Food Network. Recipients shall
7 receive information about the Double Up Food Bucks program, including information that
8 when the recipient spends \$20.00 at participating farmers' markets through the
9 program, the recipient can receive an additional \$20.00 to buy Michigan produce.

10 Sec. 8-655. Within 14 days after the spending plan for low-income home energy
11 assistance program is approved by the state budget office, the department shall
12 provide the spending plan, including itemized projected expenditures, to the
13 chairpersons of the senate and house appropriations subcommittees on the department
14 budget, the senate and house fiscal agencies, the senate and house policy offices, and
15 the state budget office.

16 Sec. 8-660. From the funds appropriated in part 1 for food bank funding, the
17 department is authorized to make allocation of TANF funds only to the agencies that
18 report necessary data to the department for the purpose of meeting TANF eligibility
19 reporting requirements. The agencies that do not report necessary data to the
20 department for the purpose of meeting TANF eligibility reporting requirements will not
21 receive allocations in excess of those received in fiscal year 2000. The use of TANF
22 funds under this section should not be considered an ongoing commitment of funding.

23 Sec. 8-669. (1) The department shall allocate \$9,000,000.00 for the annual
24 clothing allowance. The allowance shall be granted to all eligible children in the
25 family independence program.

26 (2) The department shall identify specific outcomes and performance measures for
27 this initiative, including, but not limited to increasing school readiness for

1 economically disadvantaged students.

2 Sec. 8-677. (1) The department shall establish a state goal for the percentage of
3 family independence program cases involved in employment activities. The percentage
4 established shall not be less than 50%. The goal for long-term employment shall be 15%
5 of cases for 6 months or more.

6 (2) On a quarterly basis, the department shall report to the senate and house
7 appropriations subcommittees on the department budget, the senate and house fiscal
8 agencies and policy offices, and the state budget director on the number of cases
9 referred to Partnership, Accountability, Training, and Hope (PATH), the current
10 percentage of family independence program cases involved in PATH employment
11 activities, an estimate of the current percentage of family independence program cases
12 that meet federal work participation requirements on the whole, and an estimate of the
13 current percentage of the family independence program cases that meet federal work
14 participation requirements for those cases referred to PATH.

15 (3) The department shall submit to the senate and house appropriations
16 subcommittees on the department budget, the senate and house fiscal agencies, the
17 senate and house policy offices, and the state budget office a quarterly report that
18 includes all of the following:

19 (a) The number and percentage of nonexempt family independence program recipients
20 who are employed.

21 (b) The average and range of wages of employed family independence program
22 recipients.

23 (c) The number and percentage of employed family independence program recipients
24 who remain employed for 6 months or more.

25 Sec. 8-686. (1) The department shall ensure that program policy requires
26 caseworkers to confirm that individuals presenting personal identification issued by
27 another state seeking assistance through the family independence program, food

1 assistance program, state disability assistance program, or medical assistance program
2 are not receiving benefits from any other state.

3 (2) The department shall require caseworkers to confirm the address provided by
4 any individual seeking family independence program benefits or state disability
5 assistance benefits.

6 (3) The department shall prohibit individuals with property assets assessed at a
7 value higher than \$200,000.00 from accessing assistance through department-
8 administered programs, unless such a prohibition would violate federal rules and
9 guidelines.

10 (4) The department shall require caseworkers to obtain an up-to-date telephone
11 number during the eligibility determination or redetermination process for individuals
12 seeking medical assistance benefits.

13 Sec. 8-687. (1) The department shall, on a quarterly basis by February 1, May 1,
14 August 1, and November 1, compile and make available on its website all of the
15 following information about the family independence program, state disability
16 assistance, the food assistance program, Medicaid, and state emergency relief:

17 (a) The number of applications received.

18 (b) The number of applications approved.

19 (c) The number of applications denied.

20 (d) The number of applications pending and neither approved nor denied.

21 (e) The number of cases opened.

22 (f) The number of cases closed.

23 (g) The number of cases at the beginning of the quarter and the number of cases
24 at the end of the quarter.

25 (2) The information provided under subsection (1) shall be compiled and made
26 available for the state as a whole and for each county and reported separately for
27 each program listed in subsection (1).

1 (3) The department shall, on a quarterly basis by February 1, May 1, August 1,
2 and November 1, compile and make available on its website the family independence
3 program information listed as follows:

4 (a) The number of new applicants who successfully met the requirements of the 21-
5 day assessment period for PATH.

6 (b) The number of new applicants who did not meet the requirements of the 21-day
7 assessment period for PATH.

8 (c) The number of cases sanctioned because of the school truancy policy.

9 (d) The number of cases closed because of the 48-month and 60-month lifetime
10 limits.

11 (e) The number of first-, second-, and third-time sanctions.

12 (f) The number of children ages 0-5 living in FIP-sanctioned households.

13 **CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE**

14 Sec. 8-706. Counties shall be subject to 50% chargeback for the use of
15 alternative regional detention services, if those detention services do not fall under
16 the basic provision of section 117e of the social welfare act, 1939 PA 280, MCL
17 400.117e, or if a county operates those detention services programs primarily with
18 professional rather than volunteer staff.

19 Sec. 8-707. In order to be reimbursed for child care fund expenditures, counties
20 are required to submit department-developed reports to enable the department to
21 document potential federally claimable expenditures. This requirement is in accordance
22 with the reporting requirements specified in section 117a(7) of the social welfare
23 act, 1939 PA 280, MCL 400.117a.

24 Sec. 8-708. As a condition of receiving funds appropriated in part 1 for the
25 child care fund line item, by December 15 of the current fiscal year, counties shall
26 have an approved service spending plan for the current fiscal year. Counties must

1 submit the service spending plan to the department by October 1 of the current fiscal
2 year for approval. The department shall approve within 30 calendar days after receipt
3 a properly completed service plan that complies with the requirements of the social
4 welfare act, 1939 PA 280, MCL 400.1 to 400.119b, and shall notify a county within 30
5 days after approval that its service plan was approved.

6 Sec. 8-709. (1) The department's master contract for juvenile justice residential
7 foster care services shall prohibit contractors from denying a referral for placement
8 of a youth, or terminating a youth's placement, if the youth's assessed treatment
9 needs are in alignment with the facility's residential program type, as identified by
10 the court or the department. In addition, the master contract shall require that youth
11 placed in juvenile justice residential foster care facilities must have regularly
12 scheduled treatment sessions with a licensed psychologist or psychiatrist, or both,
13 and access to the licensed psychologist or psychiatrist as needed.

14 (2) The rates established for private residential juvenile justice facilities
15 that were in effect on October 1, 2015 remain in effect for the current fiscal year.

16 **FIELD OPERATIONS AND SUPPORT SERVICES**

17 Sec. 8-801. (1) Funds appropriated in part 1 for independent living shall be used
18 to support centers for independent living in delivering mandated independent living
19 core services in compliance with federal rules and regulations for the centers, by
20 existing centers for independent living to serve underserved areas, and for projects
21 to build the capacity of centers for independent living to deliver independent living
22 services. Applications for the funds shall be reviewed in accordance with criteria and
23 procedures established by the department. The funds appropriated in part 1 may be used
24 to leverage federal vocational rehabilitation innovation and expansion funds
25 consistent with 34 CFR 361.35 up to \$5,543,000.00, if available. If the possibility of
26 matching federal funds exists, the centers for independent living network will

1 negotiate a mutually beneficial contractual arrangement with Michigan rehabilitation
2 services. Funds shall be used in a manner consistent with the state plan for
3 independent living. Services provided should assist people with disabilities to move
4 toward self-sufficiency, including support for accessing transportation and health
5 care, obtaining employment, community living, nursing home transition, information and
6 referral services, education, youth transition services, veterans, and stigma
7 reduction activities and community education. This includes the independent living
8 guide project that specifically focuses on economic self-sufficiency.

9 (2) The Michigan centers for independent living shall provide a report by March 1
10 of the current fiscal year to the house and senate appropriations subcommittees on the
11 department budget, the house and senate fiscal agencies, the house and senate policy
12 offices, and the state budget office on direct customer and system outcomes and
13 performance measures.

14 Sec. 8-802. The Michigan rehabilitation services shall work collaboratively with
15 the bureau of services for blind persons, service organizations, and government
16 entities to identify qualified match dollars to maximize use of available federal
17 vocational rehabilitation funds.

18 Sec. 8-803. The department shall provide an annual report by February 1 to the
19 house and senate appropriations subcommittees on the department budget, the house and
20 senate fiscal agencies, and house and senate policy offices on the efforts taken to
21 improve Michigan rehabilitation services. The report shall include all of the
22 following items:

23 (a) Reductions and changes in administration costs and staffing.

24 (b) Service delivery plans and implementation steps achieved.

25 (c) Reorganization plans and implementation steps achieved.

26 (d) Plans to integrate Michigan rehabilitative services programs into other
27 services provided by the department.

1 (e) Quarterly expenditures by major spending category.

2 (f) Employment and job retention rates from both Michigan rehabilitation services
3 and its nonprofit partners.

4 (g) Success rate of each district in achieving the program goals.

5 Sec. 8-806. From the funds appropriated in part 1 for Michigan rehabilitation
6 services, the department shall allocate \$6,100,300.00, including federal matching
7 funds, to service contracts with community-based rehabilitation organizations for job
8 development and other community employment-related support services.

9 Sec. 8-825. From the funds appropriated in part 1, the department shall provide
10 individuals not more than \$500.00 for vehicle repairs, including any repairs done in
11 the previous 12 months. However, the department may in its discretion pay for repairs
12 up to \$900.00. Payments under this section shall include the combined total of
13 payments made by the department and work participation program.

14 Sec. 8-850. (1) The department shall maintain out-stationed eligibility
15 specialists in community-based organizations, community mental health agencies,
16 nursing homes, adult placement and independent living settings, federal qualified
17 health clinics, and hospitals unless a community-based organization, community mental
18 health agency, nursing home, or hospital requests that the program be discontinued at
19 its facility.

20 (2) From the funds appropriated in part 1 for donated funds positions, the
21 department shall enter into contracts with agencies that are able and eligible under
22 federal law to provide the required matching funds for federal funding, as determined
23 by federal statute and regulations.

24 (3) A contract for a donated funds position must include, but not be limited to,
25 the following performance metrics:

26 (a) Meeting a standard of promptness for processing applications for Medicaid and
27 other public assistance programs under state law.

1 (b) Meeting required standards for error rates in determining programmatic
2 eligibility as determined by the department.

3 (4) The department shall only fill additional donated funds positions after a new
4 contract has been signed. That position shall also be abolished when the contract
5 expires or is terminated.

6 (5) The department shall classify as limited-term FTEs any new employees who are
7 hired to fulfill the donated funds position contracts or are hired to fill any
8 vacancies from employees who transferred to a donated funds position.

9 **BEHAVIORAL HEALTH SERVICES**

10 Sec. 8-901. Funds appropriated in part 1 are intended to support a system of
11 comprehensive community mental health services under the full authority and
12 responsibility of local CMHSPs or PIHPs in accordance with the mental health code,
13 1974 PA 258, MCL 330.1001 to 330.2106, the Medicaid provider manual, federal Medicaid
14 waivers, and all other applicable federal and state laws.

15 Sec. 8-902. (1) From funds appropriated in part 1, final authorizations to CMHSPs
16 or PIHPs shall be made upon the execution of contracts between the department and
17 CMHSPs or PIHPs. The contracts shall contain an approved plan and budget as well as
18 policies and procedures governing the obligations and responsibilities of both parties
19 to the contracts. Each contract with a CMHSP or PIHP that the department is authorized
20 to enter into under this subsection shall include a provision that the contract is not
21 valid unless the total dollar obligation for all of the contracts between the
22 department and the CMHSPs or PIHPs entered into under this subsection for the current
23 fiscal year does not exceed the amount of money appropriated in part 1 for the
24 contracts authorized under this subsection.

25 (2) The department shall immediately report to the senate and house
26 appropriations subcommittees on the department budget, the senate and house fiscal

1 agencies, and the state budget director if either of the following occurs:

2 (a) Any new contracts with CMHSPs or PIHPs that would affect rates or
3 expenditures are enacted.

4 (b) Any amendments to contracts with CMHSPs or PIHPs that would affect rates or
5 expenditures are enacted.

6 (3) The report required by subsection (2) shall include information about the
7 changes and their effects on rates and expenditures.

8 Sec. 8-904. (1) Not later than May 31 of the current fiscal year, the department
9 shall provide a report on the CMHSPs, PIHPs, regional entities designated by the
10 department as PIHPs, and managing entities for substance use disorders to the members
11 of the house and senate appropriations subcommittees on the department budget, the
12 house and senate fiscal agencies, and the state budget director that includes the
13 information required by this section.

14 (2) The report shall contain information for each CMHSP, PIHP, regional entity
15 designated by the department as a PIHP, and managing entity for substance use
16 disorders and a statewide summary, each of which shall include at least the following
17 information:

18 (a) A demographic description of service recipients which, minimally, shall
19 include reimbursement eligibility, client population, age, ethnicity, housing
20 arrangements, and diagnosis.

21 (b) Per capita expenditures by client population group and cultural and ethnic
22 groups of the services area, including the deaf and hard of hearing population.

23 (c) Financial information that, minimally, includes a description of funding
24 authorized; expenditures by client group and fund source; and cost information by
25 Medicaid and Healthy Michigan plan service category, including administration and
26 funds specified for all outside contracts for services and products. Financial
27 information must include the amount of funding, from each fund source, used to cover

1 clinical services and supports. Service category includes all department-approved
2 services. General fund expenditures should reflect those funds used to cover uninsured
3 individuals including Medicaid spenddowns.

4 (d) Data describing service outcomes that include, but are not limited to, an
5 evaluation of consumer satisfaction, consumer choice, and quality of life concerns
6 including, but not limited to, housing and employment.

7 (e) Information about access to community mental health services programs that
8 includes, but is not limited to, the following:

9 (i) The number of people receiving requested services.

10 (ii) The number of people who requested services but did not receive services.

11 (f) The number of second opinions requested under the code and the determination
12 of any appeals.

13 (g) An analysis of information provided by CMHSPs in response to the needs
14 assessment requirements of the mental health code, 1974 PA 258, MCL 330.1001 to
15 330.2106.

16 (h) Lapses and carryforwards during the immediately preceding fiscal year for
17 CMHSPs, PIHPs, regional entities designated by the department as PIHPs, and managing
18 entities for substance use disorders.

19 (i) Information about contracts for both administrative and mental health
20 services entered into by CMHSPs, PIHPs, regional entities designated by the department
21 as PIHPs, and managing entities for substance use disorders with providers and others,
22 including, but not limited to, all of the following:

23 (i) The amount of the contract, organized by type of service provided.

24 (ii) Payment rates, organized by the type of service provided.

25 (iii) Administrative costs, including contract and consultant costs, for services
26 provided to CMHSPs, PIHPs, regional entities designated by the department as PIHPs,
27 and managing entities for substance use disorders.

1 (j) Information on the community mental health Medicaid managed care and Healthy
2 Michigan plan programs, including, but not limited to, the following:

3 (i) Expenditures by each CMHSP, PIHP, regional entity designated by the
4 department as a PIHP, and managing entity for substance use disorders organized by
5 Medicaid eligibility group, including per eligible individual expenditure averages.

6 (ii) Expenditures on, and utilization of, each Medicaid and Healthy Michigan plan
7 service category by each CMHSP, PIHP, regional entity designated by the department as
8 a PIHP, and managing entity for substance use disorders.

9 (iii) Performance indicator information required to be submitted to the
10 department in the contracts with CMHSPs, PIHPs, regional entities designated by the
11 department as PIHPs, and managing entities for substance use disorders.

12 (k) Administrative expenditures of each CMHSP, PIHP, regional entity designated
13 by the department as a PIHP, and managing entity for substance use disorders that
14 includes a breakout of the salary, benefits, and pension of each executive level staff
15 and shall include the director, chief executive, and chief operating officers and
16 other members identified as executive staff.

17 (l) Substance use disorder, prevention, education and treatment program
18 expenditures stratified by department-designated community mental health entity, by
19 central diagnosis and referral agency, by fund source, by subcontractor, by population
20 served, and by service type. Additionally, data on administrative expenditures by
21 department-designated community mental health entity shall be reported.

22 (m) Substance use disorder prevention, education, and treatment program
23 expenditures per state client, with data on the distribution of expenditures reported
24 using a histogram approach.

25 (n) Substance use disorder prevention, education, and treatment program number of
26 services provided by central diagnosis and referral agency, by subcontractor, and by
27 service type. Additionally, data on length of stay, referral source, and participation

1 in other state programs.

2 (o) Substance use disorder prevention, education, and treatment program
3 collections from other first- or third-party payers, private donations, or other state
4 or local programs, by department-designated community mental health entity, by
5 subcontractor, by population served, and by service type for substance abuse services.

6 (3) The department shall include data reporting requirements listed in subsection
7 (2) in the annual contract with each individual CMHSP, PIHP, regional entity
8 designated by the department as a PIHP, and managing entity for substance use
9 disorders.

10 (4) The department shall take all reasonable actions to ensure that the data
11 required are complete and consistent among all CMHSPs, PIHPs, regional entities
12 designated by the department as PIHPs, and managing entities for substance use
13 disorders.

14 Sec. 8-906. (1) The funds appropriated in part 1 for the state disability
15 assistance substance use disorder services program shall be used to support per diem
16 room and board payments in substance use disorder residential facilities. Eligibility
17 of clients for the state disability assistance substance use disorder services program
18 shall include needy persons 18 years of age or older, or emancipated minors, who
19 reside in a substance use disorder treatment center.

20 (2) The department shall reimburse all licensed substance use disorder programs
21 eligible to participate in the program at a rate equivalent to that paid by the
22 department to adult foster care providers. Programs accredited by department-approved
23 accrediting organizations shall be reimbursed at the personal care rate, while all
24 other eligible programs shall be reimbursed at the domiciliary care rate.

25 Sec. 8-907. (1) The amount appropriated in part 1 for substance use disorder
26 prevention, education, and treatment grants shall be expended to coordinate care and
27 services provided to individuals with severe and persistent mental illness and

1 substance use disorder diagnoses.

2 (2) The department shall approve managing entity fee schedules for providing
3 substance use disorder services and charge participants in accordance with their
4 ability to pay.

5 (3) The managing entity shall continue current efforts to collaborate on the
6 delivery of services to those clients with mental illness and substance use disorder
7 diagnoses with the goal of providing services in an administratively efficient manner.

8 Sec. 8-910. The department shall assure that substance use disorder treatment is
9 provided to applicants and recipients of public assistance through the department who
10 are required to obtain substance use disorder treatment as a condition of eligibility
11 for public assistance.

12 Sec. 8-911. (1) The department shall ensure that each contract with a CMHSP or
13 PIHP requires the CMHSP or PIHP to implement programs to encourage diversion of
14 individuals with serious mental illness, serious emotional disturbance, or
15 developmental disability from possible jail incarceration when appropriate.

16 (2) Each CMHSP or PIHP shall have jail diversion services and shall work toward
17 establishing working relationships with representative staff of local law enforcement
18 agencies, including county prosecutors' offices, county sheriffs' offices, county
19 jails, municipal police agencies, municipal detention facilities, and the courts.
20 Written interagency agreements describing what services each participating agency is
21 prepared to commit to the local jail diversion effort and the procedures to be used by
22 local law enforcement agencies to access mental health jail diversion services are
23 strongly encouraged.

24 Sec. 8-918. On or before the twenty-fifth of each month, the department shall
25 report to the senate and house appropriations subcommittees on the department budget,
26 the senate and house fiscal agencies, and the state budget director on the amount of
27 funding paid to PIHPs to support the Medicaid managed mental health care program in

1 the preceding month. The information shall include the total paid to each PIHP, per
2 capita rate paid for each eligibility group for each PIHP, and number of cases in each
3 eligibility group for each PIHP, and year-to-date summary of eligibles and
4 expenditures for the Medicaid managed mental health care program.

5 Sec. 8-928. Each PIHP shall provide, from internal resources, local funds to be
6 used as part of the state match required under the Medicaid program in order to
7 increase capitation rates for PIHPs. These funds shall not include either state funds
8 received by a CMHSP for services provided to non-Medicaid recipients or the state
9 matching portion of the Medicaid capitation payments made to a PIHP.

10 Sec. 8-935. A county required under the provisions of the mental health code,
11 1974 PA 258, MCL 330.1001 to 330.2106, to provide matching funds to a CMHSP for mental
12 health services rendered to residents in its jurisdiction shall pay the matching funds
13 in equal installments on not less than a quarterly basis throughout the fiscal year,
14 with the first payment being made by October 1 of the current fiscal year.

15 Sec. 8-958. Medicaid services shall include treatment for autism spectrum
16 disorders as defined in the federally approved Medicaid state plan. These services may
17 be coordinated with the Medicaid health plans and the Michigan Association of Health
18 Plans.

19 Sec. 8-960. (1) From the funds appropriated in part 1 for university autism
20 programs, the department shall continue a grant process for autism programs. These
21 grants are intended to increase the number of applied behavioral analysts, increase
22 the number of autism diagnostic services provided, or increase employment of those
23 that are diagnosed with autism spectrum disorder.

24 (2) Outcomes and performance measures related to this initiative include, but are
25 not limited to, the following.

26 (a) Increase in applied behavioral analysts certified from a program.

27 (b) Autism diagnostic services provided.

1 (c) Employment rate of employment program participants.

2 Sec. 8-995. From the funds appropriated in part 1 for behavioral health program
3 administration, \$4,350,000.00 is intended to address the recommendations of the mental
4 health diversion council.

5 Sec. 8-1003. The department shall notify the Michigan Association of Community
6 Mental Health Boards when developing policies and procedures that will impact PIHPs or
7 CMHSPs.

8 Sec. 8-1004. The department shall report on implementation of recommendations to
9 achieve more uniformity in capitation payments made to the PIHPs by March 1st of the
10 current fiscal year.

11 Sec. 8-1005. For the purposes of special projects involving high-need children or
12 adults, including the not guilty by reason of insanity population, the department may
13 contract directly with providers of services to these identified populations.

14 Sec. 8-1006. No later than June 1 of the current fiscal year, the department
15 shall provide the house and senate appropriations subcommittees on the department
16 budget, the house and senate fiscal agencies, and the state budget office with the
17 most recent cost data information submitted by the CMHSPs on how the funds
18 appropriated in part 1 for the community mental health services non-Medicaid services
19 line item were expended by each CMHSP. At a minimum, the information must include
20 CMHSPs general fund/general purpose costs for each of the following categories:
21 administration, prevention, jail diversion and treatment services, MIChild program,
22 children's waiver home care program, children with serious emotional disturbance
23 waiver program, services provided to individuals with mental illness and developmental
24 disabilities who are not eligible for Medicaid, and the Medicaid spenddown population.

25 Sec. 8-1007. (1) From the funds appropriated in part 1 for behavioral health
26 program administration, the department shall maintain a psychiatric residential
27 treatment facility and children's behavioral action team. These services will augment

1 the continuum of behavioral health services for high-need youth and provide additional
2 continuity of care and transition into supportive community-based services.

3 (2) Outcomes and performance measures for this initiative include, but are not
4 limited to, the following:

5 (a) The rate of rehospitalization for youth served through the program at 30 and
6 180 days.

7 (b) Measured change in the Child and Adolescent Functional Assessment Scale for
8 children served through the program.

9 Sec. 8-1008. The PIHP shall do all of the following:

10 (a) Work to reduce administration costs by ensuring that PIHP responsible
11 functions are efficient to allow optimal transition of dollars to direct services.
12 This process must include limiting duplicate layers of administration and minimizing
13 PIHP-delegated services that may result in higher costs or inconsistent service
14 delivery, or both.

15 (b) Take an active role in managing mental health care by ensuring consistent and
16 high-quality service delivery throughout its network and promote a conflict-free care
17 management environment.

18 (c) Ensure that direct service rate variances are related to the level of need or
19 other quantifiable measures to ensure that the most money possible reaches direct
20 services.

21 (d) Promote fair and adequate direct care reimbursement, including fair wages for
22 direct service workers.

23 Sec. 8-1009. The department shall provide a progress report on implementation of
24 recommendations from work with PIHP network providers to analyze the workforce
25 challenges of recruitment and retention of staff who provide Medicaid-funded community
26 living supports, personal care services, respite services, skill building services,
27 and other similar supports and services by May 1 of the current fiscal year.

1 Sec. 8-1010. From the funds appropriated in part 1 for behavioral health program
2 administration, \$2,000,000.00 shall be allocated to address the implementation of
3 court ordered Assisted Outpatient Treatment associated with Public Act 497 of 2004.

4 STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES

5 Sec. 8-1051. The department shall continue a revenue recapture project to
6 generate additional revenues from third parties related to cases that have been closed
7 or are inactive. A portion of revenues collected through project efforts may be used
8 for departmental costs and contractual fees associated with these retroactive
9 collections and to improve ongoing departmental reimbursement management functions.

10 Sec. 8-1052. The purpose of gifts and bequests for patient living and treatment
11 environments is to use additional private funds to provide specific enhancements for
12 individuals residing at state-operated facilities. Use of the gifts and bequests shall
13 be consistent with the stipulation of the donor. The expected completion date for the
14 use of gifts and bequests donations is within 3 years unless otherwise stipulated by
15 the donor.

16 Sec. 8-1055. (1) The department shall not implement any closures or
17 consolidations of state hospitals, centers, or agencies until CMHSPs or PIHPs have
18 programs and services in place for those individuals currently in those facilities and
19 a plan for service provision for those individuals who would have been admitted to
20 those facilities.

21 (2) All closures or consolidations are dependent upon adequate department-
22 approved CMHSP and PIHP plans that include a discharge and aftercare plan for each
23 individual currently in the facility. A discharge and aftercare plan shall address the
24 individual's housing needs. A homeless shelter or similar temporary shelter
25 arrangements are inadequate to meet the individual's housing needs.

26 (3) Four months after the certification of closure required in section 19(6) of

1 the state employees' retirement act, 1943 PA 240, MCL 38.19, the department shall
2 provide a closure plan to the house and senate appropriations subcommittees on the
3 department budget and the state budget director.

4 (4) Upon the closure of state-run operations and after transitional costs have
5 been paid, the remaining balances of funds appropriated for that operation shall be
6 transferred to CMHSPs or PIHPs responsible for providing services for individuals
7 previously served by the operations.

8 Sec. 8-1056. The department may collect revenue for patient reimbursement from
9 first- and third-party payers, including Medicaid and local county CMHSP payers, to
10 cover the cost of placement in state hospitals and centers. The department is
11 authorized to adjust financing sources for patient reimbursement based on actual
12 revenues earned. If the revenue collected exceeds current year expenditures, the
13 revenue may be carried forward with approval of the state budget director. The revenue
14 carried forward shall be used as a first source of funds in the subsequent year.

15 Sec. 8-1058. Effective October 1 of the current fiscal year, the department, in
16 consultation with the department of technology, management and budget may maintain a
17 bid process to identify 1 or more private contractors to provide food service and
18 custodial services for the administrative areas at any state hospital identified by
19 the department as capable of generating savings through the outsourcing of such
20 services.

21 Sec. 8-1059. (1) From the increased funds appropriated in part 1 for center for
22 forensic psychiatry, the department shall open an additional wing at the center for
23 forensic psychiatry in the current fiscal year. The purpose of this program is to
24 provide additional capacity for specialized services to criminal defendants who are
25 adjudicated as incompetent to stand trial and not guilty by reason of insanity.

26 (2) The department shall identify specific outcomes and performance measures for
27 this initiative, including, but not limited to the following:

1 (a) The average wait time for person ruled incompetent to stand trial before
2 admission to the center for forensic psychiatry.

3 (b) The average wait time for persons ruled incompetent to stand trial before
4 admission to other state operated psychiatric facilities.

5 (c) The number of persons waiting to receive services at the center for forensic
6 psychiatry.

7 (d) The number of persons waiting to receive services at other state operated
8 hospitals and centers.

9 **HEALTH POLICY**

10 Sec. 8-1143. The department may award health innovation grants to address
11 emerging issues and encourage cutting edge advances in health care including strategic
12 partners in both the public and private sectors.

13 Sec. 8-1144. (1) From the funds appropriated in part 1 for health policy
14 administration, the department shall allocate the federal state innovation model grant
15 funding that supports implementation of the health delivery system innovations
16 detailed in this state's "Reinventing Michigan's Health Care System: Blueprint for
17 Health Innovation" document. This initiative will test new payment methodologies,
18 support improved population health outcomes, and support improved infrastructure for
19 technology and data sharing and reporting. The funds will be used to provide financial
20 support directly to regions participating in the model test and to support statewide
21 stakeholder guidance and technical support.

22 (2) Outcomes and performance measures for the initiative under subsection (1)
23 include, but are not limited to, the following:

24 (a) Increasing the number of physician practices fulfilling patient-centered
25 medical home functions.

26 (b) Reducing inappropriate health utilization, specifically reducing preventable

1 emergency department visits, reducing the proportion of hospitalizations for
2 ambulatory sensitive conditions, and reducing this state's 30-day hospital readmission
3 rate.

4 (3) By March 1 and September 1 of the current fiscal year, the department shall
5 submit a written report to the house and senate appropriations subcommittees on the
6 department budget, the house and senate fiscal agencies, and the state budget office
7 on the status of the program and progress made since the prior report.

8 Sec. 8-1146. From the funds appropriated in part 1 for bone marrow transplant
9 registry, \$250,000.00 shall be allocated to Michigan Blood, the partner of the match
10 registry of the national marrow donor program. The funds shall be used to offset
11 ongoing tissue typing expenses associated with donor recruitment and collection
12 services and to expand those services to better serve the citizens of this state.

13 DISEASE CONTROL, PREVENTION, AND EPIDEMIOLOGY

14 Sec. 8-1180. From the funds appropriated in part 1 for the healthy homes program,
15 no less than \$1,750,000.00 shall be allocated for lead abatement of homes.

16 Sec. 8-1181. The department shall implement a plan designed to improve Michigan's
17 childhood and adolescent immunization rates. The department shall engage organizations
18 working to provide immunizations and education about the value of vaccines, including,
19 but not limited to, statewide organizations representing health care providers, local
20 public health departments, child health interest groups, and private foundations with
21 a mission to increase immunization rates.

22 Sec. 8-1182. From the funds appropriated in part 1 for immunization programs, for
23 every \$4.00 in private matching funds received, this state shall allocate \$1.00, up to
24 \$500,000.00 in state contributions, to provide and promote education about the value
25 of vaccines for infants and toddlers.

1 LOCAL HEALTH AND ADMINISTRATIVE SERVICES

2 Sec. 8-1220. The amount appropriated in part 1 for implementation of the 1993
3 additions of or amendments to sections 9161, 16221, 16226, 17014, 17015, and 17515 of
4 the public health code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014,
5 333.17015, and 333.17515, shall be used to reimburse local health departments for
6 costs incurred related to implementation of section 17015(18) of the public health
7 code, 1978 PA 368, MCL 333.17015.

8 Sec. 8-1221. If a county that has participated in a district health department or
9 an associated arrangement with other local health departments takes action to cease to
10 participate in such an arrangement after October 1 of the current fiscal year, the
11 department shall have the authority to assess a penalty from the local health
12 department's operational accounts in an amount equal to no more than 6.25% of the
13 local health department's essential local public health services funding. This penalty
14 shall only be assessed to the local county that requests the dissolution of the health
15 department.

16 Sec. 8-1222. (1) Funds appropriated in part 1 for essential local public health
17 services shall be prospectively allocated to local health departments to support
18 immunizations, infectious disease control, sexually transmitted disease control and
19 prevention, hearing screening, vision services, food protection, public water supply,
20 private groundwater supply, and on-site sewage management. Food protection shall be
21 provided in consultation with the department of agriculture and rural development.
22 Public water supply, private groundwater supply, and on-site sewage management shall
23 be provided in consultation with the department of environmental quality.

24 (2) Local public health departments shall be held to contractual standards for
25 the services in subsection (1).

26 (3) Distributions in subsection (1) shall be made only to counties that maintain
27 local spending in the current fiscal year of at least the amount expended in fiscal

1 year 1992-1993 for the services described in subsection (1).

2 Sec. 8-1223. (1) From the amounts appropriated in part 1 for dental programs,
3 funds shall be allocated to the Michigan Dental Association for the administration of
4 a volunteer dental program that provides dental services to the uninsured.

5 (2) Not later than December 1 of the current fiscal year, the department shall
6 report to the senate and house appropriations subcommittees on the department budget,
7 the senate and house standing committees on health policy and the state budget office
8 the number of individual patients treated, number of procedures performed, and
9 approximate total market value of those procedures from the immediately preceding
10 fiscal year.

11 Sec. 8-1224. The department shall use revenue from mobile dentistry facility
12 permit fees received under section 21605 of the public health code, 1978 PA 368, MCL
13 333.21605, to offset the cost of the permit program.

14 **FAMILY, MATERNAL, AND CHILD HEALTH**

15 Sec. 8-1302. Each family planning program receiving federal title X family
16 planning funds under 42 USC 300 to 300a-8 shall be in compliance with all performance
17 and quality assurance indicators that the office of population affairs within the
18 United States Department of Health and Human Services specifies in the program
19 guidelines for project grants for family planning services. An agency not in
20 compliance with the indicators shall not receive supplemental or reallocated funds.

21 Sec. 8-1303. The department shall not contract with an organization which
22 provides elective abortions, abortion counseling, or abortion referrals, for services
23 that are to be funded with state restricted or state general fund/general purpose
24 funds appropriated in part 1 for family planning local agreements. An organization
25 under contract with the department shall not subcontract with an organization which
26 provides elective abortions, abortion counseling, or abortion referrals, for services

1 that are to be funded with state restricted or state general fund/general purpose
2 funds appropriated in part 1 for family planning local agreements.

3 Sec. 8-1304. The department shall not use state restricted funds or state general
4 funds appropriated in part 1 in the family planning local agreements appropriation
5 line item for abortion counseling, referrals, or services.

6 Sec. 8-1308. From the funds appropriated in part 1 for prenatal care outreach and
7 service delivery support, not less than \$500,000.00 of funding shall be allocated for
8 evidence-based programs to reduce infant mortality including nurse family partnership
9 programs. The funds shall be used for enhanced support and education to nursing teams
10 or other teams of qualified health professionals, client recruitment in areas
11 designated as underserved for obstetrical and gynecological services and other high-
12 need communities, strategic planning to expand and sustain programs, and marketing and
13 communications of programs to raise awareness, engage stakeholders, and recruit
14 nurses.

15 Sec. 8-1309. The department shall allocate funds appropriated in section 119 of
16 part 1 for family, maternal, and child health pursuant to section 1 of 2002 PA 360,
17 MCL 333.1091.

18 Sec. 8-1310. The department shall continue to work jointly with the Michigan
19 state housing development authority and the joint task force established under article
20 IV of 2014 PA 252 to review housing rehabilitation, energy and weatherization, and
21 hazard abatement program policies and to make recommendations for integrating and
22 coordinating project delivery with the goals of serving more families and achieving
23 better outcomes by maximizing state and federal resources. The joint task force may
24 provide recommendations to the department. Recommendations of the joint task force
25 must give consideration to best practices and cost effectiveness.

26 Sec. 8-1313. (1) The department shall continue developing an outreach program on
27 fetal alcohol syndrome services.

1 (2) The department shall explore federal grant funding to address prevention
2 services for fetal alcohol syndrome and reduce alcohol consumption among pregnant
3 women.

4 **CHILDREN'S SPECIAL HEALTH CARE SERVICES**

5 Sec. 8-1360. The department may do 1 or more of the following:

6 (a) Provide special formula for eligible clients with specified metabolic and
7 allergic disorders.

8 (b) Provide medical care and treatment to eligible patients with cystic fibrosis
9 who are 21 years of age or older.

10 (c) Provide medical care and treatment to eligible patients with hereditary
11 coagulation defects, commonly known as hemophilia, who are 21 years of age or older.

12 (d) Provide human growth hormone to eligible patients.

13 Sec. 8-1361. From the funds appropriated in part 1 for medical care and
14 treatment, the department is authorized to spend those funds for the continued
15 development and expansion of telemedicine capacity to allow families with children in
16 the children's special health care services program to access specialty providers more
17 readily and in a more timely manner.

18 **AGING AND ADULT SERVICES AGENCY**

19 Sec. 8-1403. (1) By February 1 of the current fiscal year, the aging and adult
20 services agency shall require each region to report to the aging and adult services
21 agency and to the legislature home-delivered meals waiting lists based upon standard
22 criteria. Determining criteria shall include all of the following:

23 (a) The recipient's degree of frailty.

24 (b) The recipient's inability to prepare his or her own meals safely.

25 (c) Whether the recipient has another care provider available.

1 (d) Any other qualifications normally necessary for the recipient to receive
2 home-delivered meals.

3 (2) Data required in subsection (1) shall be recorded only for individuals who
4 have applied for participation in the home-delivered meals program and who are
5 initially determined as likely to be eligible for home-delivered meals.

6 Sec. 8-1417. The department shall provide to the senate and house appropriations
7 subcommittees on the department budget, senate and house fiscal agencies, and state
8 budget director a report by March 30 of the current fiscal year that contains all of
9 the following:

10 (a) The total allocation of state resources made to each area agency on aging by
11 individual program and administration.

12 (b) Detail expenditure by each area agency on aging by individual program and
13 administration including both state-funded resources and locally-funded resources.

14 Sec. 8-1421. From the funds appropriated in part 1 for community services,
15 \$1,100,000.00 shall be allocated to area agencies on aging for locally determined
16 needs.

17 Sec. 8-1422. From the funds appropriated in part 1 for aging and adult services
18 administration, the department shall contract with the Prosecuting Attorneys
19 Association of Michigan to provide the support and services necessary to increase the
20 capability of the state's prosecutors, adult protective service system, and criminal
21 justice system to effectively identify, investigate, and prosecute elder abuse and
22 financial exploitation.

23 Sec. 8-1423. From the funds appropriated in part 1 for Elder Law of Michigan
24 MiCAFE contract, the department shall allocate not less than \$350,000.00 to the Elder
25 Law of Michigan MiCAFE to assist this state's elderly population to participate in the
26 food assistance program. Of the \$350,000.00 allocated under this section, the
27 department shall use \$175,000.00, which are general fund/general purpose funds, as

1 state matching funds for not less than \$175,000.00 in United States department of
2 Agriculture funding to provide outreach program activities, such as eligibility screen
3 and information services, as part of a statewide food assistance hotline.

4 Sec. 8-1424. From the funds appropriated in part 1 for community services,
5 \$150,000.00 is appropriated for Alzheimer's disease services and shall be remitted to
6 the Alzheimer's association-Michigan chapters for the purpose of carrying out a pilot
7 project in Macomb, Monroe, and St. Joseph counties. The fiduciary for the funds is the
8 Alzheimer's association-greater Michigan chapter. The Alzheimer's association shall
9 provide enhanced services, including 24/7 helpline, continued care consultation, and
10 support groups, to individuals with Alzheimer's disease or dementia and their families
11 in the 3 counties, and partner with a Michigan public university to study whether
12 provision of such in-home support services significantly delays the need for
13 residential long-term care services for individuals with Alzheimer's disease or
14 dementia. The study must also consider potential cost savings related to the delay of
15 long-term care services, if a delay is shown.

16 MEDICAL SERVICES ADMINISTRATION

17 Sec. 8-1501. The unexpended funds appropriated in part 1 for the electronic
18 health records incentive program are considered work project appropriations, and any
19 unencumbered or unallotted funds are carried forward into the following fiscal year.
20 The following is in compliance with section 451a(1) of the management and budget act,
21 1984 PA 431, MCL 18.1451a:

22 (a) The purpose of the project to be carried forward is to implement the Medicaid
23 electronic health record program that provides financial incentive payments to
24 Medicaid health care providers to encourage the adoption and meaningful use of
25 electronic health records to improve quality, increase efficiency, and promote safety.

26 (b) The projects will be accomplished according to the approved federal advanced

1 planning document.

2 (c) The estimated cost of this project phase is identified in the appropriation
3 line item.

4 (d) The tentative completion date for the work project is September 30, 2020.

5 Sec. 8-1503. From the funds appropriated in part 1 for Healthy Michigan plan
6 administration, the department shall maintain an accounting structure within the
7 Michigan administrative information network that will allow expenditures associated
8 with the administration of the Healthy Michigan plan to be identified.

9 Sec. 8-1505. By March 1 and September 1 of the current fiscal year, the
10 department shall submit a report to the senate and house appropriations subcommittees
11 on the department budget, the senate and house fiscal agencies, and the state budget
12 office including both of the following:

13 (a) The department's projected annual reimbursement savings and cost offsets that
14 will result from the funds appropriated in part 1 for the office of inspector general
15 and third party liability efforts.

16 (b) The actual reimbursement savings and cost offsets that have resulted from the
17 funds appropriated in part 1 for the office of inspector general and third party
18 liability efforts.

19 Sec. 8-1506. (1) From the funds appropriated in part 1 for technology supporting
20 integrated service delivery, the department shall establish new information technology
21 tools and enhance existing systems to improve the eligibility and enrollment process
22 for citizens accessing department administered programs. This information technology
23 system will consolidate beneficiary information, support department caseworker efforts
24 in building a success plan for beneficiaries and better support department staff in
25 supporting enrollees in assistance programs.

26 (2) Outcomes and performance measure for the initiative under subsection (1)
27 include, but are not limited to, the following:

1 (a) Successful consolidation of date warehouses maintained by the department.

2 (b) The amount of time a department caseworker devotes to date entry when
3 initiating an enrollee application.

4 (c) A reduction in wait times for persons enrolled in assistance programs to
5 speak with department staff and get necessary changes made.

6 (d) A reduction in department caseworker workload.

7 **MEDICAL SERVICES**

8 Sec. 8-1601. The cost of remedial services incurred by residents of licensed
9 adult foster care homes and licensed homes for the aged shall be used in determining
10 financial eligibility for the medically needy. Remedial services include basic self-
11 care and rehabilitation training for a resident.

12 Sec. 8-1603. (1) The department may establish a program for individuals to
13 purchase medical coverage at a rate determined by the department.

14 (2) The department may receive and expend premiums for the buy-in of medical
15 coverage in addition to the amounts appropriated in part 1.

16 (3) The premiums described in this section shall be classified as private funds.

17 Sec. 8-1605. The protected income level for Medicaid coverage determined pursuant
18 to section 106(1)(b)(iii) of the social welfare act, 1939 PA 280, MCL 400.106, shall
19 be 100% of the related public assistance standard.

20 Sec. 8-1606. For the purpose of guardian and conservator charges, the department
21 may deduct up to \$60.00 per month as an allowable expense against a recipient's income
22 when determining medical services eligibility and patient pay amounts.

23 Sec. 8-1607. (1) An applicant for Medicaid, whose qualifying condition is
24 pregnancy, shall immediately be presumed to be eligible for Medicaid coverage unless
25 the preponderance of evidence in her application indicates otherwise. The applicant
26 who is qualified as described in this subsection shall be allowed to select or remain

1 with the Medicaid participating obstetrician of her choice.

2 (2) An applicant qualified as described in subsection (1) shall be given a letter
3 of authorization to receive Medicaid covered services related to her pregnancy. All
4 qualifying applicants shall be entitled to receive all medically necessary obstetrical
5 and prenatal care without preauthorization from a health plan. All claims submitted
6 for payment for obstetrical and prenatal care shall be paid at the Medicaid fee-for-
7 service rate in the event a contract does not exist between the Medicaid participating
8 obstetrical or prenatal care provider and the managed care plan. The applicant shall
9 receive a listing of Medicaid physicians and managed care plans in the immediate
10 vicinity of the applicant's residence.

11 (3) In the event that an applicant, presumed to be eligible pursuant to
12 subsection (1), is subsequently found to be ineligible, a Medicaid physician or
13 managed care plan that has been providing pregnancy services to an applicant under
14 this section is entitled to reimbursement for those services until such time as they
15 are notified by the department that the applicant was found to be ineligible for
16 Medicaid.

17 (4) If the preponderance of evidence in an application indicates that the
18 applicant is not eligible for Medicaid, the department shall refer that applicant to
19 the nearest public health clinic or similar entity as a potential source for receiving
20 pregnancy-related services.

21 (5) The department shall develop an enrollment process for pregnant women covered
22 under this section that facilitates the selection of a managed care plan at the time
23 of application.

24 (6) The department shall mandate enrollment of women, whose qualifying condition
25 is pregnancy, into Medicaid managed care plans.

26 (7) The department shall encourage physicians to provide women, whose qualifying
27 condition for Medicaid is pregnancy, with a referral to a Medicaid participating

1 dentist at the first pregnancy-related appointment.

2 Sec. 8-1611. (1) For care provided to medical services recipients with other
3 third-party sources of payment, medical services reimbursement shall not exceed, in
4 combination with such other resources, including Medicare, those amounts established
5 for medical services-only patients. The medical services payment rate shall be
6 accepted as payment in full. Other than an approved medical services co-payment, no
7 portion of a provider's charge shall be billed to the recipient or any person acting
8 on behalf of the recipient. Nothing in this section shall be considered to affect the
9 level of payment from a third-party source other than the medical services program.
10 The department shall require a nonenrolled provider to accept medical services
11 payments as payment in full.

12 (2) Notwithstanding subsection (1), medical services reimbursement for hospital
13 services provided to dual Medicare/medical services recipients with Medicare part B
14 coverage only shall equal, when combined with payments for Medicare and other third-
15 party resources, if any, those amounts established for medical services-only patients,
16 including capital payments.

17 Sec. 8-1620. (1) For fee-for-service recipients who do not reside in nursing
18 homes, the pharmaceutical dispensing fee shall be \$2.75 or the pharmacy's usual or
19 customary cash charge, whichever is less. For nursing home residents, the
20 pharmaceutical dispensing fee shall be \$3.00 or the pharmacy's usual or customary cash
21 charge, whichever is less.

22 (2) The department shall require a prescription co-payment for Medicaid
23 recipients not enrolled in the Healthy Michigan plan or with an income less than 100%
24 of the federal poverty level of \$1.00 for a generic drug and \$3.00 for a brand-name
25 drug, except as prohibited by federal or state law or regulation.

26 (3) The department shall require a prescription co-payment for Medicaid
27 recipients enrolled in the Healthy Michigan plan with an income of at least 100% of

1 the federal poverty level of \$4.00 for a generic drug and \$8.00 for a brand-name drug,
2 except as prohibited by federal or state law or regulation. Administration of this co-
3 payment shall be consistent with the terms and conditions established by the centers
4 for Medicare and Medicaid services linked to the section 1115 waiver authorizing the
5 Health Michigan Plan.

6 Sec. 8-1629. The department shall utilize maximum allowable cost pricing for
7 generic drugs that is based on wholesaler pricing to providers that is available from
8 at least 2 wholesalers who deliver in this state.

9 Sec. 8-1631. (1) The department shall require co-payments on dental, podiatric,
10 and vision services provided to Medicaid recipients, except as prohibited by federal
11 or state law or regulation.

12 (2) Except as otherwise prohibited by federal or state law or regulation the
13 department shall require Medicaid recipients not enrolled in the Healthy Michigan Plan
14 or with an income less than 100% of the federal poverty level to pay not less than the
15 following co-payments:

16 (a) Two dollars for a physician office visit.

17 (b) Three dollars for a hospital emergency room visit.

18 (c) Fifty dollars for the first day of an inpatient hospital stay.

19 (d) One dollar for an outpatient hospital visit.

20 (3) Except as otherwise prohibited by federal or state law or regulation, and
21 consistent with the terms and conditions established by the centers for the Medicare
22 and Medicaid services linked to the section 1115 waiver authorizing the Healthy
23 Michigan Plan, the department shall require Medicaid recipients enrolled in the
24 Healthy Michigan plan with an income of at least 100% of the federal poverty level to
25 pay the following co-payments:

26 (a) Four dollars for a physician office visit.

27 (b) Eight dollars for a hospital emergency room visit.

1 (c) One hundred dollars for the first day of an inpatient hospital stay.

2 (d) Four dollars for an outpatient hospital visit or any other medical provider
3 visit to the extent allowed by federal or state law or regulation.

4 Sec. 8-1641. An institutional provider that is required to submit a cost report
5 under the medical services program shall submit cost reports completed in full within
6 5 months after the end of its fiscal year.

7 Sec. 8-1657. (1) Reimbursement for medical services to screen and stabilize a
8 Medicaid recipient, including stabilization of a psychiatric crisis, in a hospital
9 emergency room shall not be made contingent on obtaining prior authorization from the
10 recipient's HMO. If the recipient is discharged from the emergency room, the hospital
11 shall notify the recipient's HMO within 24 hours of the diagnosis and treatment
12 received.

13 (2) If the treating hospital determines that the recipient will require further
14 medical service or hospitalization beyond the point of stabilization, that hospital
15 shall receive authorization from the recipient's HMO prior to admitting the recipient.

16 (3) Subsections (1) and (2) do not require an alteration to an existing agreement
17 between an HMO and its contracting hospitals and do not require an HMO to reimburse
18 for services that are not considered to be medically necessary.

19 Sec. 8-1659. The following sections of this part are the only sections that shall
20 apply to the following Medicaid managed care programs, including the comprehensive
21 plan, MIChoice long-term care plan, and the mental health, substance use disorder, and
22 developmentally disabled services program: 298, 904, 911, 918, 928, 1008, 1607, 1657,
23 1662, 1699, 1764, 1806, 1807, 1810, and 1888.

24 Sec. 8-1662. (1) The department shall assure that an external quality review of
25 each contracting HMO is performed that results in an analysis and evaluation of
26 aggregated information on quality, timeliness, and access to health care services that
27 the HMO or its contractors furnish to Medicaid beneficiaries.

1 (2) The department shall require Medicaid HMOs to provide EPSDT utilization data
2 through the encounter data system, and HEDIS well child health measures in accordance
3 with the National Committee for Quality Assurance prescribed methodology.

4 (3) The department shall provide a copy of the analysis of the Medicaid HMO
5 annual audited HEDIS reports and the annual external quality review report to the
6 senate and house of representatives appropriations subcommittees on the department
7 budget, the senate and house fiscal agencies, and the state budget director, within 30
8 days of the department's receipt of the final reports from the contractors.

9 Sec. 8-1670. (1) The appropriation in part 1 for the MIChild program is to be
10 used to provide comprehensive health care to all children under age 19 who reside in
11 families with income at or below 212% of the federal poverty level, who are uninsured
12 and have not had coverage by other comprehensive health insurance within 6 months of
13 making application for MIChild benefits, and who are residents of this state. The
14 department shall develop detailed eligibility criteria through the medical services
15 administration public concurrence process, consistent with the provisions of this part
16 and part 1.

17 (2) The department may provide up to 1 year of continuous eligibility to children
18 eligible for the MIChild program unless the family fails to pay the monthly premium, a
19 child reaches age 19, or the status of the children's family changes and its members
20 no longer meet the eligibility criteria as specified in the state plan.

21 (3) To be eligible for the MIChild program, a child must be residing in a family
22 with an adjusted gross income of less than or equal to 212% of the federal poverty
23 level. The department's verification policy shall be used to determine eligibility.

24 (4) The department may make payments on behalf of children enrolled in the
25 MIChild program as described in the MIChild state plan approved by the United States
26 Department of Health and Human Services, or from other medical services.

27 Sec. 8-1673. The department may establish premiums for MIChild eligible

1 individuals in families with income at or below 212% of the federal poverty level. The
2 monthly premiums shall be \$10.00 per month.

3 Sec. 8-1677. The MIChild program shall provide, at a minimum, all benefits
4 available under the Michigan benchmark plan that are delivered through contracted
5 providers and consistent with federal law, including, but not limited to, the
6 following medically necessary services:

7 (a) Inpatient mental health services, other than substance use disorder treatment
8 services, including services furnished in a state-operated mental hospital and
9 residential or other 24-hour therapeutically planned structured services.

10 (b) Outpatient mental health services, other than substance use disorder
11 services, including services furnished in a state-operated mental hospital and
12 community-based services.

13 (c) Durable medical equipment and prosthetic and orthotic devices.

14 (d) Dental services as outlined in the approved MIChild state plan.

15 (e) Substance use disorder treatment services that may include inpatient,
16 outpatient, and residential substance use disorder treatment services.

17 (f) Care management services for mental health diagnoses.

18 (g) Physical therapy, occupational therapy, and services for individuals with
19 speech, hearing, and language disorders.

20 (h) Emergency ambulance services.

21 Sec. 8-1682. (1) In addition to the appropriations in part 1, the department is
22 authorized to receive and spend penalty money received as the result of noncompliance
23 with medical services certification regulations. Penalty money, characterized as
24 private funds, received by the department shall increase authorizations and allotments
25 in the long-term care accounts.

26 (2) Any unexpended penalty money, at the end of the year, shall carry forward to
27 the following year.

1 Sec. 8-1692. (1) The department is authorized to pursue reimbursement for
2 eligible services provided in Michigan schools from the federal Medicaid program. The
3 department and the state budget director are authorized to negotiate and enter into
4 agreements, together with the department of education, with local and intermediate
5 school districts regarding the sharing of federal Medicaid services funds received for
6 these services. The department is authorized to receive and disburse funds to
7 participating school districts pursuant to such agreements and state and federal law.

8 (2) From the funds appropriated in part 1 for medical services school-based
9 services payments, the department is authorized to do all of the following:

10 (a) Finance activities within the medical services administration related to this
11 project.

12 (b) Reimburse participating school districts pursuant to the fund-sharing ratios
13 negotiated in the state-local agreements authorized in subsection (1).

14 (c) Offset general fund costs associated with the medical services program.

15 Sec. 8-1693. The special Medicaid reimbursement appropriation in part 1 may be
16 increased if the department submits a medical services state plan amendment pertaining
17 to this line item at a level higher than the appropriation. The department is
18 authorized to appropriately adjust financing sources in accordance with the increased
19 appropriation.

20 Sec. 8-1694. From the funds appropriated in part 1 for special Medicaid
21 reimbursement, up to \$12,600.00 of general fund/general purpose revenue and any
22 associated federal match shall be distributed for poison control services to an
23 academic health care system that includes a children's hospital that has a high
24 indigent care volume.

25 Sec. 8-1699. (1) The department may make separate payments in the amount of
26 \$45,000,000.00 directly to qualifying hospitals serving a disproportionate share of
27 indigent patients and to hospitals providing GME training programs. If direct payment

1 for GME and DSH is made to qualifying hospitals for services to Medicaid clients,
2 hospitals shall not include GME costs or DSH payments in their contracts with HMOs.

3 (2) The department shall allocate \$45,000,000.00 in DSH funding using the
4 distribution methodology used in fiscal year 2003-2004.

5 (3) By September 30 of the current fiscal year, the department shall report to
6 the senate and house appropriations subcommittees on the department budget, the senate
7 and house fiscal agencies, and the state budget office on the distribution of funding
8 to each eligible hospital from the GME and DSH pools.

9 Sec. 8-1730. (1) The department shall work with the department of education to
10 evaluate the feasibility of including an assessment tool to promote literacy
11 development of pregnant women and new mothers in the maternal infant health program.

12 (2) By March 1 of the current fiscal year, the department shall provide a report
13 to the house and senate appropriations subcommittees on the department budget, the
14 house and senate fiscal agencies, and the state budget office on the findings of the
15 feasibility study on including an assessment tool to promote literacy development of
16 pregnant women and new mothers in the maternal infant health program.

17 Sec. 8-1764. The department shall annually certify whether rates paid to Medicaid
18 health plans and specialty prepaid inpatient health plans are actuarially sound in
19 accordance with federal requirements and shall provide a copy of the rate
20 certification and approval of rates paid to Medicaid health plans and specialty
21 prepaid inpatient health plans within 5 business days after certification or approval
22 to the house and senate appropriations subcommittees on the department budget, the
23 house and senate fiscal agencies and the state budget office. When calculating the
24 annual actuarial soundness adjustment, the department shall take into account all
25 Medicaid policy bulletins affecting Medicaid health plans or specialty prepaid
26 inpatient health plans issued after the most recent actuarial soundness process
27 concluded.

1 Sec. 8-1775. (1) By March 1 and September 1 of the current fiscal year, the
2 department shall report to the senate and house appropriations subcommittees on the
3 department budget, the senate and house fiscal agencies, and the state budget office
4 on progress in implementing the waiver to implement managed care for individuals who
5 are eligible for both Medicare and Medicaid, known as MI Health Link, including, but
6 not limited to, a description of how the department intends to ensure that service
7 delivery is integrated, how key components of the proposal are implemented
8 effectively, and any problems and potential solutions as identified by the ombudsman
9 described in subsection (2).

10 (2) The department shall ensure the existence of an ombudsman program that is not
11 associated with any project service manager or provider to assist MI Health Link
12 beneficiaries with navigating complaint and dispute resolution mechanisms and to
13 identify problems in the demonstrations and in the complaint and dispute resolution
14 mechanisms.

15 Sec. 8-1800. For the distribution of each of the pools within the \$85,000,000.00
16 outpatient disproportionate share hospital payment, the department shall develop a
17 formula for the distribution of each pool based on the quality of care, cost,
18 traditional disproportionate share hospital factors such as Medicaid utilization and
19 uncompensated care, and any other factor that the department determines should be
20 considered. By May 1 of the current fiscal year, the department shall report to the
21 senate and house appropriations subcommittees on the department budget, the senate and
22 house fiscal agencies, and the state budget office on the distribution of each pool.

23 Sec. 8-1801. From the funds appropriated in part 1 for physician services and
24 health plan services, the department shall use \$33,318,800.00 in general fund/general
25 purpose plus associated federal match to continue the increase to Medicaid rates for
26 primary care services provided only by primary care providers. For the purpose of this
27 section, a primary care provider is a physician, or a practitioner working under the

1 personal supervision of a physician, who is board-eligible or certified with a
2 specialty designation of family medicine, general internal medicine, or pediatric
3 medicine, or a provider who provides the department with documentation of equivalency.
4 The department shall examine including the subspecialty of neonatal medicine in its
5 definition of primary care provider. Providers performing a service and whose primary
6 practice is as a non-primary-care subspecialty is not eligible for the increase. The
7 department shall establish policies that most effectively limit the increase to
8 primary care providers for primary care services only.

9 Sec. 8-1802. From the funds appropriated in part 1, a lump-sum payment shall be
10 made to hospitals that qualified for rural hospital access payments in fiscal year
11 2013-2014 and that provide obstetrical care in the current fiscal year. The payment
12 shall be calculated as \$830.00 for each obstetrical care case payment and each newborn
13 care case payment for all such cases billed by the qualified hospitals for fiscal year
14 2012-2013 and shall be paid through the Medicaid health plan hospital rate adjustment
15 process by January 1 of the current fiscal year.

16 Sec. 8-1804. The department, in cooperation with the department of military and
17 veterans affairs, shall work with the federal public assistance reporting information
18 system to identify Medicaid recipients who are veterans and who may be eligible for
19 federal veterans health care benefits or other benefits.

20 Sec. 8-1806. (1) The department may establish performance standards to measure
21 progress in the implementation of the common formulary used by all contracted Medicaid
22 health plans.

23 (2) The ongoing implementation of the common formulary must include consideration
24 of the department's preferred drug list.

25 (3) To achieve the objective of low net cost, the contracted health plans may use
26 evidence-based utilization management techniques in the implementation of the common
27 formulary.

1 (4) The contracted health plans and the department shall continue to facilitate
2 and emphasize the value of increased participation in the use of e-prescribing and
3 electronic medical records.

4 Sec. 8-1810. The department shall enhance encounter data reporting processes and
5 develop rules that would make each health plan's encounter data as complete as
6 possible, provide a fair measure of acuity for each health plan's enrolled population
7 for risk adjustment purposes, capitation rate setting, diagnosis-related group rate
8 setting, and research and analysis of program efficiencies while minimizing health
9 plan administrative expense.

10 Sec. 8-1812. (1) By June 1 of the current fiscal year, the department shall
11 require each hospital that receives funds appropriated in part 1 for graduate medical
12 education to submit a report disclosing all direct and indirect costs associated with
13 the residency training program to the department, the house and senate appropriations
14 subcommittees on the department budget, the house and senate fiscal agencies and the
15 state budget office.

16 (2) By August 1 of the current fiscal year, the department shall require each
17 hospital that receives funds appropriated in part 1 for graduate medical education to
18 submit a report identifying and explaining the following:

19 (a) The marginal cost to add 1 additional residency training program slot.

20 (b) The number of additional slots that would result in the need to add
21 additional administrative costs to oversee the residents in the training program.

22 (c) The postresidency retention rate for the residency training program.

23 (3) The department shall hold graduate medical education recipients' fourth
24 quarter payments until the submission of the information required in subsections (1)
25 and (2).

26 (4) The department shall convene a workgroup to use the reports submitted under
27 subsections (1) and (2) to assist in the development of metrics for distribution of

1 graduate medical education funds and shall report to the senate and house
2 appropriations subcommittees on the department budget and the senate and house fiscal
3 agencies on the results of the workgroup by September 30 of the current fiscal year.

4 (5) If needed, the department shall seek a federal waiver to fulfill the
5 requirements of this section.

6 Sec. 8-1837. The department shall continue, and expand where appropriate,
7 utilization of telemedicine and telepsychiatry as strategies to increase access to
8 services for Medicaid recipients in medically underserved areas.

9 Sec. 8-1846. From the funds appropriated in part 1 for graduate medical
10 education, the department shall distribute the funds with an emphasis on the following
11 health care workforce goals:

12 (a) The encouragement of the training of physicians in specialties, including
13 primary care, that are necessary to meet the future needs of residents of this state.

14 (b) The training of physicians in settings that include ambulatory sites and
15 rural locations.

16 Sec. 8-1866. (1) From the funds appropriated in part 1 for hospital services and
17 therapy and health plan services, \$12,000,000.00 in general fund/general purpose
18 revenue and any associated federal match shall be awarded to hospitals that meet
19 criteria established by the department for services to low-income rural residents. One
20 of the reimbursement components of the distribution formula shall be assistance with
21 labor and delivery services.

22 (2) No hospital or hospital system shall receive more than 10.0% of the total
23 funding referenced in subsection (1).

24 (3) To allow hospitals to understand their rural payment amounts under this
25 section, the department shall provide hospitals with the methodology for distribution
26 under this section and provide each hospital with its applicable data that are used to
27 determine the payment amounts by August 1 of the current fiscal year. The department

1 shall publish the distribution of payments for the current fiscal year and the
2 immediately preceding fiscal year.

3 (4) The department shall report to the senate and house appropriations
4 subcommittees on the department budget, the senate and house fiscal agencies, and the
5 state budget office on the distribution of funds referenced in subsection (1) by April
6 1 of the current fiscal year.

7 Sec. 8-1888. The department shall establish contract performance standards
8 associated with the capitation withhold provisions for Medicaid health plans in
9 advance of the implementation of those standards. The determination of whether
10 performance standards have been met shall be based primarily on recognized concepts
11 such as 1-year continuous enrollment and the healthcare effectiveness data and
12 information set, HEDIS, audited data.

13 Sec. 8-1894. (1) From the funds appropriated in part 1 for dental services, the
14 department shall expand the healthy kids dental program to all children in Kent,
15 Oakland, and Wayne Counties. This program expansion will improve access to necessary
16 dental services for Medicaid-enrolled children.

17 (2) Outcomes and performance measures for the initiative under subsection (1)
18 include, but are not limited to, the following:

19 (a) The number of Medicaid-enrolled children in Kent, Oakland, and Wayne Counties
20 who visited the dentist in the prior year.

21 (b) The number of dentists in Kent, Oakland, and Wayne Counties who will accept
22 Medicaid payment for services to children.

23 (c) The change in dental utilization in Kent, Oakland, and Wayne Counties, before
24 and after full implementation of the healthy kids dental expansion in these counties.

25 Sec. 8-1899. From the funds appropriated in part 1 for personal care services,
26 the department shall maintain the personal care services rate at the level in effect
27 October 1, 2014.

1 ONE-TIME APPROPRIATIONS

2 Sec. 8-1909. (1) From the increased funds appropriated in part 1 for family
3 preservation and support services, the department shall expand the parent partner
4 program and the family reunification program. The purpose of these program expansions
5 will be to enhance family preservation and support services to prevent the need for
6 foster care, shorten the length of time between foster care entry and reunification,
7 and sustain parental progress following reunification.

8 (2) The department shall identify specific outcomes and performance measures for
9 this initiative, including, but not limited to, the following:

10 (a) Percentage of children that were discharged from foster care to reunification
11 in less than 12 months from the date of the latest removal from home.

12 (b) Median length of stay in months from the date of the latest removal from home
13 until the date of discharge to reunification.

14 (c) Percentage of children that re-entered foster care in less than 12 months
15 from the date of discharge to reunification.

16 (d) Percentage of children, who were victims of a substantiated or indicated
17 maltreatment allegation, that were not victims of another substantiated or indicated
18 maltreatment allegation within a six-month period from the date of discharge to
19 reunification.

20 (e) Measurable effects of this program expansion on reducing the rate of children
21 who live in families with incomes below the federal poverty level.

22 (3) Unexpended funds appropriated in part 1 for family preservation and support
23 services are designated as work project appropriations, and any unencumbered or
24 unallotted funds shall not lapse at the end of the current fiscal year and shall be
25 available for expenditures for the parent partner program and the family reunification
26 program until the projects have been completed. All of the following are in
27 compliance with section 451a of the management and budget act, 1984 PA 431, MCL

1 18.1451a:

2 (a) The purpose of the projects is to expand and enhance family preservation and
3 support services to prevent the need for foster care, shorten the length of time
4 between foster care entry and reunification, and sustain parental progress following
5 reunification.

6 (b) The projects will be carried out through contracts with private and not-for-
7 profit vendors to expand the parent partner program and family reunification program
8 to additional counties throughout the state.

9 (c) The estimated cost of this work project is \$10,000,000.00.

10 (d) The estimated work project completion date is September 30, 2019.

11 Sec. 8-1910. From the funds appropriated in part 1 for the Flint declaration of
12 emergency, the department shall allocate funds to address needs related to the
13 declaration of emergency issued on January 5, 2016. These funds may support, but are
14 not limited to the following activities:

15 (a) Emergency nutrition assistance, nutritional and community education, food
16 bank resources, food inspections.

17 (b) Epidemiological analysis and case management of individuals at risk of
18 elevated blood lead levels.

19 (c) Support for child and adolescent health centers, children's health care
20 access program and pathways to potential programming.

21 (d) Nursing services, evidence based home visiting programs, intensive services
22 and outreach for children exposed to lead coordinated through local community mental
23 health organizations.

24 (e) Department field operations costs.

25 (f) Assessment of potential linkages to other diseases.

Article 9

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 9-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of insurance and financial services are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0	6.0
Full-time equated classified positions	337.0	337.0
GROSS APPROPRIATION	\$ 66,307,200	\$ 66,307,200
Total interdepartmental grants and intradepartmental transfers	707,600	707,600
ADJUSTED GROSS APPROPRIATION	\$ 65,599,600	\$ 65,599,600
Total federal revenues	2,000,000	2,000,000
Total other state restricted revenues	63,449,600	63,449,600
State general fund/general purpose	\$ 150,000	\$ 150,000
<i>State general fund/general purpose schedule:</i>		
Ongoing state general fund/general purpose	150,000	150,000
One-time state general fund/general purpose	0	0
Sec. 9-102. DEPARTMENT SERVICES		
Full-time equated unclassified positions	6.0	6.0
Full-time equated classified positions	23.0	23.0

1	Unclassified salaries	\$	746,500	\$	746,500
2	Executive director programs-4.0 FTE positions		1,109,200		1,109,200
3	Department services-19.0 FTE positions		3,730,700		3,730,700
4	Property management		1,175,700		1,175,700
5	Worker's compensation		5,200		5,200
6	Administrative hearings		182,500		182,500
7	Information technology services and projects		<u>2,216,100</u>		<u>2,216,100</u>
8	GROSS APPROPRIATION	\$	9,165,900	\$	9,165,900
9	Appropriated from:				
10	Special revenue funds:				
11	Bank fees		806,000		806,000
12	Captive insurance regulation and supervision fund		3,900		3,900
13	Consumer finance fees		358,200		358,200
14	Credit union fees		1,062,300		1,062,300
15	Deferred presentment service transaction fees		473,500		473,500
16	Insurance bureau fund		2,847,600		2,847,600
17	Insurance continuing education fees		91,100		91,100
18	Insurance licensing and regulation fees		2,549,200		2,549,200
19	MBLSLA fund		822,900		822,900
20	Multiple employer welfare arrangement		1,200		1,200
21	State general fund/general purpose	\$	150,000	\$	150,000
22	Sec. 9-103. INSURANCE AND FINANCIAL SERVICES REGULATION				
23	Full-time equated classified positions		314.0		314.0
24	Insurance evaluation-54.0 FTE positions	\$	12,908,900	\$	12,908,900
25	Insurance rates and forms-30.0 FTE positions		5,942,500		5,942,500
26	Financial institutions evaluation-132.0 FTE positions .		24,212,800		24,212,800
27	Regulatory compliance, market conduct, and				

1	licensing-34.0 FTE positions	5,482,000	5,482,000
2	Consumer services and protection-64.0 FTE positions ...	<u>8,595,100</u>	<u>8,595,100</u>
3	GROSS APPROPRIATION	\$ 57,141,300	\$ 57,141,300
4	Appropriated from:		
5	Interdepartmental grant revenues:		
6	IDG-LARA, for debt management	707,600	707,600
7	Federal revenues:		
8	Federal revenues	2,000,000	2,000,000
9	Special revenue funds:		
10	Bank fees	6,018,100	6,018,100
11	Captive insurance regulatory and supervision fund	282,900	282,900
12	Consumer finance fees	3,061,000	3,061,000
13	Credit union fees	7,968,800	7,968,800
14	Deferred presentment service transaction fees	3,293,200	3,293,200
15	Insurance bureau fund	20,988,400	20,988,400
16	Insurance continuing education fees	995,000	995,000
17	Insurance licensing and regulation fees	6,004,500	6,004,500
18	MBLSLA fund	5,540,100	5,540,100
19	Multiple employer welfare arrangement	281,700	281,700
20	State general fund/general purpose	\$ 0	\$ 0

21 PART 2

22 PROVISIONS CONCERNING APPROPRIATIONS

23 FISCAL YEAR 2017

24 GENERAL SECTIONS

25 Sec. 9-201. Pursuant to section 30 of article IX of the state constitution of

1 1963, total state spending from state resources under part 1 for fiscal year 2016-2017
2 is \$63,599,600.00 and state spending from state resources to be paid to local units of
3 government for fiscal year 2016-2017 is \$0.00.

4 Sec. 9-202. The appropriations authorized under this article are subject to the
5 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

6 Sec. 9-203. As used in this article:

7 (a) "Department" means the department of insurance and financial services.

8 (b) "Director" means the director of the department.

9 (c) "FTE" means full-time equated.

10 (d) "IDG" means interdepartmental grant.

11 (e) "LARA" means the department of licensing and regulatory affairs.

12 (f) "MBLSLA" means mortgage brokers, lenders, and servicers licensing act.

13 Sec. 9-204. The departments and agencies receiving appropriations in part 1 shall
14 use the Internet to fulfill the reporting requirements of this article. This
15 requirement may include transmission of reports via electronic mail to the recipients
16 identified for each reporting requirement, or it may include placement of reports on
17 an Internet or Intranet site.

18 Sec. 9-205. Funds appropriated in part 1 shall not be used for the purchase of
19 foreign goods or services, or both, if competitively priced and of comparable quality
20 American goods or services, or both, are available. Preference shall be given to goods
21 or services, or both, manufactured or provided by Michigan businesses, if they are
22 competitively priced and of comparable quality. In addition, preference should be
23 given to goods or services, or both, that are manufactured or provided by Michigan
24 businesses owned and operated by veterans, if they are competitively priced and of
25 comparable quality.

26 Sec. 9-206. The director shall take all reasonable steps to ensure businesses in
27 deprived and depressed communities compete for and perform contracts to provide

1 services or supplies, or both. Each director shall strongly encourage firms with which
2 the department contracts to subcontract with certified businesses in depressed and
3 deprived communities for services, supplies, or both.

4 Sec. 9-207. The departments and agencies receiving appropriations in part 1 shall
5 prepare a report on out-of-state travel expenses not later than January 1 of each
6 year. The travel report shall be a listing of all travel by classified and
7 unclassified employees outside this state in the immediately preceding fiscal year
8 that was funded in whole or in part with funds appropriated in the department's
9 budget. The report shall be submitted to the senate and house appropriations
10 committees, the house and senate fiscal agencies, and the state budget director. The
11 report shall include the following information:

12 (a) The dates of each travel occurrence.

13 (b) The transportation and related costs of each travel occurrence, including the
14 proportion funded with state general fund/general purpose revenues, the proportion
15 funded with state restricted revenues, the proportion funded with federal revenues,
16 and the proportion funded with other revenues.

17 Sec. 9-208. Funds appropriated in part 1 shall not be used by a principal
18 executive department, state agency, or authority to hire a person to provide legal
19 services that are the responsibility of the attorney general. This prohibition does
20 not apply to legal services for bonding activities and for those outside services that
21 the attorney general authorizes.

22 Sec. 9-209. Not later than November 30, the state budget office shall prepare and
23 transmit a report that provides for estimates of the total general fund/general
24 purpose appropriation lapses at the close of the prior fiscal year. This report shall
25 summarize the projected year-end general fund/general purpose appropriation lapses by
26 major departmental program or program areas. The report shall be transmitted to the
27 chairpersons of the senate and house appropriations committees, and the senate and

1 house fiscal agencies.

2 Sec. 9-210. (1) In addition to the funds appropriated in part 1, there is
3 appropriated an amount not to exceed \$1,000,000.00 for federal contingency funds.
4 These funds are not available for expenditure until they have been transferred to
5 another line item in this article under section 393(2) of the management and budget
6 act, 1984 PA 431, MCL 18.1393.

7 (2) In addition to the funds appropriated in part 1, there is appropriated an
8 amount not to exceed \$5,000,000.00 for state restricted contingency funds. These funds
9 are not available for expenditure until they have been transferred to another line
10 item in this article under section 393(2) of the management and budget act, 1984 PA
11 431, MCL 18.1393.

12 Sec. 9-211. The department shall cooperate with the department of technology,
13 management and budget to maintain a searchable website accessible by the public at no
14 cost that includes, but is not limited to, all of the following for each department or
15 agency:

16 (a) Fiscal year-to-date expenditures by category.

17 (b) Fiscal year-to-date expenditures by appropriation unit.

18 (c) Fiscal year-to-date payments to a selected vendor, including the vendor name,
19 payment date, payment amount, and payment description.

20 (d) The number of active department employees by job classification.

21 (e) Job specifications and wage rates.

22 Sec. 9-212. Within 14 days after the release of the executive budget
23 recommendation, the department shall cooperate with the state budget office to provide
24 the senate and house appropriations chairs, the senate and house appropriations
25 subcommittees chairs, and the senate and house fiscal agencies with an annual report
26 on estimated state restricted fund balances, state restricted fund projected revenues,
27 and state restricted fund expenditures for the fiscal years ending September 30, 2016

1 and September 30, 2017.

2 Sec. 9-213. (1) The department shall maintain, on a publicly accessible website,
3 a department scorecard that identifies, tracks and regularly updates key metrics that
4 are used to monitor and improve the agency's performance.

5 (2) The department shall provide a report to the legislature based on the annual
6 rate filings from health insurance issuers that includes all of the following:

7 (a) The number that are within the applicable statutory time frames.

8 (b) The average number of calendar days to process rate filings.

9 (c) An estimated percentage of this state's population that is without any form
10 of health insurance coverage approved by the department.

11 (d) The number that are denied by the department.

12 (e) The percentage of rate filings processed for more than 6 months in any given
13 calendar year.

14 Sec. 9-214. Total authorized appropriations from all sources under part 1 for
15 legacy costs for the fiscal year ending September 30, 2017 is \$10,214,700.00. From
16 this amount, total agency appropriations for pension-related legacy costs are
17 estimated at \$5,663,800.00. Total agency appropriations for retiree health care legacy
18 costs are estimated at \$4,550,900.00.

19 Sec. 9-215. Unless prohibited by law, the department may accept credit card or
20 other electronic means of payment for licenses, fees, or permits.

21 Sec. 9-216. The department, in conjunction with the department of health and
22 human services, shall maintain an accounting structure within the Michigan
23 administrative information network that will allow expenditures associated with the
24 administration of the Healthy Michigan plan to be identified.

25 **INSURANCE AND FINANCIAL SERVICES REGULATION**

26 Sec. 9-391. In addition to the funds appropriated in part 1, the funds collected

1 by the department in connection with a conservatorship pursuant under section 32 of
2 the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1682,
3 and funds collected by the department from corporations being liquidated pursuant to
4 the insurance code of 1956, 1956 PA 218, MCL 500.100 to 500.8302, shall be
5 appropriated for all expenses necessary to provide for the required services. Funds
6 are available for expenditure when they are received by the department of treasury and
7 shall not lapse to the general fund at the end of the fiscal year.

8 Sec. 9-392. The department may make available to interested entities customized
9 listings of non-confidential information in its possession. The department may
10 establish and collect a reasonable charge to provide this service. The revenue from
11 this service is appropriated when received and shall be used to offset expenses. Any
12 balance of this revenue collected and unexpended at the end of the fiscal year shall
13 lapse to the appropriate restricted fund.

Article 10

JUDICIARY

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 10-101. Subject to the conditions set forth in this article, the amounts listed in this part for the judiciary are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

JUDICIARY

APPROPRIATION SUMMARY

Full-time equated exempted positions.....	510.0	499.0
GROSS APPROPRIATION	\$ 298,261,400	\$ 295,762,900
Total interdepartmental grants and intradepartmental transfers.....	1,550,000	1,550,000
ADJUSTED GROSS APPROPRIATION	\$ 296,711,400	\$ 294,212,900
Total federal revenues	6,443,500	6,433,500
Total local revenues	7,349,300	7,349,300
Total private revenues	957,800	957,800
Total other state restricted revenues	92,786,000	92,786,000
State general fund/general purpose	\$ 189,184,800	\$ 186,686,300
<i>State general fund/general purpose schedule:</i>		
Ongoing state general fund/general purpose	186,584,800	186,686,300
One-time state general fund/general purpose	2,600,000	0
Sec. 10-102. SUPREME COURT		
Full-time equated exempted positions.....	246.0	246.0
Supreme court administration-92.0 FTE positions	\$ 13,606,300	\$ 13,606,300

1	Judicial institute-13.0 FTE positions	1,800,800	1,800,800
2	State court administrative office-61.0 FTE positions ..	12,211,100	12,211,100
3	Judicial information systems-22.0 FTE positions	3,427,500	3,427,500
4	Direct trial court automation support-44.0 FTE		
5	positions.....	7,349,300	7,349,300
6	Foster care review board-10.0 FTE positions	1,305,700	1,305,700
7	Community dispute resolution-3.0 FTE positions	2,377,200	2,377,200
8	Other federal grants	275,100	275,100
9	Drug treatment courts	10,958,000	10,958,000
10	Mental health courts and diversion services-1.0 FTE		
11	position.....	5,337,700	5,337,700
12	Veterans courts	500,000	500,000
13	Swift and sure sanctions program	4,250,000	4,250,000
14	Next generation Michigan court system	<u>4,116,000</u>	<u>4,116,000</u>
15	GROSS APPROPRIATION	\$ 67,514,700	\$ 67,514,700
16	Appropriated from:		
17	Interdepartmental grant revenues:		
18	IDG from department of state police	1,500,000	1,500,000
19	IDG from department of corrections	50,000	50,000
20	Federal revenues:		
21	DOJ, drug court training and evaluation	300,000	300,000
22	DOT, national highway traffic safety administration ...	2,210,700	2,210,700
23	HHS, access and visitation grant	621,200	621,200
24	HHS, children's justice grant	233,000	233,000
25	HHS, court improvement project	1,309,700	1,309,700
26	HHS, title IV-D child support program	1,024,700	1,024,700
27	HHS, title IV-E foster care program	392,500	392,500

1	Other federal grant revenues	275,100	275,100
2	Special revenue funds:		
3	Local - user fees	7,349,300	7,349,300
4	Private	190,800	190,800
5	Private - interest on lawyers trust accounts	262,600	262,600
6	Private - state justice institute	420,200	420,200
7	Community dispute resolution fund	2,377,200	2,377,200
8	Court filing/motion fees	1,641,800	1,641,800
9	Law exam fees	649,700	649,700
10	Drug court fund	1,920,500	1,920,500
11	Miscellaneous revenue	273,300	273,300
12	Justice system fund	575,200	575,200
13	State court fund	382,800	382,800
14	State general fund/general purpose	\$ 43,554,400	\$ 43,554,400
15	Sec. 10-103. COURT OF APPEALS		
16	Full-time equated exempted positions.....	175.0	175.0
17	Court of appeals operations-175.0 FTE positions	\$ <u>23,102,700</u>	\$ <u>23,102,700</u>
18	GROSS APPROPRIATION	\$ 23,102,700	\$ 23,102,700
19	Appropriated from:		
20	Special revenue funds:		
21	State general fund/general purpose	\$ 23,102,700	\$ 23,102,700
22	Sec. 10-104. BRANCHWIDE APPROPRIATIONS		
23	Full-time equated exempted positions.....	4.0	4.0
24	Branchwide appropriations-4.0 FTE positions	\$ <u>8,745,300</u>	\$ <u>8,745,300</u>
25	GROSS APPROPRIATION	\$ 8,745,300	\$ 8,745,300
26	Appropriated from:		
27	Special revenue funds:		

1	State general fund/general purpose	\$	8,745,300	\$	8,745,300
2	Sec. 10-105. JUSTICES' AND JUDGES' COMPENSATION				
3	Full-time judges positions.....		592.0		592.0
4	Supreme court justices' salaries-7.0 judges	\$	1,152,300	\$	1,152,300
5	Court of appeals judges' salaries-26.0 judges		3,974,300		3,936,400
6	District court judges' state base salaries-				
7	241.0 judges.....		22,281,000		22,304,100
8	District court judicial salary standardization		11,008,100		11,019,500
9	Probate court judges' state base salaries-				
10	103.0 judges.....		9,627,900		9,627,900
11	Probate court judicial salary standardization		4,669,600		4,669,600
12	Circuit court judges' state base salaries-				
13	215.0 judges.....		20,181,600		20,252,200
14	Circuit court judicial salary standardization		9,796,400		9,830,700
15	Judges' retirement system defined contribution		4,480,900		4,480,900
16	OASI, social security		<u>5,721,200</u>		<u>5,721,200</u>
17	GROSS APPROPRIATION	\$	92,893,300	\$	92,994,800
18	Appropriated from:				
19	Special revenue funds:				
20	Court fee fund		2,988,100		2,988,100
21	State general fund/general purpose	\$	89,905,200	\$	90,006,700
22	Sec. 10-106. JUDICIAL AGENCIES				
23	Full-time equated exempted positions.....		7.0		7.0
24	Judicial tenure commission-7.0 FTE positions	\$	<u>1,137,600</u>	\$	<u>1,137,600</u>
25	GROSS APPROPRIATION	\$	1,137,600	\$	1,137,600
26	Appropriated from:				
27	Special revenue funds:				

1	State general fund/general purpose	\$	1,137,600	\$	1,137,600
2	Sec. 10-107. INDIGENT DEFENSE - CRIMINAL				
3	Full-time equated exempted positions		67.0		67.0
4	Appellate public defender program-51.0 FTE positions ..	\$	7,704,500	\$	7,704,500
5	Michigan indigent defense commission-16.0 FTE positions		<u>2,345,600</u>		<u>2,345,600</u>
6	GROSS APPROPRIATION	\$	10,050,100	\$	10,050,100
7	Appropriated from:				
8	Federal revenues:				
9	Other federal grant revenues		66,600		66,600
10	Special revenues funds:				
11	Private-interest on lawyers trusts accounts		84,200		84,200
12	Miscellaneous revenue		135,400		135,400
13	State general fund/general purpose	\$	9,763,900	\$	9,763,900
14	Sec. 10-108. INDIGENT CIVIL LEGAL ASSISTANCE				
15	Indigent civil legal assistance	\$	<u>7,937,000</u>	\$	<u>7,937,000</u>
16	GROSS APPROPRIATION	\$	7,937,000	\$	7,937,000
17	Appropriated from:				
18	Special revenue funds:				
19	State court fund		7,937,000		7,937,000
20	State general fund/general purpose	\$	0	\$	0
21	Sec. 10-109. TRIAL COURT OPERATIONS				
22	Court equity fund reimbursements	\$	60,815,700	\$	60,815,700
23	Judicial technology improvement fund		4,815,000		4,815,000
24	Drug case-flow program		250,000		250,000
25	Drunk driving case-flow program		3,300,000		3,300,000
26	Juror compensation reimbursement		6,600,000		6,600,000
27	Statewide e-file system		<u>8,500,000</u>		<u>8,500,000</u>

1	GROSS APPROPRIATION	\$	84,280,700	\$	84,280,700
2	Appropriated from:				
3	Special revenue funds:				
4	Court equity fund		50,440,000		50,440,000
5	Judicial technology improvement fund		4,815,000		4,815,000
6	Drug fund		250,000		250,000
7	Drunk driving fund		3,300,000		3,300,000
8	Juror compensation fund		6,600,000		6,600,000
9	Electronic filing fee fund		8,500,000		8,500,000
10	State general fund/general purpose	\$	10,375,700	\$	10,375,700
11	Sec. 10-110. ONE-TIME APPROPRIATIONS				
12	Full-time equated exempted positions		11.0		0.0
13	Medication assisted treatment pilot program	\$	500,000	\$	0
14	Expansion of problem solving courts		1,000,000		0
15	Compliance with USSC Montgomery v. Louisiana		<u>1,100,000</u>		<u>0</u>
16	GROSS APPROPRIATION	\$	2,600,000	\$	0
17	Appropriated from:				
18	State general fund/general purpose	\$	2,600,000	\$	0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

GENERAL SECTIONS

Sec. 10-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is \$281,970,800.00 and state spending from state resources to be paid to local units

1 of government for fiscal year 2016-2017 is \$138,718,300.00. The itemized statement
 2 below identifies appropriations from which spending to local units of government will
 3 occur:

4 JUDICIARY

5 SUPREME COURT

6	State court administrative office	\$	711,900
7	Mental health courts and diversion services		5,222,800
8	Drug treatment courts		11,658,000
9	Veterans courts		1,000,000
10	Swift and sure sanctions program		4,150,000
11	Next generation Michigan court system		4,116,000

12 TRIAL COURT OPERATIONS

13	Court equity fund reimbursements	\$	60,815,700
14	Judicial technology improvement fund		4,815,000
15	Drunk driving case-flow program		3,300,000
16	Drug case-flow program		250,000
17	Juror compensation reimbursement		6,600,000

18 JUSTICES' AND JUDGES' COMPENSATION

19	District court judicial salary standardization	\$	11,008,100
20	Probate court judges' state base salaries		9,627,900
21	Probate court judicial salary standardization		4,669,600
22	Circuit court judicial salary standardization		9,796,400
23	Grant to OASI contribution fund, employers share, social security ...		<u>976,900</u>
24	TOTAL	\$	138,718,300

25 Sec. 10-202. (1) The appropriations authorized under this article are subject to
 26 the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

27 (2) Funds appropriated in part 1 to an entity within the judicial branch shall

1 not be expended or transferred to another account without written approval of the
2 authorized agent of the judicial entity. If the authorized agent of the judicial
3 entity notifies the state budget director of its approval of an expenditure or
4 transfer, the state budget director shall immediately make the expenditure or
5 transfer. The authorized judicial entity agent shall be designated by the chief
6 justice of the supreme court.

7 Sec. 10-203. As used in this article:

8 (a) "DOJ" means the United States department of justice.

9 (b) "DOT" means the United States department of transportation.

10 (c) "FTE" means full-time equated.

11 (d) "HHS" means the United States department of health and human services.

12 (e) "IDG" means interdepartmental grant.

13 (f) "OASI" means old age survivor's insurance.

14 (g) "SADO" means the state appellate defender office.

15 (h) "Title IV-D" means the section of the federal Social Security Act, 42 USC 301
16 to 1397 mm, pertaining to the child support enforcement program.

17 (i) "Title IV-E" means the section of the federal Social Security Act, 42 USC 301
18 to 1397 mm, pertaining to the foster care program.

19 (j) "USSC" means the United State Supreme Court.

20 Sec. 10-204. The reporting requirements of this article shall be completed with
21 the approval of, and at the direction of, the supreme court, except as otherwise
22 provided in this article. The judicial branch shall use the Internet to fulfill the
23 reporting requirements of this article. This requirement may include transmission of
24 reports via electronic mail to the recipients identified for each reporting
25 requirement, or it may include placement of reports on an Internet or Intranet site.

26 Sec. 10-205. Funds appropriated in part 1 shall not be used for the purchase of
27 foreign goods or services, or both, if competitively priced and of comparable quality

1 American goods or services, or both, are available. Preference shall be given to goods
2 or services, or both, manufactured or provided by Michigan businesses, if they are
3 competitively priced and of comparable quality. In addition, preference should be
4 given to goods or services, or both, that are manufactured or provided by Michigan
5 businesses owned and operated by veterans, if they are competitively priced and of
6 comparable quality.

7 Sec. 10-207. Not later than January 1 of each year, the state court
8 administrative office shall prepare a report on out-of-state travel listing all travel
9 by judicial branch employees outside this state in the immediately preceding fiscal
10 year that was funded in whole or in part with funds appropriated in the budget for the
11 judicial branch. The report shall be submitted to the senate and house appropriations
12 committees, the house and senate fiscal agencies, and the state budget director. The
13 report shall include the following information:

14 (a) The dates of each travel occurrence.

15 (b) The transportation and related costs of each travel occurrence, including the
16 proportion funded with state general fund/general purpose revenues, the proportion
17 funded with state restricted revenues, the proportion funded with federal revenues,
18 and the proportion funded with other revenues.

19 Sec. 10-209. Not later than November 30, the state budget office shall prepare
20 and transmit a report that provides for estimates of the total general fund/general
21 purpose appropriation lapses at the close of the prior fiscal year. This report shall
22 summarize the projected year-end general fund/general purpose appropriation lapses by
23 major departmental program or program areas. The report shall be transmitted to the
24 chairpersons of the senate and house appropriations committees, and the senate and
25 house fiscal agencies.

26 Sec. 10-211. The department shall cooperate with the department of technology,
27 management and budget to maintain a searchable website accessible by the public at no

1 cost that includes, but is not limited to, all of the following for each department or
2 agency:

3 (a) Fiscal year-to-date expenditures by category.

4 (b) Fiscal year-to-date expenditures by appropriation unit.

5 (c) Fiscal year-to-date payments to a selected vendor, including the vendor name,
6 payment date, payment amount, and payment description.

7 (d) The number of active department employees by job classification.

8 (e) Job specifications and wage rates.

9 Sec. 10-212. Within 14 days after the release of the executive budget
10 recommendation, the judicial branch shall cooperate with the state budget office to
11 provide the senate and house appropriations chairs, the senate and house
12 appropriations subcommittees chairs, and the senate and house fiscal agencies with an
13 annual report on estimated state restricted fund balances, state restricted fund
14 projected revenues, and state restricted fund expenditures for the fiscal years ending
15 September 30, 2016 and September 30, 2017.

16 Sec. 10-213. The judiciary shall maintain, on a publicly accessible website, a
17 scorecard that identifies, tracks and regularly updates key metrics that are used to
18 monitor and improve the judiciary's performance.

19 Sec. 10-214. Total authorized appropriations from all sources under part 1 for
20 legacy costs for the fiscal year ending September 30, 2017 is \$14,104,600.00. From
21 this amount, total agency appropriations for pension-related legacy costs are
22 estimated at \$7,820,600.00. Total agency appropriations for judiciary retiree health
23 care legacy costs are estimated at \$6,284,000.00.

24 JUDICIARY

25 Sec. 10-301. From the funds appropriated in part 1, the direct trial court
26 automation support program of the state court administrative office shall recover

1 direct and overhead costs from trial courts by charging for services rendered. The fee
2 shall cover the actual costs incurred to the direct trial court automation support
3 program in providing the service, including development of future versions of case
4 management systems.

5 Sec. 10-302. Funds appropriated within the judicial branch shall not be expended
6 by any component within the judicial branch without the approval of the supreme court.

7 Sec. 10-303. Of the amount appropriated in part 1 for the judicial branch,
8 \$711,900.00 is allocated for circuit court reimbursement under section 3 of 1978 PA
9 16, MCL 800.453, and for costs associated with the court of claims.

10 Sec. 10-307. From the funds appropriated in part 1 for mental health courts and
11 diversion services, \$1,730,000.00 is intended to address the recommendations of the
12 mental health diversion council.

13 Sec. 10-308. If sufficient funds are not available from the court fee fund to pay
14 judges' compensation, the difference between the appropriated amount from that fund
15 for judges' compensation and the actual amount available after the amount appropriated
16 for trial court reimbursement is made shall be appropriated from the state general
17 fund for judges' compensation. If an appropriation is made under this section, the
18 state court administrative office shall notify, within 14 days of the appropriation,
19 the senate and house standing committees on appropriations, the senate and house
20 subcommittees on judiciary, the senate and house fiscal agencies, and the state budget
21 office.

22 Sec. 10-309. By April 1, the state court administrative office shall provide a
23 report on drug treatment, mental health, and veterans court programs in this state.
24 The report shall include information on the number of each type of program that has
25 been established, the number of program participants in each jurisdiction, and the
26 impact of the programs on offender criminal involvement and recidivism. The report
27 shall be submitted to the senate and house appropriations subcommittees on judiciary,

1 the senate and house fiscal agencies, and the state budget director.

2 Sec. 10-311. (1) The funds appropriated in part 1 for drug treatment courts as
3 that term is defined in section 1060 of the revised judicature act of 1961, 1961 PA
4 236, MCL 600.1060, shall be administered by the state court administrative office to
5 operate drug treatment court programs. A drug treatment court shall be responsible for
6 handling cases involving substance abusing nonviolent offenders through comprehensive
7 supervision, testing, treatment services, and immediate sanctions and incentives. A
8 drug treatment court shall use all available county and state personnel involved in
9 the disposition of cases including, but not limited to, parole and probation agents,
10 prosecuting attorneys, defense attorneys, and community corrections providers. The
11 funds may be used in connection with other federal, state, and local funding sources.

12 (2) From the funds appropriated in part 1, the chief justice shall allocate
13 sufficient funds for the judicial institute to provide in-state training for those
14 identified in subsection (1), including training for new drug treatment court judges.

15 (3) For drug treatment court grants, consideration for priority may be given to
16 those courts where higher instances of substance abuse cases are filed.

17 (4) The judiciary shall receive \$1,500,000.00 in Byrne formula grant funding as
18 an interdepartmental grant from the department of state police to be used for
19 expansion of drug treatment courts, to assist in avoiding prison bed space growth for
20 nonviolent offenders in collaboration with the department of corrections.

21 Sec. 10-317. Funds appropriated in part 1 shall not be used for the permanent
22 assignment of state-owned vehicles to justices or judges or any other judicial branch
23 employee. This section does not preclude the use of state-owned motor pool vehicles
24 for state business in accordance with approved guidelines.

25 Sec. 10-320. (1) From the funds appropriated in part 1 for the swift and sure
26 sanctions program, created under section 3 of chapter XIA of the code of criminal
27 procedure, 1927 PA 175, MCL 771A.3, the state court administrative office shall

1 administer a program to distribute grants to qualifying courts in accordance with the
2 objectives and requirements of the probation swift and sure sanctions act, chapter XIA
3 of the code of criminal procedure, 1927 PA 175, MCL 771A.1 to 771A.8. Of the
4 \$4,250,000.00 designated for the program, not more than \$100,000.00 shall be available
5 to the state court administrative office to pay for employee costs associated with the
6 administration of the program funds. Courts interested in participating in the swift
7 and sure sanctions program may apply to the state court administrative office for a
8 portion of the funds appropriated in part 1 under this section.

9 (2) By April 1, the state court administrative office shall provide a report on
10 the courts that receive funding under the swift and sure sanctions program described
11 in subsection (1) to the senate and house appropriations subcommittees on judiciary,
12 the senate and house fiscal agencies, and the state budget director. The report shall
13 include all of the following:

14 (a) The number of offenders who participate in the program.

15 (b) The criminal history of offenders who participate in the program.

16 (c) The recidivism rate of offenders who participate in the program, including
17 the rate of return to jail, prison, or both.

18 (d) A detailed description of the establishment and parameters of the program.

19 (3) As used in this section, "program" means a swift and sure sanctions program
20 described in subsection (1).

21 Sec. 10-321. From the funds appropriated in part 1, the judicial branch shall
22 support a statewide legal self-help internet website and local nonprofit self-help
23 centers that use the statewide website to provide assistance to individuals
24 representing themselves in civil legal proceedings. The state court administrative
25 office shall summarize the costs of maintaining the website, provide statistics on the
26 number of people visiting the website, and provide information on content usage, form
27 completion, and user feedback. By March 1, the state court administrative office shall

1 report this information for the preceding fiscal year to the senate and house
2 appropriations subcommittees on judiciary, the senate and house fiscal agencies, and
3 the state budget director.

4 Sec. 10-322. If Byrne formula grant funding is awarded to the state appellate
5 defender, the state appellate defender office may receive and expend Byrne formula
6 grant funds in an amount not to exceed \$250,000.00 as an interdepartmental grant from
7 the department of state police. If the appellate defender appointed under section 3 of
8 the appellate defender act, 1978 PA 620, MCL 780,713, receives federal grant funding
9 from the United States department of justice in excess of the amount appropriated in
10 part 1, the office of appellate defender may receive and expend grant funds in an
11 amount not to exceed \$300,000.00 as other federal grants.

12 Sec. 10-322a. If Byrne formula grant funding is awarded to the Michigan indigent
13 defense commission, the Michigan indigent defense commission may receive and expend
14 Byrne formula grant funds in an amount not to exceed \$250,000.00 as an
15 interdepartmental grant from the department of state police. The Michigan indigent
16 defense commission, created under section 5 of the Michigan indigent defense
17 commission act, 2013 PA 93, MCL 780.985, may receive and expend federal grant funding
18 from the United States Department of Justice in an amount not to exceed \$300,000.00 as
19 other federal grants.

20 Sec. 10-324. (1) From the increased funds appropriated in part 1 for the Michigan
21 Indigent Defense Commission, the Commission shall increase the total number of staff
22 by 10 FTEs and begin bringing the Michigan criminal defense system into compliance
23 with the right to counsel requirements of the Sixth Amendment of the United States
24 Constitution and Article 1 Section 20 of the Michigan Constitution. The purpose of
25 this program expansion is to implement minimum standards, rules, and procedures to
26 guarantee the right of indigent defendants to the assistance of proficient counsel,
27 collect comprehensive data from all indigent defense systems and attorneys providing

1 indigent defense, monitor and audit county compliance plans.

2 (2) The department shall identify specific outcomes and performance measures for
3 this initiative based on the minimum standards approved by the Michigan Supreme Court,
4 including, but not limited to, the following:

5 (a) Monitoring the success of approved minimum standards including: increased
6 training and education of trial-level defense attorneys; prompt meetings between
7 attorneys and clients; increased access to and use of experts and investigators; and
8 increased use of counsel at first appearance.

9 (b) The agency shall collect data on the standards approved by the Michigan
10 Supreme Court and shall work to identify metrics associated with the approved
11 standards.

12 (c) Monitoring the number of first-time offenders sentenced to serve prison time
13 within the Department of Corrections to determine if there is a measurable decline as
14 a result of the standards the standards approved by the Michigan Supreme Court
15 including training and education requirements; required meetings between client and
16 counsel; increased use of experts and investigators; and the provision of attorneys at
17 first appearance.

18 **ONE-TIME APPROPRIATIONS**

19 Sec. 10-401. From the increased funds appropriated in part 1 for drug treatment
20 courts, the Judiciary shall increase the funding available for establishing problem
21 solving courts. The purpose of this program expansion is increasing the number of
22 participants and decreasing recidivism rates.

23 Sec. 10-402. The State Appellate Defender Office attorneys and support staff
24 shall increase by 11 FTEs to ensure Michigan compliance with the USSC Montgomery v.
25 Louisiana decision. The purpose of the program expansion is to ensure competent,
26 resourced, and supervised counsel in cases involving the resentencing of juvenile

- 1 lifers. The representation by SADO counsel will create opportunities for release
- 2 saving prison costs for the State.

Article 11

LEGISLATURE

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 11-101. Subject to the conditions set forth in this article, the amounts listed in this part for the legislature are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

LEGISLATURE

APPROPRIATION SUMMARY

12	GROSS APPROPRIATION.....	\$	164,705,500	\$	164,705,500
13	Total interdepartmental grants and intradepartmental				
14	transfers.....		5,558,600		5,558,600
15	ADJUSTED GROSS APPROPRIATION	\$	159,146,900	\$	159,146,900
16	Total federal revenues		0		0
17	Total local revenues		0		0
18	Total private revenues		400,000		400,000
19	Total other state restricted revenues		6,245,200		6,245,200
20	State general fund/general purpose	\$	152,501,700	\$	152,501,700
21	<i>State general fund/general purpose schedule:</i>				
22	<i>Ongoing state general fund/general purpose</i>		<i>152,501,700</i>		<i>152,501,700</i>
23	<i>One-time general fund/general purpose</i>		<i>0</i>		<i>0</i>
24	Sec. 11-102. LEGISLATURE				
25	Senate	\$	34,523,700	\$	34,523,700
26	Senate automated data processing		2,500,000		2,500,000
27	Senate fiscal agency		3,779,600		3,779,600

1	House of representatives	53,095,900	53,095,900
2	House automated data processing	2,200,000	2,200,000
3	House fiscal agency	<u>3,779,600</u>	<u>3,779,600</u>
4	GROSS APPROPRIATION	\$ 99,878,800	\$ 99,878,800
5	Appropriated from:		
6	Special revenue funds:		
7	State general fund/general purpose	\$ 99,878,800	\$ 99,878,800
8	Sec. 11-103. LEGISLATIVE COUNCIL		
9	Legislative council	\$ 11,981,200	\$ 11,981,200
10	Legislative service bureau automated data processing ..	1,426,600	1,426,600
11	Worker's compensation	151,400	151,400
12	National association dues	454,700	454,700
13	Legislative corrections ombudsman	<u>729,200</u>	<u>729,200</u>
14	GROSS APPROPRIATION	\$ 14,743,100	\$ 14,743,100
15	Appropriated from:		
16	Special revenue funds:		
17	Private - gifts and bequests revenues	400,000	400,000
18	State general fund/general purpose	\$ 14,343,100	\$ 14,343,100
19	Sec. 11-104. LEGISLATIVE RETIREMENT SYSTEM		
20	General nonretirement expenses	\$ <u>4,962,800</u>	\$ <u>4,962,800</u>
21	GROSS APPROPRIATION	\$ 4,962,800	\$ 4,962,800
22	Appropriated from:		
23	Special revenue funds:		
24	Court fees	1,154,600	1,154,600
25	State general fund/general purpose	\$ 3,808,200	\$ 3,808,200
26	Sec. 11-105. PROPERTY MANAGEMENT		
27	Cora Anderson building	\$ 11,426,700	\$ 11,426,700

1	Farnum building and other properties	<u>2,851,800</u>	<u>2,851,800</u>
2	GROSS APPROPRIATION	\$ 14,278,500	\$ 14,278,500
3	Appropriated from:		
4	Special revenue funds:		
5	State general fund/general purpose	\$ 14,278,500	\$ 14,278,500
6	Sec. 11-106. STATE CAPITOL HISTORIC SITE		
7	General operations	\$ 4,269,200	\$ 4,269,200
8	Restoration, renewal and maintenance	<u>3,121,200</u>	<u>3,121,200</u>
9	GROSS APPROPRIATION	\$ 7,390,400	\$ 7,390,400
10	Appropriated from:		
11	Special revenue funds:		
12	Capitol historic site fund	3,121,200	3,121,200
13	State general fund/general purpose	\$ 4,269,200	\$ 4,269,200
14	Sec. 11-107. OFFICE OF THE AUDITOR GENERAL		
15	Unclassified positions	\$ 329,400	\$ 329,400
16	Field operations	<u>23,122,500</u>	<u>23,122,500</u>
17	GROSS APPROPRIATION	\$ 23,451,900	\$ 23,451,900
18	Appropriated from:		
19	Interdepartmental grant revenues:		
20	IDG from MDHHS, human services	30,600	30,600
21	IDG from MDLARA, liquor purchase revolving fund	28,700	28,700
22	IDG from MDOT, comprehensive transportation fund	39,000	39,000
23	IDG from MDOT, Michigan transportation fund	315,800	315,800
24	IDG from MDOT, state aeronautics fund	30,300	30,300
25	IDG from MDOT, state trunkline fund	733,500	733,500
26	IDG, legislative retirement system	29,200	29,200
27	IDG, single audit act	2,913,100	2,913,100

1	IDG, commercial mobile radio system emergency telephone		
2	fund.....	36,800	36,800
3	IDG, contract audit administration fees	41,400	41,400
4	IDG, deferred compensation funds	54,400	54,400
5	IDG, Michigan finance authority	330,800	330,800
6	IDG, Michigan economic development corporation	96,300	96,300
7	IDG, Michigan education trust fund	70,800	70,800
8	IDG, Michigan justice training commission fund	40,900	40,900
9	IDG, Michigan strategic fund	169,100	169,100
10	IDG, office of retirement services	218,400	218,400
11	IDG, other restricted funding sources	379,500	379,500
12	Special revenue funds:		
13	21 st Century jobs fund	96,300	96,300
14	Brownfield development fund	28,100	28,100
15	Clean Michigan initiative implementation bond fund	54,500	54,500
16	Game and fish protection fund	31,300	31,300
17	DTMB, civil service commission	166,200	166,200
18	Michigan state housing development authority fees	113,500	113,500
19	Michigan veterans trust fund	35,500	35,500
20	Motor transport revolving fund	7,400	7,400
21	Office services revolving fund	10,000	10,000
22	State disbursement unit, office of child support	57,400	57,400
23	State services fee fund	1,357,900	1,357,900
24	Waterways fund	11,300	11,300
25	State general fund/general purpose	\$ 15,923,900	\$ 15,923,900

26 PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

GENERAL SECTIONS

Sec. 11-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is \$158,746,900.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is \$0.00.

Sec. 11-202. The appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 11-203. As used in this article:

(a) "DTMB" means the department of technology, management and budget.

(b) "FTE" means full-time equated.

(c) "IDG" means interdepartmental grant.

(d) "MDHHS" means Michigan department of health and human services.

(e) "MDLARA" means Michigan department of licensing and regulatory affairs.

(f) "MDOT" means Michigan department of transportation.

Sec. 11-214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 is \$21,279,600.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$11,998,700.00. Total agency appropriations for retiree health care legacy costs are estimated at \$9,280,900.00.

LEGISLATURE

Sec. 11-600. The senate, the house of representatives, or an agency within the legislative branch may receive, expend, and transfer funds in addition to those authorized in part 1.

1 Sec. 11-601. (1) Funds appropriated in part 1 to an entity within the legislative
2 branch shall not be expended or transferred to another account without written
3 approval of the authorized agent of the legislative entity. If the authorized agent of
4 the legislative entity notifies the state budget director of its approval of an
5 expenditure or transfer before the year-end book-closing date for that legislative
6 entity, the state budget director shall immediately make the expenditure or transfer.
7 The authorized legislative entity agency shall be designated by the speaker of the
8 house of representatives for house entities, the senate majority leader for senate
9 entities, and the legislative council for legislative council entities.

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

13 Sec. 11-602. The senate may charge rent and assess charges for utility costs. The
14 amounts received for rent charges and utility assessments are appropriated to the
15 senate for the renovation, operation, and maintenance of the Farnum building and other
16 properties.

17 Sec. 11-603. The appropriation contained in part 1 for national association dues
18 is to be distributed by the legislative council.

19 Sec. 11-604. (1) The appropriation in part 1 to the Michigan state capitol
20 historic site includes funds to operate the legislative parking facilities in the
21 capitol area. The Michigan state capitol commission shall establish rules regarding
22 the operation of the legislative parking facilities.

23 (2) The Michigan state capitol commission may collect a fee from state employees
24 and the general public using certain legislative parking facilities. The revenues
25 received from the parking fees are appropriated upon receipt and shall be allocated by
26 the Michigan state capitol commission.

27 Sec. 11-605. The appropriation in part 1 to the legislative council for

1 publication of the Michigan manual is a work project account. The unexpended portion
2 remaining on September 30 shall not lapse and shall be carried forward into the
3 subsequent fiscal year for use in paying the associated biennial costs of publication
4 of the Michigan manual.

5 Sec. 11-606. The appropriations in part 1 to the legislative branch, for property
6 management, shall be used to purchase equipment and services for building maintenance
7 in order to ensure a safe and productive work environment. These funds are designated
8 as work project appropriations and shall not lapse at the end of the fiscal year, and
9 shall continue to be available for expenditure until the project has been completed.
10 The total cost is estimated at \$2,000,000.00, and the tentative completion date is
11 September 30, 2020.

12 Sec. 11-607. The appropriations in part 1 to the legislative branch, for
13 automated data processing, shall be used to purchase equipment, software, and services
14 in order to support and implement data processing requirements and technology
15 improvements. These funds are designated as work project appropriations in accordance
16 with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a, and
17 shall not lapse at the end of the fiscal year, and shall continue to be available for
18 expenditure until the project has been completed. The total cost is estimated at
19 \$2,000,000.00, and the tentative completion date is September 30, 2020.

20 Sec. 11-608. In addition to funds appropriated in part 1, the Michigan capitol
21 committee publications save the flags fund account may accept contributions, gifts,
22 bequests, devises, grants, and donations. Those funds that are not expended in the
23 fiscal year ending September 30 shall not lapse at the close of the fiscal year, and
24 shall be carried forward for expenditure in the following fiscal years.

25 **AUDITOR GENERAL OPERATIONS**

26 Sec. 11-620. Pursuant to section 53 of article IV of the state constitution of

1 1963, the auditor general shall conduct audits of the judicial branch. The audits may
2 include the supreme court and its administrative units, the court of appeals, and
3 trial courts.

4 Sec. 11-621. (1) The auditor general shall take all reasonable steps to ensure
5 that certified minority- and women-owned and operated accounting firms, and accounting
6 firms owned and operated by persons with disabilities participate in the audits of the
7 books, accounts, and financial affairs of each principal executive department, branch,
8 institution, agency, and office of this state.

9 (2) The auditor general shall strongly encourage firms with which the auditor
10 general contracts to perform audits of the principal executive departments and state
11 agencies to subcontract with certified minority- and women-owned and operated
12 accounting firms, and accounting firms owned and operated by persons with
13 disabilities.

14 (3) The auditor general shall compile an annual report regarding the number of
15 contracts entered into with certified minority- and women-owned and operated
16 accounting firms, and accounting firms owned and operated by persons with
17 disabilities. The auditor general shall deliver the report to the state budget
18 director and the senate and house of representatives standing committees on
19 appropriations subcommittees on general government by November 1 of each year.

20 Sec. 11-622. From the funds appropriated in part 1 to the legislative auditor
21 general, the auditor general's salary and the salaries of the remaining 2.0 FTE
22 unclassified positions shall be set by the speaker of the house of representatives,
23 the senate majority leader, the house of representatives minority leader, and the
24 senate minority leader.

25 Sec. 11-623. Any audits, reviews, or investigations requested of the auditor
26 general by the legislature or by legislative leadership, legislative committees, or
27 individual legislators shall include an estimate of the additional costs involved and,

1 when those costs exceed \$50,000.00, should provide supplemental funding. The auditor
2 general shall determine whether to perform those activities in keeping with Audit
3 Directive No. 29, which describes the office of the auditor general's policy on
4 responding to legislative requests.

Article 12

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 12-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of licensing and regulatory affairs are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

APPROPRIATION SUMMARY

Full-time equated unclassified positions	57.5	57.5
Full-time equated classified positions	2,177.3	2,177.3
GROSS APPROPRIATION	\$ 416,567,500	\$ 412,537,500
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers	46,923,800	46,923,800
ADJUSTED GROSS APPROPRIATION	\$ 369,643,700	\$ 365,613,700
Total federal revenues	63,818,100	63,818,100
Total local revenues	251,600	251,600
Total private revenues	314,100	314,100
Total other state restricted revenues	262,446,700	260,886,700
State general fund/general purpose	\$ 42,813,200	\$ 40,343,200
<i>State general fund/general purpose schedule:</i>		
Ongoing state general fund/general purpose	40,343,200	40,343,200
One-time state general fund/general purpose	2,470,000	0

1	Sec. 12-102. DEPARTMENTAL ADMINISTRATION		
2	Full-time equated unclassified positions.....	57.5	57.5
3	Full-time equated classified positions.....	115.0	115.0
4	Unclassified salaries-57.5 FTE positions	\$ 4,861,800	\$ 4,861,800
5	Executive director programs-24.0 FTE positions	3,239,700	3,239,700
6	Financial and administrative services-74.0 FTE		
7	positions.....	7,918,400	7,918,400
8	FOIA coordination-2.0 FTE positions	308,200	308,200
9	Information technology services and projects	21,424,300	21,424,300
10	Local community stabilization authority-1.0 FTE		
11	position.....	151,600	151,600
12	Office for new Americans-4.0 FTE positions	465,600	465,600
13	Office of reinventing performance in Michigan-6.0 FTE		
14	positions.....	715,900	715,900
15	Office of regulatory reinvention-4.0 FTE positions	495,500	495,500
16	Property management	11,852,400	11,852,400
17	Worker's compensation	<u>465,300</u>	<u>465,300</u>
18	GROSS APPROPRIATION	\$ 51,898,700	\$ 51,898,700
19	Appropriated from:		
20	Interdepartmental grant revenues:		
21	IDG-DIFS, accounting services	150,000	150,000
22	IDG-TED, unemployment hearings	568,900	568,900
23	Federal revenues:		
24	DED-vocational rehabilitation and independent living ..	2,121,500	2,121,500
25	DOE-heating oil and propane	25,000	25,000
26	DOL-occupational safety and health	1,001,100	1,001,100
27	EPA-underground storage tanks	128,800	128,800

1	HHS-Medicaid, certification of health care providers		
2	and suppliers.....	724,600	724,600
3	HHS-Medicare, certification of health care providers		
4	and suppliers.....	1,190,400	1,190,400
5	Special revenue funds:		
6	Local stabilization authority contract	151,600	151,600
7	Aboveground storage tank fees	146,500	146,500
8	Accountancy enforcement fund	67,100	67,100
9	Asbestos abatement fund	182,400	182,400
10	Boiler inspection fund	643,400	643,400
11	Builder enforcement fund	99,500	99,500
12	Construction code fund	1,676,600	1,676,600
13	Corporation fees	8,713,000	8,713,000
14	Elevator fees	697,400	697,400
15	Fire alarm fees	5,400	5,400
16	Fire safety standard and enforcement fund	1,100	1,100
17	Fire service fees	778,300	778,300
18	Fireworks safety fund	94,100	94,100
19	Health professions regulatory fund	2,736,000	2,736,000
20	Health systems fees	454,700	454,700
21	Licensing and regulation fund	3,122,900	3,122,900
22	Liquor license revenue	300,000	300,000
23	Liquor purchase revolving fund	7,187,800	7,187,800
24	Michigan medical marihuana fund	934,500	934,500
25	Michigan unarmed combat fund	12,700	12,700
26	Mobile home code fund	616,100	616,100
27	Nurse professional fund	37,700	37,700

1	PMECSEMA fund	221,600	221,600
2	Private occupational school license fees	165,700	165,700
3	Property development fees	6,100	6,100
4	Public utility assessments	4,088,100	4,088,100
5	Radiological health fees	304,200	304,200
6	Real estate appraiser education fund	6,300	6,300
7	Real estate education fund	15,200	15,200
8	Real estate enforcement fund	10,100	10,100
9	Restructuring mechanism assessments	51,000	51,000
10	Retired engineers technical assistance program fund ...	7,000	7,000
11	Safety education and training fund	1,442,300	1,442,300
12	Second injury fund	407,300	407,300
13	Securities fees	4,723,700	4,723,700
14	Securities investor education and training fund	14,500	14,500
15	Security business fund	3,200	3,200
16	Self-insurers security fund	263,500	263,500
17	Silicosis and dust disease fund	182,200	182,200
18	Survey and remonumentation fund	142,200	142,200
19	Tax tribunal fund	1,656,900	1,656,900
20	Underground storage tank fees	356,600	356,600
21	Utility consumer representation fund	54,000	54,000
22	Worker's compensation administrative revolving fund ...	101,900	101,900
23	State general fund/general purpose	\$ 3,106,000	\$ 3,106,000
24	Sec. 12-103. ENERGY AND UTILITY PROGRAMS		
25	Full-time equated classified positions	188.0	188.0
26	Michigan agency for energy-56.0 FTE positions	\$ 12,929,100	\$ 12,929,100
27	Public service commission-132.0 FTE positions	<u>22,395,400</u>	<u>22,395,400</u>

1	GROSS APPROPRIATION	\$	35,324,500	\$	35,324,500
2	Appropriated from:				
3	Federal revenues:				
4	DOE-heating oil and propane		3,775,000		3,775,000
5	DOT-gas pipeline safety		1,445,500		1,445,500
6	EPA-pollution prevention		84,000		84,000
7	Special revenue funds:				
8	Public utility assessments		28,186,600		28,186,600
9	Restructuring mechanism assessments		607,200		607,200
10	Retired engineers technical assistance program fund ...		669,600		669,600
11	State general fund/general purpose	\$	556,600	\$	556,600
12	Sec. 12-104. LIQUOR CONTROL COMMISSION				
13	Full-time equated classified positions		143.0		143.0
14	Liquor licensing and enforcement-115.0 FTE positions ..	\$	15,320,100	\$	15,320,100
15	Management support services-28.0 FTE positions		<u>4,419,800</u>		<u>4,419,800</u>
16	GROSS APPROPRIATION	\$	19,739,900	\$	19,739,900
17	Appropriated from:				
18	Special revenue funds:				
19	Direct shipper enforcement revolving fund		126,800		126,800
20	Liquor license fee enhancement fund		76,400		76,400
21	Liquor license revenue		7,416,100		7,416,100
22	Liquor purchase revolving fund		12,120,600		12,120,600
23	State general fund/general purpose	\$	0	\$	0
24	Sec. 12-105. OCCUPATIONAL REGULATION				
25	Full-time equated classified positions		1,033.9		1,033.9
26	Bureau of construction codes-176.0 FTE positions	\$	22,081,800	\$	22,081,800
27	Bureau of community and health services-429.9 FTE				

1	positions.....	61,112,000	61,112,000
2	Bureau of fire services-80.0 FTE positions	11,143,500	11,143,500
3	Bureau of professional licensing-210.0 FTE positions ..	40,182,300	40,182,300
4	Corporations, securities, and commercial licensing		
5	bureau-118.0 FTE positions.....	15,528,300	15,528,300
6	Medical marihuana program-20.0 FTE positions	<u>4,253,300</u>	<u>4,253,300</u>
7	GROSS APPROPRIATION	\$ 154,301,200	\$ 154,301,200
8	Appropriated from:		
9	Interdepartmental grant revenues:		
10	IDG-MDE, child care licensing	16,626,500	16,626,500
11	Federal revenues:		
12	DHS-fire training systems	28,000	28,000
13	DOT-hazardous materials training and planning	60,000	60,000
14	EPA-underground storage tanks	800,000	800,000
15	HHS-Medicaid, certification of health care providers		
16	and suppliers.....	9,191,700	9,191,700
17	HHS-Medicare, certification of health care providers		
18	and suppliers.....	12,352,500	12,352,500
19	Special revenue funds:		
20	Private-civil monetary penalties	202,300	202,300
21	Aboveground storage tank fees	455,900	455,900
22	Accountancy enforcement fund	408,300	408,300
23	Boiler inspection fund	3,819,200	3,819,200
24	Builder enforcement fund	484,300	484,300
25	Construction code fund	7,743,900	7,743,900
26	Corporation fees	7,014,000	7,014,000
27	Distance education fund	300,000	300,000

1	Elevator fees	4,858,300	4,858,300
2	Fire alarm fees	125,400	125,400
3	Fire safety standard and enforcement fund	40,000	40,000
4	Fire service fees	2,500,200	2,500,200
5	Fireworks safety fund	696,200	696,200
6	Health professions regulatory fund	23,805,900	23,805,900
7	Health systems fees	3,702,100	3,702,100
8	Licensing and regulation fund	11,540,800	11,540,800
9	Liquor purchase revolving fund	143,200	143,200
10	Michigan medical marihuana fund	4,253,300	4,253,300
11	Michigan unarmed combat fund	145,000	145,000
12	Mobile home code fund	3,017,100	3,017,100
13	Nurse professional fund	1,963,800	1,963,800
14	PMECSEMA fund	1,847,700	1,847,700
15	Private occupational school license fees	706,300	706,300
16	Property development fees	318,100	318,100
17	Real estate appraiser education fund	64,000	64,000
18	Real estate education fund	343,900	343,900
19	Real estate enforcement fund	704,400	704,400
20	Securities fees	4,982,800	4,982,800
21	Securities investor education and training fund	501,200	501,200
22	Security business fund	340,100	340,100
23	Survey and remonumentation fund	850,100	850,100
24	Underground storage tank fees	2,561,100	2,561,100
25	State general fund/general purpose	\$ 24,803,600	\$ 24,803,600
26	Sec. 12-106. EMPLOYMENT SERVICES		
27	Full-time equated classified positions	464.4	464.4

1	Bureau of employment relations-22.0 FTE positions	\$	4,198,900	\$	4,198,900
2	Bureau of services for blind persons-113.0 FTE				
3	positions.....		24,639,400		24,639,400
4	Compensation supplement fund		1,820,000		1,820,000
5	Insurance funds administration-23.0 FTE positions		5,240,200		5,240,200
6	Michigan occupational safety and health administration-				
7	197.0 FTE positions.....		29,052,100		29,052,100
8	Radiation safety section-21.4 FTE positions		3,231,800		3,231,800
9	Wage and hour program-32.0 FTE positions		3,728,100		3,728,100
10	Workers' compensation agency-56.0 FTE positions		<u>7,832,200</u>		<u>7,832,200</u>
11	GROSS APPROPRIATION	\$	79,742,700	\$	79,742,700
12	Appropriated from:				
13	Federal revenues:				
14	DED-vocational rehabilitation and independent living ..		18,437,600		18,437,600
15	DOL-occupational safety and health		11,785,200		11,785,200
16	HHS-mammography quality standards		513,300		513,300
17	Special revenue funds:				
18	Private revenues		111,800		111,800
19	Local revenues		100,000		100,000
20	Asbestos abatement fund		1,027,500		1,027,500
21	Corporation fees		9,432,400		9,432,400
22	Michigan business enterprise program fund		400,000		400,000
23	Radiological health fees		2,718,500		2,718,500
24	Safety education and training fund		9,728,600		9,728,600
25	Second injury fund		2,589,400		2,589,400
26	Securities fees		8,634,900		8,634,900
27	Self-insurers security fund		1,562,500		1,562,500

1	Silicosis and dust disease fund	1,088,300	1,088,300
2	Worker's compensation administrative revolving fund ...	1,652,900	1,652,900
3	State general fund/general purpose	\$ 9,959,800	\$ 9,959,800
4	Sec. 12-107. MICHIGAN ADMINISTRATIVE HEARING SYSTEM		
5	Full-time equated classified positions	233.0	233.0
6	Michigan administrative hearing system-215.0 FTE		
7	positions	\$ 37,948,700	\$ 37,948,700
8	Michigan compensation appellate commission-18.0		
9	FTE positions	<u>4,606,100</u>	<u>4,606,100</u>
10	GROSS APPROPRIATION	\$ 42,554,800	\$ 42,554,800
11	Appropriated from:		
12	Interdepartmental grant revenues:		
13	IDG revenues- administrative hearings and rules	29,578,400	29,578,400
14	Federal revenues:		
15	Federal revenues - administrative hearings and rules ..	153,900	153,900
16	Special revenue funds:		
17	Corporation fees	202,700	202,700
18	State restricted revenues - administrative hearings		
19	and rules	11,793,400	11,793,400
20	Worker's compensation administrative revolving fund ...	134,900	134,900
21	State general fund/general purpose	\$ 691,500	\$ 691,500
22	Sec. 12-108. DEPARTMENT GRANTS		
23	Fire protection grants	\$ 9,273,900	\$ 9,273,900
24	Firefighter training grants	1,000,000	1,000,000
25	Liquor law enforcement grants	7,200,000	7,200,000
26	Medical marihuana operation and oversight grants	3,000,000	3,000,000
27	Remonumentation grants	7,300,000	7,300,000

1	Subregional libraries state aid	451,800	451,800
2	Utility consumer representation	<u>750,000</u>	<u>750,000</u>
3	GROSS APPROPRIATION	\$ 28,975,700	\$ 28,975,700
4	Appropriated from:		
5	Special revenue funds:		
6	Fire protection fund	8,500,000	8,500,000
7	Fireworks safety fund	1,000,000	1,000,000
8	Liquor license revenue	7,200,000	7,200,000
9	Michigan medical marihuana fund	3,000,000	3,000,000
10	Survey and remonumentation fund	7,300,000	7,300,000
11	Utility consumer representation fund	750,000	750,000
12	State general fund/general purpose	\$ 1,225,700	\$ 1,225,700
13	Sec. 12-109. ONE-TIME APPROPRIATIONS		
14	Michigan automated prescription system upgrades	\$ 2,470,000	\$ 0
15	Michigan liquor control commission IT upgrades	<u>1,560,000</u>	<u>0</u>
16	GROSS APPROPRIATION	\$ 4,030,000	\$ 0
17	Appropriated from:		
18	Liquor purchase revolving fund	1,560,000	0
19	State general fund/general purpose	\$ 2,470,000	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

GENERAL SECTIONS

24 Sec. 12-201. Pursuant to section 30 of article IX of the state constitution of
 25 1963, total state spending from state resources under part 1 for fiscal year 2016-2017
 26 is \$305,259,900.00 and state spending from state resources to be paid to local units

1 of government for fiscal year 2016-2017 is \$28,225,700.00. The itemized statement
2 below identifies appropriations from which spending to local units of government will
3 occur:

4 DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

5	Fire protection grants	\$	9,273,900
6	Firefighter training grants		1,000,000
7	Liquor law enforcement grants		7,200,000
8	Medical marihuana operation and oversight grants		3,000,000
9	Remonumentation grants		7,300,000
10	Subregional libraries state aid		<u>451,800</u>
11	TOTAL	\$	28,225,700

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

14 Sec. 12-203. As used in this article:

- 15 (a) "DED" means the United States department of education.
- 16 (b) "Department" means the department of licensing and regulatory affairs.
- 17 (c) "DHS" means the United States department of homeland security.
- 18 (d) "DIFS" means the department of insurance and financial services.
- 19 (e) "Director" means the director of the department.
- 20 (f) "DOE" means the United States department of energy.
- 21 (g) "DOL" means the United States department of labor.
- 22 (h) "DOT" means the United States department of transportation.
- 23 (i) "EPA" means the United States environmental protection agency.
- 24 (j) "FOIA" means freedom of information act.
- 25 (k) "FTE" means full-time equated.
- 26 (l) "HHS" means the United States department of health and human services.
- 27 (m) "IDG" means interdepartmental grant.

1 (n) "IT" means information technology.

2 (o) "MDE" means the Michigan department of education.

3 (p) "PMECSEMA" means pain management education and controlled substances
4 electronic monitoring and antidiversion.

5 (q) "TED" means the department of talent and economic development.

6 Sec. 12-204. The departments and agencies receiving appropriations in part 1
7 shall use the Internet to fulfill the reporting requirements of this article. This
8 requirement may include transmission of reports via electronic mail to the recipients
9 identified for each reporting requirement, or it may include placement of reports on
10 an Internet or Intranet site.

11 Sec. 12-205. Funds appropriated in part 1 shall not be used for the purchase of
12 foreign goods or services, or both, if competitively priced and of comparable quality
13 American goods or services, or both, are available. Preference shall be given to goods
14 or services, or both, manufactured or provided by Michigan businesses, if they are
15 competitively priced and of comparable quality. In addition, preference should be
16 given to goods or services, or both, that are manufactured or provided by Michigan
17 businesses owned and operated by veterans, if they are competitively priced and of
18 comparable quality.

19 Sec. 12-206. The director shall take all reasonable steps to ensure businesses in
20 deprived and depressed communities compete for and perform contracts to provide
21 services or supplies, or both. Each director shall strongly encourage firms with which
22 the department contracts to subcontract with certified businesses in depressed and
23 deprived communities for services, supplies, or both.

24 Sec. 12-207. The departments and agencies receiving appropriations in part 1
25 shall prepare a report on out-of-state travel expenses not later than January 1 of
26 each year. The travel report shall be a listing of all travel by classified and
27 unclassified employees outside this state in the immediately preceding fiscal year

1 that was funded in whole or in part with funds appropriated in the department's
2 budget. The report shall be submitted to the senate and house appropriations
3 committees, the house and senate fiscal agencies, and the state budget director. The
4 report shall include the following information:

5 (a) The dates of each travel occurrence.

6 (b) The transportation and related costs of each travel occurrence, including the
7 proportion funded with state general fund/general purpose revenues, the proportion
8 funded with state restricted revenues, the proportion funded with federal revenues,
9 and the proportion funded with other revenues.

10 Sec. 12-208. Funds appropriated in part 1 shall not be used by a principal
11 executive department, state agency, or authority to hire a person to provide legal
12 services that are the responsibility of the attorney general. This prohibition does
13 not apply to legal services for bonding activities and for those outside services that
14 the attorney general authorizes.

15 Sec. 12-209. Not later than November 30, the state budget office shall prepare
16 and transmit a report that provides for estimates of the total general fund/general
17 purpose appropriation lapses at the close of the prior fiscal year. This report shall
18 summarize the projected year-end general fund/general purpose appropriation lapses by
19 major departmental program or program areas. The report shall be transmitted to the
20 chairpersons of the senate and house appropriations committees, and the senate and
21 house fiscal agencies.

22 Sec. 12-210. (1) In addition to the funds appropriated in part 1, there is
23 appropriated an amount not to exceed \$19,000,000.00 for federal contingency funds.
24 These funds are not available for expenditure until they have been transferred to
25 another line item in this article under section 393(2) of the management and budget
26 act, 1984 PA 431, MCL 18.1393.

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

1 amount not to exceed \$25,000,000.00 for state restricted contingency funds. These
2 funds are not available for expenditure until they have been transferred to another
3 line item in this article under section 393(2) of the management and budget act, 1984
4 PA 431, MCL 18.1393.

5 (3) In addition to the funds appropriated in part 1, there is appropriated an
6 amount not to exceed \$7,800,000.00 for local contingency funds. These funds are not
7 available for expenditure until they have been transferred to another line item in
8 this article under section 393(2) of the management and budget act, 1984 PA 431, MCL
9 18.1393.

10 (4) In addition to the funds appropriated in part 1, there is appropriated an
11 amount not to exceed \$400,000.00 for private contingency funds. These funds are not
12 available for expenditure until they have been transferred to another line item in
13 this article under section 393(2) of the management and budget act, 1984 PA 431, MCL
14 18.1393.

15 Sec. 12-211. The department shall cooperate with the department of technology,
16 management and budget to maintain a searchable website accessible by the public at no
17 cost that includes, but is not limited to, all of the following for each department or
18 agency:

19 (a) Fiscal year-to-date expenditures by category.

20 (b) Fiscal year-to-date expenditures by appropriation unit.

21 (c) Fiscal year-to-date payments to a selected vendor, including the vendor name,
22 payment date, payment amount, and payment description.

23 (d) The number of active department employees by job classification.

24 (e) Job specifications and wage rates.

25 Sec. 12-212. Within 14 days after the release of the executive budget
26 recommendation, the department shall cooperate with the state budget office to provide
27 the senate and house appropriations chairs, the senate and house appropriations

1 subcommittees chairs, and the senate and house fiscal agencies with an annual report
2 on estimated state restricted fund balances, state restricted fund projected revenues,
3 and state restricted fund expenditures for the fiscal years ending September 30, 2016
4 and September 30, 2017.

5 Sec. 12-213. The department shall maintain, on a publicly accessible website, a
6 department scorecard that identifies, tracks and regularly updates key metrics that
7 are used to monitor and improve the agency's performance.

8 Sec. 12-214. Total authorized appropriations from all sources under part 1 for
9 legacy costs for the fiscal year ending September 30, 2017 is \$53,627,900.00. From
10 this amount, total agency appropriations for pension-related legacy costs are
11 estimated at \$29,735,200.00. Total agency appropriations for retiree health care
12 legacy costs are estimated at \$23,892,700.00.

13 Sec. 12-220. The department may carry into the succeeding fiscal year unexpended
14 federal pass-through funds to local institutions and governments that do not require
15 additional state matching funds. Federal pass-through funds to local institutions and
16 governments that are received in amounts in addition to those included in part 1 and
17 that do not require additional state matching funds are appropriated for the purposes
18 intended. Within 14 days after the receipt of federal pass-through funds, the
19 department shall notify the house and senate chairpersons of the subcommittees, the
20 fiscal agencies, and the state budget director of pass-through funds appropriated
21 under this section.

22 Sec. 12-225. (1) Grants supported with private revenues received by the
23 department are appropriated upon receipt and are available for expenditure by the
24 department, subject to subsection (3), for purposes specified within the grant
25 agreement and as permitted under state and federal law.

26 (2) Within 10 days after the receipt of a private grant appropriated in
27 subsection (1), the department shall notify the house and senate chairpersons of the

1 subcommittees, the fiscal agencies, and the state budget director of the receipt of
2 the grant, including the fund source, purpose, and amount of the grant.

3 (3) The amount appropriated under subsection (1) shall not exceed \$1,500,000.00.

4 Sec. 12-227. (1) The department shall sell documents at a price not to exceed the
5 cost of production and distribution. Money received from the sale of these documents
6 shall revert to the department. In addition to the funds appropriated in part 1, these
7 funds are appropriated for expenditure when they are received by the department of
8 treasury. This subsection applies only for the following documents:

9 (a) Corporation and securities division documents, reports, and papers required
10 or permitted by law pursuant to section 1060(5) of the business corporation act, 1972
11 PA 284, MCL 450.2060.

12 (b) The Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1101 to
13 436.2303.

14 (c) The mobile home commission act, 1987 PA 96, MCL 125.2301 to 125.2349; the
15 business corporation act, 1972 PA 284, MCL 450.1101 to 450.2098; the nonprofit
16 corporation act, 1982 PA 162, MCL 450.2101 to 450.3192; and the uniform securities act
17 (2002), 2008 PA 551, MCL 451.2101 to 451.2703.

18 (d) Worker's compensation health care services rules.

19 (e) Construction code manuals.

20 (f) Copies of transcripts from administrative law hearings.

21 (2) In addition to the funds appropriated in part 1, funds appropriated by the
22 department under sections 55, 57, 58, and 59 of the administrative procedures act of
23 1969, 1969 PA 306, MCL 24.255, 24.257, 24.258, and 24.259, and section 203 of the
24 legislative council act, 1986 PA 268, MCL 4.1203, are appropriated for all expenses
25 necessary to provide for the cost of publication and distribution.

26 (3) Unexpended funds at the end of the fiscal year shall carry forward to the
27 subsequent fiscal year and not lapse to the general fund.

1 Sec. 12-228. Unless prohibited by law, the department may accept credit card or
2 other electronic means of payment for licenses, fees, or permits.

3 Sec. 12-241. (1) The department may charge registration fees to attendees of
4 informational, training, or special events sponsored by the department.

5 (2) These fees shall reflect the costs for the department to sponsor the
6 informational, training, or special events.

7 (3) Revenue generated by the registration fees is appropriated upon receipt and
8 available for expenditure to cover the department's costs of sponsoring informational,
9 training, or special events.

10 (4) Revenue generated by registration fees in excess of the department's costs of
11 sponsoring informational, training, or special events shall carry forward to the
12 subsequent fiscal year and not lapse to the general fund.

13 (5) The amount appropriated under subsection (3) shall not exceed \$500,000.00.

14 Sec. 12-242. The department may make available to interested entities otherwise
15 unavailable customized listings of nonconfidential information in its possession, such
16 as names and addresses of licensees. The department may establish and collect a
17 reasonable charge to provide this service. The revenue received from this service
18 shall be used to offset expenses to provide the service. Any balance of this revenue
19 collected and unexpended at the end of the fiscal year shall revert to the appropriate
20 restricted fund.

21 Sec. 12-245. The department, in conjunction with the department of health and
22 human services, shall maintain an accounting structure within the Michigan
23 administrative information network that will allow expenditures associated with the
24 administration of the Healthy Michigan plan to be identified.

25 OCCUPATIONAL REGULATION

26 Sec. 12-501. Money appropriated under this part and part 1 for the bureau of fire

1 services shall not be expended unless, in accordance with section 2c of the fire
 2 prevention code, 1941 PA 207, MCL 29.2c, inspection and plan review fees will be
 3 charged according to the following schedule:

4 Operation and maintenance inspection fee

5 <u>Facility type</u>	6 <u>Facility size</u>	7 <u>Fee</u>
8 Hospitals	9 Any	10 \$8.00 per bed

11 Plan review and construction inspection fees for hospitals and schools

12 <u>Project cost range</u>	13 <u>Fee</u>
14 \$101,000.00 or less	15 minimum fee of \$155.00
16 \$101,001.00 to \$1,500,000.00	17 \$1.60 per \$1,000.00
18 \$1,500,001.00 to \$10,000,000.00	19 \$1.30 per \$1,000.00
20 \$10,000,001.00 or more	21 \$1.10 per \$1,000.00
22 or a maximum fee of \$60,000.00.	

23 Sec. 12-502. The funds collected by the department for licenses, permits, and
 24 other elevator regulation fees set forth in the Michigan administrative code and as
 25 determined under section 8 of 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA
 26 227, MCL 408.816, that are unexpended at the end of the fiscal year shall carry
 forward to the subsequent fiscal year.

27 Sec. 12-503. No later than February 15, the department shall submit a report to
 28 the subcommittees, fiscal agencies, and state budget director providing the following
 29 information:

30 (a) The number of honorably discharged veterans, individually or if a majority
 31 interest of a corporation or limited liability company, that were exempted from paying
 32 licensure, registration, filing, or any other fees collected under each licensure or
 33 regulatory program administered by the bureau of construction codes and the
 34 corporations, securities, and commercial licensing bureau during the preceding fiscal

1 year.

2 (b) The specific fees and total amount of revenue exempted under each licensure
3 or regulatory program administered by the bureau of construction codes and the
4 corporations, securities, and commercial licensing bureau during the preceding fiscal
5 year.

6 (c) The actual costs of providing licensing and other regulatory services to
7 veterans exempted from paying licensure, registration, filing, or any other fees
8 during the preceding fiscal year and a description of how these costs were calculated.

9 (d) The estimated amount of revenue that will be exempted under each licensure or
10 regulatory program administered by the bureau of construction codes and the
11 corporations, securities, and commercial licensing bureau in both the current and
12 subsequent fiscal years and a description of how the exempted revenue was estimated.

13 Sec. 12-505. (1) Funds remaining in the homeowner construction lien recovery fund
14 are appropriated to the department for payment of court-ordered homeowner construction
15 lien recovery fund judgments entered prior to August 23, 2010. Pursuant to available
16 funds, the payment of final judgments shall be made in the order in which the final
17 judgments were entered and began accruing interest.

18 (2) Not later than April 1, the department shall submit to the subcommittees,
19 fiscal agencies, and the state budget director a report on the revenues, expenditures,
20 and balance of the homeowner construction lien recovery fund as of the end of the
21 previous fiscal year.

22 Sec. 12-507. The department shall submit by January 31 to the standing committees
23 on appropriations of the senate and house of representatives, the fiscal agencies, and
24 the state budget director an annual report for the prior fiscal year regarding the
25 medical marihuana program under the Michigan medical marihuana act, 2008 IL 1, MCL
26 333.26421 to 333.26430.

27 Sec. 12-508. If the revenue collected by the department for health systems

1 administration or radiological health administration and projects from fees and
2 collections exceeds the amount appropriated in part 1, the revenue may be carried
3 forward into the subsequent fiscal year. The revenue carried forward under this
4 section shall be used as the first source of funds in the subsequent fiscal year.

5 Sec. 12-511. No later than February 1, the department shall submit a report to
6 the subcommittees, fiscal agencies, and the state budget director providing the
7 following information:

8 (a) The total amount of reimbursements made to local units of government for
9 delegated inspections of fireworks retail locations pursuant to section 11 of the
10 Michigan fireworks safety act, 2011 PA 256, MCL 28.461, from the funds appropriated in
11 part 1 for the bureau of fire services during the preceding fiscal year.

12 (b) The amount of reimbursement for delegated inspections of fireworks retail
13 locations for each local unit of government that received reimbursement from the funds
14 appropriated in part 1 for the bureau of fire services during the preceding fiscal
15 year.

16 Sec. 12-513. (1) Beginning October 1, for the purpose of defraying the costs
17 associated with responding to false final inspection appointments and to discourage
18 the practice of calling for final inspections when the project is incomplete or
19 noncompliant with a plan of correction previously provided by the bureau of fire
20 services, the bureau of fire services may assess a fee not to exceed \$200.00 for
21 responding to confirmed false inspection appointments. Fees collected under this
22 section shall be deposited into the restricted account referenced by section 2c(2) of
23 the fire prevention code, 1941 PA 207, MCL 29.2c, and explicitly identified within the
24 Michigan administrative information network.

25 (2) Not later than September 30, the department shall prepare a report that
26 provides the amount of the fee assessed under subsection (1), the number of fees
27 assessed and issued per region, the cost allocation for the work performed and reduced

1 as a result of this section, and any recommendations for consideration by the
2 legislature. The department shall submit this information to the state budget
3 director, the subcommittees, and the fiscal agencies.

4 Sec. 12-515. The department shall assess and collect fees in the licensing and
5 regulation of childcare organizations as defined in 1973 PA 116, MCL 722.111 TO
6 722.128, and adult foster care facilities as defined in the adult foster care facility
7 licensing act, 1979 PA 218, MCL 400.701 TO 400.737.

8 EMPLOYMENT SERVICES

9 Sec. 12-704. (1) The appropriation in part 1 for the bureau of services for blind
10 persons includes funds for case services. These funds may be used for tuition payments
11 for blind clients.

12 (2) Revenue collected by the bureau of services for blind persons and from
13 private and local sources that is unexpended at the end of the fiscal year may carry
14 forward to the subsequent fiscal year.

15 Sec. 12-707. The bureau of services for blind persons may provide and enter into
16 agreements to provide general services, training, meetings, information, special
17 equipment, software, facility use, and technical consulting services to other
18 principal executive departments, state agencies, local units of government, the
19 judicial branch of government, other organizations, and patrons of department
20 facilities. The department may charge fees for these services that are reasonably
21 related to the cost of providing the services. In addition to the funds appropriated
22 in part 1, funds collected by the department for these services are appropriated for
23 all expenses necessary. The funds appropriated under this section are allotted for
24 expenditure when they are received by the department of treasury.

25 DEPARTMENT GRANTS

1 Sec. 12-901. The appropriation in part 1 for fire protection grants shall be
2 appropriated to cities, villages, and townships with state-owned facilities for fire
3 services, instead of taxes, in accordance with 1977 PA 289, MCL 141.951 to 141.956.

4 Sec. 12-902. (1) Not later than January 31, the department shall prepare a report
5 that provides the number of registry identification cards issued to or renewed for
6 patients residing in each county as of September 30 of the preceding fiscal year,
7 under the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430. The
8 department shall submit this report to the state budget director, the senate and house
9 appropriations subcommittees on licensing and regulatory affairs, and the fiscal
10 agencies.

11 (2) The department shall expend the funds appropriated in part 1 for medical
12 marihuana operation and oversight grants for grants to county law enforcement offices
13 for the operation and oversight of the Michigan medical marihuana program pursuant to
14 section 6(1) of the Michigan medical marihuana act, 2008 IL 1, MCL 333.26426. These
15 grants shall be distributed proportionately based on the number of registry
16 identification cards issued to or renewed for the residents of each county whose
17 county law enforcement office applied for a grant under subsection (3). For the
18 purposes of this subsection, operation and oversight grants are for education,
19 communication, and enforcement of the Michigan medical marihuana act, 2008 IL 1, MCL
20 333.26421 to 333.26430.

21 (3) No later than December 1, the department shall post a listing of potential
22 grant money available to each county law enforcement agency on its website. In
23 addition, the department shall work collaboratively with county law enforcement
24 agencies, the Michigan sheriff's association, and other representative law enforcement
25 organizations regarding the availability of these grant funds. A county law
26 enforcement agency requesting a grant shall apply on a form developed by the
27 department and available on the website. The form shall contain the county law

1 enforcement agency's specific projected plan for use of the money and its agreement to
2 maintain all records and to submit documentation to the department to support the use
3 of the grant money.

4 (4) In order to be eligible to receive a grant under subsection (2), a county law
5 enforcement agency shall apply no later than January 1 and agree to report how the
6 grant was expended and provide that report to the department no later than September
7 15. The department shall submit a report no later than October 15 of the subsequent
8 fiscal year to the state budget director, the senate and house appropriations
9 subcommittees on licensing and regulatory affairs, and the fiscal agencies detailing
10 the grant amounts by recipient and the reported uses of the grants in the preceding
11 fiscal year.

12 (5) County law enforcement agencies may distribute discretionary grants made
13 under subsection (2) to municipal law enforcement agencies for the operation and
14 oversight of the Michigan medical marihuana program pursuant to section 6(1) of the
15 Michigan medical marihuana act, 2008 IL 1, MCL 333.26426. If a county law enforcement
16 agency distributes a discretionary grant in this manner, that county law enforcement
17 agency shall require the receiving municipal law enforcement agency to provide a
18 report on how that grant was spent. Reports from municipal law enforcement agencies
19 shall be included as part of the report submitted to the department as required in
20 subsection (4).

21 Sec. 12-903. (1) The amount appropriated in part 1 for firefighter training
22 grants shall only be expended for payments to counties to reimburse organized fire
23 departments for firefighter training and other activities required under the
24 firefighters training council act, 1966 PA 291, MCL 29.361 to 29.377.

25 (2) If the amount appropriated in part 1 for firefighter training grants is
26 expended by the firefighter training council, established in section 3 of the
27 firefighters training council act, 1966 PA 291, MCL 29.363, for payments to counties

1 under section 14 of the firefighters training council act, 1966 PA 291, MCL 29.374,
2 the amount appropriated in part 1 for firefighter training grants shall be allocated
3 pursuant to section 14(2) of the firefighters training council act, 1966 PA 291, MCL
4 29.374. If the amount allocated to any county is less than \$5,000.00, the amounts
5 disbursed to each county shall be adjusted to provide for a minimum payment of
6 \$5,000.00 to each county.

7 (3) No later than February 1, the department shall submit a financial report to
8 the subcommittees and fiscal agencies identifying the following information for the
9 preceding fiscal year:

10 (a) The amount of the payments that would be made to each county if the
11 distribution formula described by the first sentence of section 14(2) of the
12 firefighters training council act, 1966 PA 291, MCL 29.374, would have been utilized
13 to allocate the total amount appropriated in part 1 for firefighter training grants.

14 (b) The amount of the payments approved by the firefighter training council for
15 allocation to each county.

16 (c) The amount of the payments actually expended or encumbered within each
17 county.

18 (d) A description of any other payments or expenditures made under the authority
19 of the firefighter training council.

20 (e) The amount of payments approved for allocations to counties that was not
21 expended or encumbered and lapsed back to the fireworks safety fund.

22 Sec. 12-904. (1) The funds appropriated in part 1 for a regional or subregional
23 library shall not be released until a budget for that regional or subregional library
24 has been approved by the department for expenditures for library services directly
25 serving the blind and persons with disabilities.

26 (2) In order to receive subregional state aid as appropriated in part 1, a
27 regional or subregional library's fiscal agency shall agree to maintain local funding

1 support at the same level in the current fiscal year as in the fiscal agency's
2 preceding fiscal year. If a reduction in expenditures equally affects all agencies in
3 a local unit of government that is the regional or subregional library's fiscal
4 agency, that reduction shall not be interpreted as a reduction in local support and
5 shall not disqualify a regional or subregional library from receiving state aid under
6 part 1. If a reduction in income affects a library cooperative or district library
7 that is a regional or subregional library's fiscal agency or a reduction in
8 expenditures for the regional or subregional library's fiscal agency, a reduction in
9 expenditures for the regional or subregional library shall not be interpreted as a
10 reduction in local support and shall not disqualify a regional or subregional library
11 from receiving state aid under part 1.

12 Sec. 12-905. (1) From the increased funds appropriated in part 1 for the Michigan
13 liquor control commission, the department shall maintain customer service standards
14 for authorized distributor agents, licensees, and vendors.

15 (2) The department shall identify specific outcomes and performance metrics for
16 this initiative, including, but not limited to, the following:

17 (a) System availability to licensees.

18 (b) System order errors.

19 Sec. 12-906. (1) From the increased funds appropriated in part 1 for the
20 automated prescription system, the department shall provide improved efficiencies and
21 functionality of the system for dispensers and prescribers as well as improved
22 reporting capabilities.

23 (2) The department shall identify specific outcomes and performance metrics for
24 this initiative, including, but not limited to, the following:

25 (a) Prescribers enrolled in the automated prescription system.

26 (b) Dispensers enrolled in the automated prescription system.

27 (c) Utilization of the automated prescription system by prescribers.

1 (d) Utilization of the automated prescription system by dispensers.

2 (e) Number of drug diversion cases the department generates from the automated
3 prescription system.

4 (f) Number of over-prescribing cases the department generates from the automated
5 prescription system.

Article 13

MILITARY AND VETERANS AFFAIRS

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 13-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of military and veterans affairs are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

APPROPRIATION SUMMARY

Table with 3 columns: Description, 2017 Amount, 2018 Amount. Rows include Full-time equated unclassified/classified positions, GROSS APPROPRIATION, Total interdepartmental grants and intradepartmental transfers, ADJUSTED GROSS APPROPRIATION, Total federal/local/private revenues, Total other state restricted revenues, State general fund/general purpose, and State general fund/general purpose schedule (Ongoing/One-time).

Sec. 13-102. MILITARY

1	Full-time equated unclassified positions	9.0	9.0
2	Full-time equated classified positions	324.0	324.0
3	Unclassified positions	\$ 1,425,500	\$ 1,425,500
4	Departmental and National Guard operations	<u>66,752,900</u>	<u>66,752,900</u>
5	GROSS APPROPRIATION	\$ 68,178,400	\$ 68,178,400
6	Appropriated from:		
7	Interdepartmental grant revenues	101,800	101,800
8	Federal revenues	47,488,100	47,488,100
9	Local revenues	1,522,400	1,522,400
10	Private revenues	202,800	202,800
11	State restricted revenues	6,551,800	6,551,800
12	State general fund/general purpose	\$ 12,311,500	\$ 12,311,500
13	<i>Schedule of programs:</i>		
14	<i>Unclassified positions</i>	<i>1,425,500</i>	<i>1,425,500</i>
15	<i>Support services</i>	<i>1,839,100</i>	<i>1,839,100</i>
16	<i>Armories and joint force readiness</i>	<i>17,592,300</i>	<i>17,592,300</i>
17	<i>National Guard training facilities and air bases ...</i>	<i>33,793,000</i>	<i>33,793,000</i>
18	<i>Michigan youth challenge academy</i>	<i>4,616,900</i>	<i>4,616,900</i>
19	<i>Military family relief fund</i>	<i>600,000</i>	<i>600,000</i>
20	<i>Starbase grant</i>	<i>2,322,000</i>	<i>2,322,000</i>
21	<i>National Guard tuition assistance program</i>	<i>3,505,000</i>	<i>3,505,000</i>
22	<i>Michigan National Guard tuition assistance fund</i>	<i>1,100,000</i>	<i>1,100,000</i>
23	<i>Information technology services and projects</i>	<i>1,384,600</i>	<i>1,384,600</i>
24	Sec. 13-103. MICHIGAN VETERANS AFFAIRS AGENCY		
25	Full-time equated classified positions	564.5	564.5
26	Michigan veterans affairs agency	\$ 16,202,100	\$ 16,202,100
27	Veterans' homes	<u>67,619,700</u>	<u>67,619,700</u>

1	GROSS APPROPRIATION	\$	83,821,800	\$	83,821,800
2	Appropriated from:				
3	Federal revenues		29,305,500		29,305,500
4	Private revenues		540,000		540,000
5	State restricted revenues		17,144,200		17,144,200
6	State general fund/general purpose	\$	36,832,100	\$	36,832,100
7	<i>Schedule of programs:</i>				
8	Veterans affairs agency administration		7,057,300		7,057,300
9	Veterans service grants		3,733,500		3,733,500
10	Targeted grants		200,000		200,000
11	Veterans' trust fund administration		1,464,800		1,464,800
12	Veterans' trust fund grants		3,746,500		3,746,500
13	Grand Rapids home for veterans		45,429,100		45,429,100
14	Boards of managers (GRHV)		665,000		665,000
15	D.J. Jacobetti home for veterans		21,250,600		21,250,600
16	Board of managers (DJJHV)		275,000		275,000
17	Sec. 13-104. CAPITAL OUTLAY				
18	Capital outlay	\$	16,500,000	\$	16,500,000
19	GROSS APPROPRIATION	\$	16,500,000	\$	16,500,000
20	Appropriated from:				
21	Federal revenues		15,000,000		15,000,000
22	State restricted revenues		1,000,000		1,000,000
23	State general fund/general purpose	\$	500,000	\$	500,000
24	<i>Schedule of programs:</i>				
25	Special maintenance - National Guard		15,000,000		15,000,000
26	Special maintenance - veterans' homes		500,000		500,000
27	Land acquisitions and appraisals		1,000,000		1,000,000

1 (b) "Department" means the department of military and veterans affairs.

2 (c) "Director" means the director of the department.

3 (d) "DJJHV" means the D.J. Jacobetti home for veterans.

4 (e) "FTE" means full-time equated.

5 (f) "GRHV" means the Grand Rapids home for veterans.

6 (g) "HVAC" means heating, ventilation, and air conditioning.

7 (h) "MVAA" means the Michigan veterans' affairs agency.

8 (i) "USDVA" means the United States Department of Veterans Affairs.

9 (j) "USDVA-VHA" means the USDVA Veterans Health Administration.

10 (j) "VSO" means veterans service organization.

11 Sec. 13-204. The departments and agencies receiving appropriations in part 1
12 shall use the Internet to fulfill the reporting requirements of this article. This
13 requirement may include transmission of reports via electronic mail to the recipients
14 identified for each reporting requirement, or it may include placement of reports on
15 an Internet or Intranet site.

16 Sec. 13-205. Funds appropriated in part 1 shall not be used for the purchase of
17 foreign goods or services, or both, if competitively priced and of comparable quality
18 American goods or services, or both, are available. Preference shall be given to goods
19 or services, or both, manufactured or provided by Michigan businesses, if they are
20 competitively priced and of comparable quality. In addition, preference should be
21 given to goods or services, or both, that are manufactured or provided by Michigan
22 businesses owned and operated by veterans, if they are competitively priced and of
23 comparable quality.

24 Sec. 13-206. The director shall take all reasonable steps to ensure businesses in
25 deprived and depressed communities compete for and perform contracts to provide
26 services or supplies, or both. Each director shall strongly encourage firms with which
27 the department contracts to subcontract with certified businesses in depressed and

1 deprived communities for services, supplies, or both.

2 Sec. 13-207. The departments and agencies receiving appropriations in part 1
3 shall prepare a report on out-of-state travel expenses not later than January 1 of
4 each year. The travel report shall be a listing of all travel by classified and
5 unclassified employees outside this state in the immediately preceding fiscal year
6 that was funded in whole or in part with funds appropriated in the department's
7 budget. The report shall be submitted to the senate and house appropriations
8 committees, the house and senate fiscal agencies, and the state budget director. The
9 report shall include the following information:

10 (a) The dates of each travel occurrence.

11 (b) The transportation and related costs of each travel occurrence, including the
12 proportion funded with state general fund/general purpose revenues, the proportion
13 funded with state restricted revenues, the proportion funded with federal revenues,
14 and the proportion funded with other revenues.

15 Sec. 13-208. Funds appropriated in part 1 shall not be used by a principal
16 executive department, state agency, or authority to hire a person to provide legal
17 services that are the responsibility of the attorney general. This prohibition does
18 not apply to legal services for bonding activities and for those outside services that
19 the attorney general authorizes.

20 Sec. 13-209. Not later than November 30, the state budget office shall prepare
21 and transmit a report that provides for estimates of the total general fund/general
22 purpose appropriation lapses at the close of the prior fiscal year. This report shall
23 summarize the projected year-end general fund/general purpose appropriation lapses by
24 major departmental program or program areas. The report shall be transmitted to the
25 chairpersons of the senate and house appropriations committees, and the senate and
26 house fiscal agencies.

27 Sec. 13-210. (1) In addition to the funds appropriated in part 1, there is

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

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

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

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

20 Sec. 13-211. The department shall cooperate with the department of technology,
21 management and budget to maintain a searchable website accessible by the public at no
22 cost that includes, but is not limited to, all of the following for each department or
23 agency:

24 (a) Fiscal year-to-date expenditures by category.

25 (b) Fiscal year-to-date expenditures by appropriation unit.

26 (c) Fiscal year-to-date payments to a selected vendor, including the vendor name,
27 payment date, payment amount, and payment description.

1 (d) The number of active department employees by job classification.

2 (e) Job specifications and wage rates.

3 Sec. 13-212. Within 14 days after the release of the executive budget
4 recommendation, the department shall cooperate with the state budget office to provide
5 the senate and house appropriations chairs, the senate and house appropriations
6 subcommittees chairs, and the senate and house fiscal agencies with an annual report
7 on estimated state restricted fund balances, state restricted fund projected revenues,
8 and state restricted fund expenditures for the fiscal years ending September 30, 2016
9 and September 30, 2017.

10 Sec. 13-213. The department shall maintain, on a publicly accessible website, a
11 department scorecard that identifies, tracks and regularly updates key metrics that
12 are used to monitor and improve the agency's performance.

13 Sec. 13-214. Total authorized appropriations from all sources under part 1 for
14 legacy costs for the fiscal year ending September 30, 2017 is \$18,602,500.00. From
15 this amount, total agency appropriations for pension-related legacy costs are
16 estimated at \$10,314,600.00. Total agency appropriations for retiree health care
17 legacy costs are estimated at \$8,287,900.00.

18 Sec. 13-215. (1) Notwithstanding any other provision of this part, the schedule
19 of programs in part 1 lists programs which may, but are not required to be, funded
20 under part 1.

21 (2) Notwithstanding any other provisions of this part, the schedule of revenue
22 sources in part 1 may or may not be received from the funding entities listed.

23 (3) Any funding required by statute is not subject to funding flexibility and
24 shall be funded in accordance with that statute.

25 Sec. 13-216. The department shall provide quarterly reports to the subcommittees,
26 the senate and house fiscal agencies, and the state budget office, which shall provide
27 the following data:

1 (a) A list of all major work projects, including a status report of each project.

2 (b) The department's financial status, featuring a report of budgeted versus
3 actual expenditures by part 1 line item including a year-end projection of budget
4 requirements. If projected department budget requirements exceed the allocated budget,
5 the report shall include a plan to reduce overall expenses while still satisfying
6 specified service level requirements.

7 (c) A report on the status of performance metrics cited in this part and
8 information required to be reported in this part.

9 (d) The number of active employees at the close of the fiscal quarter by job
10 classification and program.

11 (e) A summary of fund shifts, that have been approved by the state budget office,
12 that have occurred between items listed in the schedule of programs mentioned in part
13 1.

14 (f) Evidence of efficiencies and management of funds within established
15 appropriations.

16 Sec. 13-217. The appropriations in part 1 are for the core services, support
17 services, and work projects of the department, including, but not limited to, the
18 following core services:

19 (a) Armories and joint force readiness.

20 (b) National guard training facilities and air bases.

21 (c) Michigan youth ChalleNGe academy.

22 (d) Military family relief fund.

23 (e) Starbase grant.

24 (f) National guard tuition assistance program.

25 (g) Michigan veterans affairs agency administration.

26 (h) Veterans service grants.

27 (i) Veterans' trust fund administration.

1 (j) Veterans' trust fund grants.

2 (k) Grand Rapids home for veterans.

3 (l) Board of managers (Grand Rapids and D.J. Jacobetti).

4 (m) D.J. Jacobetti home for veterans.

5 Sec. 13-218. The appropriations in part 1 for capital outlay shall be carried
6 forward at the end of the fiscal year consistent with section 248 of the management
7 and budget act, 1984 PA 431, MCL 18.1248.

8 **UNCLASSIFIED POSITIONS**

9 Sec. 13-300. (1) From the funds appropriated in part 1, there is funding to
10 support unclassified employee positions as authorized by section 5 of article XI of
11 the state constitution of 1963. These positions include the following: department
12 director - the adjutant general for Michigan; assistant adjutant general - army;
13 assistant adjutant general - installations; assistant adjutant general - air; senior
14 policy executive - Michigan veterans affairs agency; senior deputy director - state
15 operations; director - strategy and policy; chief executive officer for the veteran
16 health system; and director - Michigan veterans affairs agency.

17 (2) Not less than 30 days prior to the department submitting a request for an
18 additional unclassified employee position from the civil service commission, or for
19 any substantive change to the duties of an existing unclassified employee position,
20 the department shall notify the subcommittees and the senate and house fiscal
21 agencies.

22 **ARMORIES AND JOINT FORCE READINESS**

23 Sec. 13-302. (1) From the funds appropriated in part 1 for military operations,
24 effective and efficient executive direction and administrative leadership shall be
25 provided to the department.

1 (2) The department shall operate and maintain National Guard armories.

2 (3) The department shall evaluate armories and submit a quarterly report on the
3 status of the armories.

4 (4) The department shall maintain a system to measure the condition and adequacy
5 of the armories.

6 (5) The Michigan Army National Guard and Air National Guard shall work to provide
7 a culture that is free of sexual assault, through an environment of prevention,
8 education and training, response capability, victim support, reporting procedures, and
9 appropriate accountability that enhances the safety and well-being of all guard
10 members.

11 (6) By December 1, the department shall report the following information to the
12 subcommittees, the senate and house fiscal agencies, and the state budget office:

13 (a) An assessment of the grounds and facilities of each armory to objectively
14 measure and determine the current facility condition and capability to support
15 authorized manpower, unit training, and operations.

16 (b) Recommendations for the placement of new armories, the relocation or
17 consolidation of existing armories, or a change in the mission of units assigned to
18 armories to ideally position the National Guard in current or projected population
19 centers.

20 (c) Recommendations for the enhanced use of armories to facilitate family support
21 programs during deployments.

22 (d) An analysis of the feasibility, potential costs, and benefits of use of
23 armories shared with other local, state, or federal agencies to improve responses to
24 local emergencies as well as the community support provided to armories.

25 (e) An investment strategy and proposed funding amounts in a prioritized project
26 list to correct the most critical facility shortfalls across the inventory of armories
27 in this state.

1 NATIONAL GUARD TRAINING FACILITIES AND AIR BASES

2 Sec. 13-304. (1) The department shall provide Army and Air National Guard forces,
3 when directed, for state and local emergencies and in support of national military
4 requirements.

5 (2) The department shall operate and maintain Army National Guard training
6 facilities, including Fort Custer and Camp Grayling.

7 (3) The department shall maintain a system that measures the condition and
8 adequacy of air facilities using both quality and functionality criteria.

9 (4) The department shall operate and maintain Air National Guard air bases,
10 including Selfridge Air National Guard base, Battle Creek Air National Guard base, and
11 Alpena combat readiness training center.

12 (5) The department shall provide the following information as provided under
13 section 219:

14 (a) The apportioned and assigned strength of the Michigan Army National Guard.

15 (b) The apportioned and assigned strength of the Michigan Air National Guard.

16 (c) Recruiting, retention, and attrition data, including measurement against
17 stated performance goals, for the Michigan Army National Guard.

18 (d) Recruiting, retention, and attrition data, including measurement against
19 stated performance goals, for the Michigan Air National Guard.

20 Sec. 13-305. There is hereby created and established under the jurisdiction and
21 control of the department a revolving account to be known as the billeting fund
22 account. All of the fees and other revenues generated from the operation of the
23 chargeable transient quarters program shall be deposited in the billeting fund
24 account. Appropriations will be made from the account for the support of program
25 operations and the maintenance and operations of the chargeable transient quarters
26 program and will not exceed the estimated revenues for the fiscal year in which they
27 are made, together with unexpended balances from prior years. The department shall

1 submit an annual report of operations and expenditures regarding the billeting fund
2 account to the appropriations committees of the senate and house of representatives,
3 the house and senate fiscal agencies, and the state budget office at the end of the
4 fiscal year.

5 **MICHIGAN YOUTH CHALLENGE ACADEMY**

6 Sec. 13-307. (1) The department shall maintain the Michigan youth challenge
7 academy to provide values, skills, education, and self-discipline instruction for at-
8 risk youth as provided under 32 USC 509.

9 (2) The department shall take steps to recruit candidates to the challenge
10 program from economically disadvantaged areas, including those with low-income and
11 high-unemployment backgrounds.

12 (3) The department shall partner with the department of health and human services
13 to identify youth who may be eligible for the challenge program from those youth
14 served by department of health and human services programs. These eligible youth shall
15 be given priority for enrollment in the program.

16 (4) The department shall maintain the staffing and resources necessary to train
17 at least 144 cadets simultaneously at the Michigan youth challenge academy.

18 (5) The department shall ensure that the average grade level increase for
19 Michigan youth challenge academy graduates is 2 years as measured with the test adult
20 basic education (TABE) metrics.

21 **MILITARY FAMILY RELIEF FUND**

22 Sec. 13-308. (1) The department shall provide grants for disbursement from the
23 military family relief fund, as provided under the military family relief fund act,
24 2004 PA 363, MCL 35.1211 to 35.1216, and R 200.5 to R 200.95 of the Michigan
25 administrative code.

1 (2) The department shall provide information on the revenues, expenditures for
2 advertising and assistance grants, and fund balance of the Michigan military family
3 relief fund, as provided under section 219.

4 (3) The department shall provide sufficient staffing and other resources to
5 provide outreach to the Michigan families of members of the reserve component of the
6 armed forces called into active duty and to support the processing and approval of
7 grant applications this fiscal year under the Michigan military relief fund and report
8 those applications as provided in section 219.

9 STARBASE GRANT

10 Sec. 13-309. The department shall maintain the starbase program at Air National
11 Guard facilities, as provided under 10 USC 2193b, to improve the knowledge, skills,
12 and interest of students, primarily in the fifth grade, in math, science, and
13 technology. The starbase program is to specifically target minority and at-risk
14 students for participation.

15 NATIONAL GUARD TUITION ASSISTANCE PROGRAM

16 Sec. 13-310. (1) The department shall establish and maintain a National Guard
17 tuition assistance program for members of the Michigan Air and Army National Guard.

18 (2) The objective of the National Guard tuition program is to bolster military
19 readiness by increasing recruitment and retention of Michigan Air and Army National
20 Guard service members (and to fill federally authorized strength levels for the
21 state), improve the Michigan Air and Army National Guard's competitive draw from other
22 military enlistment options in the state, enhance the ability of the Michigan Air and
23 Army National Guard to compete for members and federal dollars with surrounding
24 states, and increase the pool of eligible candidates within the Michigan Air and Army
25 National Guard to become commissioned officers.

1 (3) The department shall make efforts to increase the number of Michigan Air and
2 Army National Guard members participating in the program to 1,000 during the third
3 year of the program's existence. To evaluate the effectiveness of the program, the
4 department shall monitor the number of new recruits and new reenlistments and the
5 percentage of those who become participants in the program to determine whether the
6 percentage of authorized Michigan Air and Army National Guard strength obtained and
7 retained is competitive in comparison with the neighboring air and army national
8 guards from the states of Illinois, Indiana, Ohio, and Wisconsin.

9 (4) Of the funds appropriated in Part I, the National Guard Tuition Assistance
10 Program shall be supported with revenue from the Michigan National Guard Tuition
11 Assistance Fund. Pursuant to PA 259 of 2014, unexpended funds remaining in the
12 Michigan National Guard Tuition Assistance Fund at the end of the fiscal year shall
13 not lapse to the general fund.

14 **MICHIGAN VETERANS AFFAIRS AGENCY ADMINISTRATION**

15 Sec. 13-400. (1) The MVAA agency shall provide outreach services to Michigan
16 veterans that advise them on the benefits to which they are entitled, as provided
17 under Executive Reorganization Order No. 2013-2, MCL 32.92. The MVAA shall also do the
18 following:

19 (a) Maintain the staffing partnerships and other resources necessary to develop
20 and operate an outreach program that will communicate benefit eligibility information
21 to at least 50% of Michigan's population of veterans, as assessed by annual census
22 estimates, with a goal of reaching 100% and enabling 100% to access benefit
23 information online.

24 (b) Communicate veteran benefit information pertaining to the Michigan military
25 family relief fund, Michigan veterans' trust fund, and USDVA health, financial, and
26 memorial benefits to which they are entitled.

1 (c) Provide sufficient staffing and other resources to approve requests for
2 military discharge certificates (DD-214) annually.

3 (d) Continue the process to digitize all medical records, military discharge
4 documents, and burial records that are currently on paper and microfilm.

5 (e) Provide a report, as provided under section 219, on the MVAA's performance on
6 the performance measures, outcomes, and initiatives developed by the agency in the
7 strategic plan required by section 501 of 2013 PA 9.

8 (f) Provide a report to the subcommittees, senate and house fiscal agencies, and
9 the state budget office no later than April 1 providing for the following:

10 (i) To the extent known, data on the estimated number of homeless veterans, by
11 county, in this state.

12 (ii) A summary of the activities and strategies developed to date under the MVAA
13 community assessment and regional service delivery model pilot.

14 (2) From the funds appropriated in part 1, the MVAA shall provide for the
15 regional coordination of services, as follows:

16 (a) Regional coordinators shall be selected by the MVAA through a grant agreement
17 with VSOs or by other means.

18 (b) Regional coordinators shall provide the following services:

19 (i) Coordinate veteran benefit counselors' efforts throughout a specified region.

20 (ii) Coordinate services with the department of health and human services and the
21 department of corrections.

22 (iii) Coordinate with regional workforce and economic development agencies.

23 (iv) Coordinate activities among local foundations, nonprofit organizations, and
24 community groups to improve accessibility, enrollment, and utilization of the array of
25 health care, education, employment assistance, and quality of life services provided
26 at the local level.

27 (c) The MVAA may work with MVAA service officers, regional coordinators, county

1 veteran counselors, VSO service officers, and other service providers to incorporate
2 the provision of information relating to mental health care resources into their daily
3 operations to aid veterans in understanding the mental health care support services
4 they may be eligible to receive.

5 (d) The MVAA shall coordinate with the department of health and human services to
6 identify Medicaid recipients who are veterans and who may be eligible for federal
7 veterans health care benefits or other benefits, to the extent that the identification
8 does not violate applicable confidentiality requirements.

9 (e) The MVAA shall collaborate with the department of corrections to create and
10 maintain a process by which prisoners can obtain a copy of their DD-214 form or other
11 military discharge documentation if necessary.

12 (f) The MVAA shall ensure that all MVAA service officers, VSO service officers,
13 and regional coordinators receive appropriate training in processing applications for
14 benefits payable to veterans due to military sexual trauma, post-traumatic stress
15 disorder, depression, anxiety, substance abuse, or other mental health issues.

16 (3) The MVAA shall provide claims processing services to Michigan veterans in
17 support of benefit claims submitted to the USDVA for the health, financial, and
18 memorial benefits for which they are eligible, and shall do all of the following:

19 (a) Report the following information as provided in section 219:

20 (i) The number of benefit claims, by type, submitted to the USDVA by MVAA and
21 coalition partner veteran service officers.

22 (ii) The number of fully developed claims, submitted to the USDVA, with an
23 overall goal of 40% of benefit claims submitted that are considered fully developed by
24 the USDVA.

25 (b) Maintain the staffing and resources necessary to process a minimum of 500
26 claims per year.

27 (4) The MVAA shall maintain staffing and resources necessary to develop and

1 implement a process to ensure that all county counselors receive the training and
2 accreditation necessary to provide quality services to our veterans. The MVAA shall
3 report information as provided in section 219 on the number and percentage of county
4 veterans counselors requesting training by the MVAA, with an overall goal of 100% of
5 county veterans counselors trained.

6 (5) From the funds appropriated in part 1 for MVAA operations, the MVAA shall
7 provide grant assistance to enhance the capacity and capabilities of counties in
8 providing benefit claims assistance. These funds shall be used to continue the
9 implementation of an Internet-based data system, to increase the number of county
10 veterans counselors, and to increase the number of counties that provide service to
11 veterans through county veterans counselors. The MVAA shall provide a report, as
12 provided in section 219, on the expenditures and activities of the grant funds
13 directed by this subsection.

14 (6) From the funds appropriated in part 1 for MVAA, the MVAA is authorized to
15 expend up to \$50,000.00 to hire legal services to represent veterans benefit cases
16 before federal court to maintain accreditation under 38 CFR 14.628(d)(1)(iv).

17 VETERANS SERVICE ORGANIZATION GRANTS

18 Sec. 13-406. (1) The MVAA shall disburse VSO grants to assist them to achieve
19 agency goals and performance objectives in partnership with the VSOs. Grants to VSOs
20 will be disbursed to fund programs and projects which are determined by the agency to
21 meet agency performance objectives and ensure that VSOs communicate the availability
22 of emergency grants through the Michigan veterans trust fund. In disbursing veterans'
23 service organization grants, the MVAA shall do the following:

24 (a) Ensure that each VSO that receives grants is issued performance standards.

25 (b) Ensure that each VSO that receives grant funds uses those funds for veterans
26 advocacy and outreach.

1 (c) Monitor the performance of each VSO that receives grants.

2 (2) Veterans services organization grants awarded by the MVAA shall provide for
3 the following, as developed by the MVAA:

4 (a) The provision of service to veterans statewide, using a regional service
5 delivery model, with services provided at specified locations and times, including
6 service provided in state correctional facilities.

7 (b) The payment of a fixed hourly service rate.

8 (c) A specified number of service hours within each geographic region of this
9 state, with a statewide goal based on both current fiscal year appropriations for VSO
10 grant program and the fixed hourly service rate. The statewide goal will include
11 service hours provided to eligible incarcerated veterans within 1 year of their
12 earliest release date.

13 (d) Use of an MVAA-designated Internet-based claims data system.

14 (3) The MVAA shall report the following information as provided in section 219:

15 (a) A summary of activities supported through the appropriation in part 1 for
16 veterans service organization grants, including separately for each service region,
17 the amount of expenditures to date, number of service hours, number of claims for
18 benefits submitted by type of claim, and other information deemed appropriate by the
19 MVAA.

20 (b) The number of fully developed claims, by type, submitted to the USDVA by
21 veterans service organizations, with an overall goal of 40% of benefit claims
22 submitted that are considered fully developed by the USDVA.

23 **VETERANS' TRUST FUND ADMINISTRATION**

24 Sec. 13-407. (1) The Michigan veterans' trust fund board together with the MVAA
25 shall provide emergency grants for disbursement from the Michigan veterans' trust
26 fund, as provided under the following program authorities:

1 (a) Sections 37, 38, and 39 of article IX of the state constitution of 1963.

2 (b) 1946 (1st Ex Sess) PA 9, MCL 35.602 to 35.610.

3 (c) R 35.1 to R 35.7 of the Michigan administrative code.

4 (d) R 35.621 to R 35.623 of the Michigan administrative code.

5 (2) No later than December 1, the MVAA shall provide a detailed report of the
6 Michigan veterans' trust fund that includes, for the prior fiscal year, information on
7 grants provided from the emergency grant program, including details concerning the
8 methodology of allocations, the selection of emergency grant program authorized
9 agents, a description of how the emergency grant program is administered in each
10 county, and a detailed breakdown of trust fund expenditures for that year, including
11 the amount distributed to each county for administrative costs and emergency grants.
12 The report shall also include the number of approved applications, by category of
13 assistance, and the number of denied applications, by reason of denial. The report
14 shall also provide an update on the department's efforts to reduce program
15 administrative costs and maintain the Michigan veterans' trust fund corpus to its
16 original amount of at least \$50,000,000.00.

17 **VETERANS' TRUST FUND GRANTS**

18 Sec. 13-408. (1) The MVAA shall provide a report, as provided under section 219,
19 on the financial status of the Michigan veterans' trust fund, including the number and
20 amount of emergency grants, state administrative expenses, and county administrative
21 expenses.

22 (2) The Michigan veterans' trust fund board together with the agency shall
23 maintain the staffing and resources necessary to process a minimum of 2,000
24 applications for veterans' trust fund emergency grants.

25 **GRAND RAPIDS AND D.J. JACOBETTI HOMES FOR VETERANS**

1 Sec. 13-501. (1) The MVAA shall provide compassionate and quality nursing and
2 domiciliary care services at the Grand Rapids and the D.J. Jacobetti homes for
3 veterans so that members can achieve their highest potential of wellness,
4 independence, self-worth, and dignity.

5 (2) The department shall provide resources necessary to provide nursing care
6 services to veterans in accordance with federal standards and provide the results of
7 the annual USDVA survey and certification and as proof of compliance.

8 (3) Appropriations in part 1 for the Grand Rapids and the D.J. Jacobetti homes
9 for veterans shall not be used for any purpose other than for veterans and veterans'
10 families.

11 (4) All complaints of abusive or neglectful care at the Grand Rapids and the D.J.
12 Jacobetti homes for veterans by a resident member, a resident member's family or legal
13 guardian, or staff of the veterans' homes, received by a supervisor shall be referred
14 to the director of nursing upon receipt of such complaint. The director of nursing
15 shall report on not less than a monthly basis, to the home administrator, board of
16 managers, agency, subcommittees, the senate and house fiscal agencies, and the state
17 budget office the following information:

18 (a) A description of the process by which resident members and others may file
19 complaints of alleged abuse or neglect at the Grand Rapids and the D.J. Jacobetti
20 homes for veterans.

21 (b) Summary statistics on the number and general nature of complaints of abuse or
22 neglect.

23 (c) Summary statistics on the final disposition of complaints of abuse or neglect
24 received.

25 (5) The Grand Rapids and the D.J. Jacobetti homes for veterans shall provide an
26 on-site, board-certified psychiatrist for all resident members with mental health
27 disorders in order to ensure that those resident members receive needed services in a

1 professional and timely manner. The Grand Rapids and the D.J. Jacobetti homes for
2 veterans shall provide all members and staff a safe and secure environment.

3 (6) The Grand Rapids and the D.J. Jacobetti homes for veterans shall ensure that
4 it effectively develops, executes, and monitors all comprehensive care plans in
5 accordance with federal regulations and its internal policies, with a goal that a
6 comprehensive care plan is fully developed for all resident members.

7 (7) The Grand Rapids and the D.J. Jacobetti homes for veterans shall implement
8 controls over its food, maintenance supplies, and medical supplies inventories.

9 (8) The Grand Rapids and the D.J. Jacobetti homes for veterans shall implement
10 controls over its pharmaceutical inventory.

11 (9) The Grand Rapids and the D.J. Jacobetti homes for veterans shall establish
12 sufficient controls for calculating resident member maintenance assessments in order
13 to accurately calculate resident member maintenance assessments for each billing
14 cycle. The Grand Rapids and the D.J. Jacobetti homes for veterans shall establish
15 sufficient controls to ensure that all past due resident member maintenance
16 assessments are addressed within 30 days.

17 (10) The Grand Rapids and the D.J. Jacobetti homes for veterans shall establish
18 sufficient controls over monetary donations and donated goods.

19 (11) The Grand Rapids and the D.J. Jacobetti homes for veterans shall implement
20 sufficient controls over the handling of resident member funds to ensure the release
21 of funds within 3 business days upon the resident member leaving the home and to
22 ensure that a representative of a resident member is provided a full accounting of
23 that resident member's funds within 10 business days of the death of that resident
24 member.

25 (12) The MVAA shall post on its website all policies adopted by the board of
26 managers and the home related to the administrative operations of the home.

27 (13) The process by which visitors, residents, and employees of the Grand Rapids

1 and the D.J. Jacobetti homes for veterans may register complaints shall be displayed
2 in high-traffic areas throughout the home.

3 (14) The MVAA shall report its findings regarding the state veterans' homes
4 compliance with the requirements and standards under this section in an annual report
5 to the legislature and the state budget office. The annual report shall include, but
6 are not limited to, the following information:

7 (a) The number of patient care hours and staffing levels measured against USDVA-
8 VHA standards.

9 (b) The number and dollar value of lost and discarded prescriptions and the
10 number of early prescription refills.

11 (c) An accounting of resident member populations at the Grand Rapids and the D.J.
12 Jacobetti homes for veterans by period of service, by gender, by care setting, and by
13 bed space available.

14 (d) The financial status of the Grand Rapids and the D.J. Jacobetti homes for
15 veterans, including an accounting of post and posthumous funds, donations, and state-
16 appropriated funds.

17 (e) Information regarding assessments, reassessments, and admissions at the Grand
18 Rapids and the D.J. Jacobetti homes for veterans.

19 (f) The number of volunteer hours at the Grand Rapids and the D.J. Jacobetti
20 homes for veterans.

21 (15) The Grand Rapids and the D.J. Jacobetti homes for veterans shall provide to
22 the subcommittees, the senate and house fiscal agencies, and the state budget office
23 the results of any annual or for-cause survey conducted by the USDVA-VHA and any
24 corresponding corrective action plan. This information shall also be made available
25 publicly through the department's or MVAA's website.

26 (16) The MVAA shall provide to the legislature and the state budget office
27 quarterly reports regarding the status of Medicaid certification efforts including but

1 not limited to descriptions of incremental milestones, associated expenditures, and
2 the percent of plan completed.

3 Sec. 13-501a. (1) From the increased funds appropriated in part 1 for the D.J.
4 Jacobetti Home for Veterans, the department shall pursue compliance with current
5 Centers for Medicaid and Medicare Services certification standards by the end of the
6 current fiscal year. The purpose of this expansion will be to obtain Medicaid
7 certification during the fiscal year 2017, increasing the ability to fully utilize all
8 federal funding available to cover the cost of care of eligible veterans living at
9 DJJHV and improve overall quality of care for all veterans living at DJJHV.

10 (2) The department shall identify specific outcomes and performance measures for
11 this initiative, including, but not limited to, the following:

12 (a) The quality of care to members of DJJHV shall increase as a result of
13 increased direct care staffing ratios.

14 (b) The quality of the care environment at DJJHV shall increase as a result of
15 facility updates made according to Medicaid specifications to increase members' access
16 to private and semi-private accommodations.

17 (c) The quality of care for members of DJJHV shall increase as a result of
18 increased ability efforts to implement long term care evidence-based best practices at
19 DJJHV.

20 (d) The collection of available federal Medicaid revenue shall increase as a
21 result of Medicaid certification.

22 (e) The fiscal stability of DJJHV shall improve due to increased efforts to
23 collect available federal revenue.

24 **BOARDS OF MANAGERS (GRAND RAPIDS AND D.J. JACOBETTI)**

25 Sec. 13-502. The board of managers shall exercise certain regulatory and
26 governance authority regarding admission and member affairs at the Grand Rapids and

1 D.J. Jacobetti homes for veterans. The board of managers shall also work to represent
2 the interest of the veterans' community in both advisory and advocacy roles.

3 **CAPITAL OUTLAY - SPECIAL MAINTENANCE - NATIONAL GUARD**

4 Sec. 13-601. (1) The appropriations in part 1 for special maintenance - National
5 Guard shall be carried forward at the end of the fiscal year consistent with section
6 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

7 (2) The appropriations for special maintenance - National Guard shall be expended
8 in accordance with the requirements of sections 302 and 304 and shall be expended
9 according to the maintenance priorities of the department to repair and modernize
10 military training sites and support facilities, which may include projects such as
11 roof, HVAC, or boiler replacement, interior renovations, facility expansion,
12 improvements to parking facilities, and other projects.

13 (3) The department shall provide a quarterly report as provided under section 219
14 providing information on the status, projected costs, and projected completion date of
15 current and planned special maintenance projects at the armories and other national
16 guard facilities funded from capital outlay appropriations made in part 1 and in prior
17 appropriation years.

18 **CAPITAL OUTLAY - SPECIAL MAINTENANCE - VETERANS' HOMES**

19 Sec. 13-603. (1) The appropriations in part 1 for special maintenance - veterans'
20 homes shall be carried forward at the end of the fiscal year consistent with section
21 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

22 (2) The appropriations for special maintenance - veterans' homes shall be
23 expended in accordance with the requirements of section 501 and shall be expended
24 according to the maintenance priorities of the department to repair and modernize the
25 state's veterans' homes, which may include projects such as roof, HVAC, or boiler

1 replacement, interior renovations, facility expansion, improvements to parking
2 facilities, and other projects designed to enhance the quality of life and medical
3 care of members.

4 (3) The MVAA shall provide a quarterly report as provided under section 219
5 providing information on the status, projected costs, and projected completion date of
6 current and planned special maintenance projects at the Grand Rapids and D.J.
7 Jacobetti veterans' homes funded from capital outlay appropriations made in part 1 and
8 in prior appropriation years.

9 **CAPITAL OUTLAY - LAND AND ACQUISITIONS**

10 Sec. 13-604. The department shall provide for the acquisition and disposition of
11 National Guard armories, facilities, and lands as provided under sections 368, 382,
12 and 382a of the Michigan military act, 1967 PA 150, MCL 32.768, 32.782, and 32.782a.

13 **ONE-TIME APPROPRIATIONS**

14 Sec. 13-701. From the increased funds appropriated in part 1 for armory
15 infrastructure, the department shall upgrade army National Guard network connections.
16 The purpose of the increased funds for armory infrastructure is for the modernization
17 of armory information technology infrastructure and improvements to best ensure
18 National Guard network capacity and connectivity in times of emergency.

Article 14

DEPARTMENT OF NATURAL RESOURCES

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 14-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of natural resources are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

DEPARTMENT OF NATURAL RESOURCES

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0	6.0
Full-time equated classified positions	2,236.8	2,236.8
GROSS APPROPRIATION	\$ 397,904,100	\$ 388,704,100
Total interdepartmental grants and intradepartmental transfers	1,375,900	1,375,900
ADJUSTED GROSS APPROPRIATION	\$ 396,528,200	\$ 387,328,200
Total federal revenues	72,365,400	72,265,400
Total local revenues	0	0
Total private revenues	7,446,400	7,446,400
Total other state restricted revenues	277,156,400	269,356,400
State general fund/general purpose	\$ 39,560,000	\$ 38,260,000
<i>State general fund/general purpose schedule:</i>		
Ongoing state general fund/general purpose	38,260,000	38,260,000
One-time state general fund/general purpose	1,300,000	0

Sec. 14-102. EXECUTIVE OPERATIONS

1	Full-time equated unclassified positions	6.0	6.0
2	Full-time equated classified positions	11.6	11.6
3	Unclassified salaries	\$ 754,000	\$ 754,000
4	Executive direction-11.6 FTE positions	2,120,700	2,120,700
5	Natural resources commission	<u>77,100</u>	<u>77,100</u>
6	GROSS APPROPRIATION	\$ 2,951,800	\$ 2,951,800
7	Appropriated from:		
8	State restricted revenues	2,666,200	2,666,200
9	State general fund/general purpose	\$ 285,600	\$ 285,600
10	Sec. 14-103. DEPARTMENT INITIATIVES		
11	Full-time equated classified positions	16.0	16.0
12	Great Lakes restoration initiative	\$ 5,500,000	\$ 5,500,000
13	Invasive species prevention and control-16.0 FTE		
14	positions	5,028,300	5,028,300
15	Michigan conservation corps	<u>1,000,000</u>	<u>1,000,000</u>
16	GROSS APPROPRIATION	\$ 11,528,300	\$ 11,528,300
17	Appropriated from:		
18	Federal revenues	5,500,000	5,500,000
19	State general fund/general purpose	\$ 6,028,300	\$ 6,028,300
20	Sec. 14-104. DEPARTMENT SUPPORT SERVICES		
21	Full-time equated classified positions	109.5	109.5
22	Accounting service center	\$ 1,480,400	\$ 1,480,400
23	Building occupancy charges	3,126,700	3,126,700
24	Finance and operations-105.5 FTE positions	17,300,200	17,300,200
25	Gifts and pass-through transactions	5,000,000	5,000,000
26	Rent	488,400	488,400
27	Legislative and legal affairs-4.0 FTE positions	<u>546,900</u>	<u>546,900</u>

1	GROSS APPROPRIATION	\$	27,942,600	\$	27,942,600
2	Appropriated from:				
3	Interdepartmental grant revenues		232,200		232,200
4	Federal revenues		329,700		329,700
5	Private revenues		5,000,000		5,000,000
6	State restricted revenues		19,779,200		19,779,200
7	State general fund/general purpose	\$	2,601,500	\$	2,601,500
8	Sec. 14-105. COMMUNICATION AND CUSTOMER SERVICES				
9	Full-time equated classified positions		132.3		132.3
10	Marketing and outreach-80.8 FTE positions	\$	13,653,700	\$	13,653,700
11	Michigan historical center-51.5 FTE positions		5,576,300		5,576,300
12	Michigan wildlife council		<u>1,600,000</u>		<u>1,600,000</u>
13	GROSS APPROPRIATION	\$	20,830,000	\$	20,830,000
14	Appropriated from:				
15	Federal revenues		1,722,600		1,772,600
16	Private revenues		411,200		411,200
17	State restricted revenues		14,197,500		14,197,500
18	State general fund/general purpose	\$	4,498,700	\$	4,498,700
19	Sec. 14-106. WILDLIFE DIVISION				
20	Full-time equated classified positions		226.5		226.5
21	Wildlife management-217.5 FTE positions	\$	37,007,300	\$	37,007,300
22	Natural resources heritage-9.0 FTE positions		<u>632,900</u>		<u>632,900</u>
23	GROSS APPROPRIATION	\$	37,640,200	\$	37,640,200
24	Appropriated from:				
25	Federal revenues		20,326,800		20,326,800
26	Private revenues		315,700		315,700
27	State restricted revenues		15,184,600		15,184,600

1	State general fund/general purpose	\$	1,813,100	\$	1,813,100
2	Sec. 14-107. FISHERIES DIVISION				
3	Full-time equated classified positions		221.5		221.5
4	Aquatic resource mitigation-2.0 FTE positions	\$	629,300	\$	629,300
5	Fish production-63.0 FTE positions		10,194,000		10,194,000
6	Cormorant population mitigation program		150,000		150,000
7	Fisheries resource management-156.5 FTE positions		<u>20,378,600</u>		<u>20,378,600</u>
8	GROSS APPROPRIATION	\$	31,351,900	\$	31,351,900
9	Appropriated from:				
10	Federal revenues		11,225,700		11,225,700
11	Private revenues		136,200		136,200
12	State restricted revenues		19,580,800		19,580,800
13	State general fund/general purpose	\$	409,200	\$	409,200
14	Sec. 14-108. LAW ENFORCEMENT DIVISION				
15	Full-time equated classified positions		273.0		273.0
16	General law enforcement-273.0 FTE positions	\$	<u>40,506,000</u>	\$	<u>40,506,000</u>
17	GROSS APPROPRIATION	\$	40,506,000	\$	40,506,000
18	Appropriated from:				
19	Federal revenues		6,477,500		6,477,500
20	State restricted revenues		24,630,500		24,630,500
21	State general fund/general purpose	\$	9,398,000	\$	9,398,000
22	Sec. 14-109. PARKS AND RECREATION DIVISION				
23	Full-time equated classified positions		902.9		902.9
24	Forest recreation and trails-51.0 FTE positions	\$	6,189,400	\$	6,189,400
25	MacMullan conference center-15.0 FTE positions		1,143,700		1,143,700
26	Recreational boating-163.5 FTE positions		17,371,300		17,371,300
27	State parks-673.4 FTE positions		66,487,900		66,487,900

1	State park improvement revenue bonds - debt service ...		<u>1,188,800</u>		<u>1,188,800</u>
2	GROSS APPROPRIATION	\$	92,381,100	\$	92,381,100
3	Appropriated from:				
4	Interdepartmental grant revenues		1,143,700		1,143,700
5	Federal revenues		1,750,500		1,750,500
6	Private revenues		428,400		428,400
7	State restricted revenues		86,606,000		86,606,000
8	State general fund/general purpose	\$	2,452,500	\$	2,452,500
9	Sec. 14-110. MACKINAC ISLAND STATE PARK COMMISSION				
10	Full-time equated classified positions		17.0		17.0
11	Historical facilities system-13.0 FTE positions	\$	1,573,000	\$	1,573,000
12	Mackinac Island State Park operations-4.0 FTE positions		<u>352,100</u>		<u>352,100</u>
13	GROSS APPROPRIATION	\$	1,925,100	\$	1,925,100
14	Appropriated from:				
15	State restricted revenues		1,721,500		1,721,500
16	State general fund/general purpose	\$	203,600	\$	203,600
17	Sec. 14-111. FOREST RESOURCES DIVISION				
18	Full-time equated classified positions		326.5		326.5
19	Adopt-a-forest program	\$	25,000	\$	25,000
20	Cooperative resource programs-11.0 FTE positions		1,547,100		1,547,100
21	Forest fire equipment		581,500		581,500
22	Forest management and timber market development-176.0				
23	FTE positions		31,134,300		31,134,300
24	Forest management initiatives-8.5 FTE positions		854,100		854,100
25	Minerals management-17.0 FTE positions		2,828,600		2,828,600
26	Wildfire protection-114.0 FTE positions		<u>13,712,800</u>		<u>13,712,800</u>
27	GROSS APPROPRIATION	\$	50,683,400	\$	50,683,400

1	Appropriated from:		
2	Federal revenues	4,273,300	4,273,300
3	Private revenues	1,054,900	1,054,900
4	State restricted revenues	38,156,100	38,156,100
5	State general fund/general purpose	\$ 7,199,100	\$ 7,199,100
6	Sec. 14-112. GRANTS		
7	Dam management grant program	\$ 350,000	\$ 350,000
8	Deer habitat improvement partnership initiative	200,000	200,000
9	Federal - clean vessel act grants	400,000	400,000
10	Federal - forest stewardship grants	3,000,000	3,000,000
11	Federal - land and water conservation fund payments ...	2,566,900	2,566,900
12	Federal - rural community fire protection	400,000	400,000
13	Federal - urban forestry grants	1,600,000	1,600,000
14	Fisheries habitat improvement grants	1,250,000	1,250,000
15	Grants to communities - federal oil, gas and timber		
16	payments	3,450,000	3,450,000
17	Grants to counties - marine safety	3,074,700	3,074,700
18	National recreational trails	3,900,000	3,900,000
19	Non-motorized trail development and maintenance grants	350,000	350,000
20	Off-road vehicle safety training grants	29,200	29,200
21	Off-road vehicle trail improvement grants	3,356,200	3,356,200
22	Recreation improvement fund grants	657,100	657,100
23	Recreation passport local grants	1,500,000	1,000,000
24	Snowmobile law enforcement grants	380,100	380,100
25	Snowmobile local grants program	7,340,400	7,340,400
26	Trail easements	700,000	700,000
27	Wildlife habitat improvement grants	<u>1,500,000</u>	<u>1,500,000</u>

1	GROSS APPROPRIATION	\$ 36,004,600	\$ 35,504,600
2	Appropriated from:		
3	Federal revenues	16,884,300	16,884,300
4	Private revenues	100,000	100,000
5	State restricted revenues	18,320,300	17,820,300
6	State general fund/general purpose	\$ 700,000	\$ 700,000
7	Sec. 14-113. INFORMATION TECHNOLOGY		
8	Information technology services and projects	\$ <u>10,284,000</u>	\$ <u>10,284,000</u>
9	GROSS APPROPRIATION	\$ 10,284,000	\$ 10,284,000
10	Appropriated from:		
11	State restricted revenues	9,113,600	9,113,600
12	State general fund/general purpose	\$ 1,170,400	\$ 1,170,400
13	Sec. 14-114. CAPITAL OUTLAY		
14	(a) RECREATIONAL LANDS AND INFRASTRUCTURE		
15	State parks repair and maintenance	\$ 13,500,000	\$ 13,500,000
16	Forest development infrastructure	2,000,000	2,000,000
17	State game and wildlife area infrastructure	<u>3,600,000</u>	<u>3,600,000</u>
18	GROSS APPROPRIATION	\$ 19,100,000	\$ 19,100,000
19	Appropriated from:		
20	Federal revenues	2,700,000	2,700,000
21	State restricted revenues	14,900,000	14,900,000
22	State general fund/general purpose	\$ 1,500,000	\$ 1,500,000
23	(b) WATERWAYS BOATING PROGRAM		
24	Infrastructure improvements - state projects	\$ 4,575,000	\$ 4,575,000
25	Infrastructure improvement - local projects	658,000	658,000
26	Munising marina	350,000	350,000
27	Harrisville harbor	<u>492,100</u>	<u>492,100</u>

1	GROSS APPROPRIATION	\$	6,075,100	\$	6,075,100
2	Appropriated from:				
3	Federal revenues		1,075,000		1,075,000
4	State restricted revenues		5,000,100		5,000,100
5	State general fund/general purpose	\$	0	\$	0
6	Sec. 14-115. ONE-TIME APPROPRIATIONS				
7	Forestry investment	\$	2,100,000	\$	0
8	Forest fire equipment (one-time)		1,000,000		0
9	Land ownership tracking system		4,000,000		0
10	Invasive species (one-time)		1,000,000		0
11	Fisheries resource management (one-time)		600,000		0
12	GROSS APPROPRIATION	\$	8,700,000	\$	0
13	Appropriated from:				
14	Federal revenues		100,000		0
15	State restricted revenues		7,300,000		0
16	State general fund/general purpose	\$	1,300,000	\$	0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

GENERAL SECTIONS

Sec. 14-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is \$316,716,400.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is \$6,100,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

1	DEPARTMENT OF NATURAL RESOURCES	
2	Dam management grant program	\$ 175,000
3	Fisheries habitat improvement grants	200,000
4	Grants to counties - marine safety	1,407,300
5	Non-motorized trail development and maintenance grants	262,500
6	Off-road vehicle safety training grants	29,200
7	Off-road vehicle trail improvement grants	530,100
8	Recreation improvement fund grants	65,700
9	Recreation passport local grants	1,500,000
10	Snowmobile law enforcement grants	380,100
11	Waterways boating program	1,500,100
12	Wildlife habitat improvement grants	<u>50,000</u>
13	TOTAL	\$ 6,100,000

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

16 Sec. 14-203. As used in this article:

- 17 (a) "Department" means the department of natural resources.
- 18 (b) "Director" means the director of the department.
- 19 (c) "FTE" means full-time equated.

20 Sec. 14-204. The departments and agencies receiving appropriations in part 1
 21 shall use the Internet to fulfill the reporting requirements of this article. This
 22 requirement may include transmission of reports via electronic mail to the recipients
 23 identified for each reporting requirement, or it may include placement of reports on
 24 an Internet or Intranet site.

25 Sec. 14-205. Funds appropriated in part 1 shall not be used for the purchase of
 26 foreign goods or services, or both, if competitively priced and of comparable quality
 27 American goods or services, or both, are available. Preference shall be given to goods

1 or services, or both, manufactured or provided by Michigan businesses, if they are
2 competitively priced and of comparable quality. In addition, preference should be
3 given to goods or services, or both, that are manufactured or provided by Michigan
4 businesses owned and operated by veterans, if they are competitively priced and of
5 comparable quality.

6 Sec. 14-206. The director shall take all reasonable steps to ensure businesses in
7 deprived and depressed communities compete for and perform contracts to provide
8 services or supplies, or both. Each director shall strongly encourage firms with which
9 the department contracts to subcontract with certified businesses in depressed and
10 deprived communities for services, supplies, or both.

11 Sec. 14-207. The departments and agencies receiving appropriations in part 1
12 shall prepare a report on out-of-state travel expenses not later than January 1 of
13 each year. The travel report shall be a listing of all travel by classified and
14 unclassified employees outside this state in the immediately preceding fiscal year
15 that was funded in whole or in part with funds appropriated in the department's
16 budget. The report shall be submitted to the senate and house appropriations
17 committees, the house and senate fiscal agencies, and the state budget director. The
18 report shall include the following information:

19 (a) The dates of each travel occurrence.

20 (b) The transportation and related costs of each travel occurrence, including the
21 proportion funded with state general fund/general purpose revenues, the proportion
22 funded with state restricted revenues, the proportion funded with federal revenues,
23 and the proportion funded with other revenues.

24 Sec. 14-208. Funds appropriated in part 1 shall not be used by a principal
25 executive department, state agency, or authority to hire a person to provide legal
26 services that are the responsibility of the attorney general. This prohibition does
27 not apply to legal services for bonding activities and for those outside services that

1 the attorney general authorizes.

2 Sec. 14-209. Not later than November 30, the state budget office shall prepare
3 and transmit a report that provides for estimates of the total general fund/general
4 purpose appropriation lapses at the close of the prior fiscal year. This report shall
5 summarize the projected year-end general fund/general purpose appropriation lapses by
6 major departmental program or program areas. The report shall be transmitted to the
7 chairpersons of the senate and house appropriations committees, and the senate and
8 house fiscal agencies.

9 Sec. 14-210. (1) In addition to the funds appropriated in part 1, there is
10 appropriated an amount not to exceed \$3,000,000.00 for federal contingency funds.
11 These funds are not available for expenditure until they have been transferred to
12 another line item in this article under section 393(2) of the management and budget
13 act, 1984 PA 431, MCL 18.1393.

14 (2) In addition to the funds appropriated in part 1, there is appropriated an
15 amount not to exceed \$10,000,000.00 for state restricted contingency funds. These
16 funds are not available for expenditure until they have been transferred to another
17 line item in this article under section 393(2) of the management and budget act, 1984
18 PA 431, MCL 18.1393.

19 (3) In addition to the funds appropriated in part 1, there is appropriated an
20 amount not to exceed \$100,000.00 for local contingency funds. These funds are not
21 available for expenditure until they have been transferred to another line item in
22 this article under section 393(2) of the management and budget act, 1984 PA 431, MCL
23 18.1393.

24 (4) In addition to the funds appropriated in part 1, there is appropriated an
25 amount not to exceed \$1,000,000.00 for private contingency funds. These funds are not
26 available for expenditure until they have been transferred to another line item in
27 this article under section 393(2) of the management and budget act, 1984 PA 431, MCL

1 18.1393.

2 Sec. 14-211. The department shall cooperate with the department of technology,
3 management and budget to maintain a searchable website accessible by the public at no
4 cost that includes, but is not limited to, all of the following for each department or
5 agency:

6 (a) Fiscal year-to-date expenditures by category.

7 (b) Fiscal year-to-date expenditures by appropriation unit.

8 (c) Fiscal year-to-date payments to a selected vendor, including the vendor name,
9 payment date, payment amount, and payment description.

10 (d) The number of active department employees by job classification.

11 (e) Job specifications and wage rates.

12 Sec. 14-212. Within 14 days after the release of the executive budget
13 recommendation, the department shall cooperate with the state budget office to provide
14 the senate and house appropriations chairs, the senate and house appropriations
15 subcommittees chairs, and the senate and house fiscal agencies with an annual report
16 on estimated state restricted fund balances, state restricted fund projected revenues,
17 and state restricted fund expenditures for the fiscal years ending September 30, 2016
18 and September 30, 2017.

19 Sec. 14-213. The department shall maintain, on a publicly accessible website, a
20 department scorecard that identifies, tracks and regularly updates key metrics that
21 are used to monitor and improve the agency's performance.

22 Sec. 14-214. Total authorized appropriations from all sources under part 1 for
23 legacy costs for the fiscal year ending September 30, 2017 is \$47,567,500.00. From
24 this amount, total agency appropriations for pension-related legacy costs are
25 estimated at \$26,375,000.00. Total agency appropriations for retiree health care
26 legacy costs are estimated at \$21,192,500.00.

27 Sec. 14-215. Appropriations of state restricted game and fish protection funds

1 have been made in the following amounts to the following departments and agencies:

2	Legislative auditor general	\$ 31,300
3	Attorney general	751,100
4	Department of technology, management and budget	464,500
5	Department of treasury	2,925,200

6 Sec. 14-216. Pursuant to section 43703(3) of the natural resources and
7 environmental protection act, 1994 PA 451, MCL 324.43703, there is appropriated from
8 the game and fish protection trust fund to the game and fish protection account of the
9 Michigan conservation and recreation legacy fund, \$6,000,000.00 for the fiscal year
10 ending September 30, 2017.

11 DEPARTMENT SUPPORT SERVICES

12 Sec. 14-302. The department may charge land acquisition projects appropriated for
13 the fiscal year ending September 30, 2017, and for prior fiscal years, a standard
14 percentage fee to recover actual costs, and may use the revenue derived to support the
15 land acquisition service charges provided for in part 1.

16 Sec. 14-303. As appropriated in part 1, the department may charge both
17 application fees and transaction fees related to the exchange or sale of state-owned
18 land or rights in land authorized by part 21 of the natural resources and
19 environmental protection act, 1994 PA 451, MCL 324.2101 to 324.2162. The fees shall be
20 set by the director of the department at a rate which allows the department to recover
21 its costs for providing these services.

22 COMMUNICATION AND CUSTOMER SERVICES

23 Sec. 14-404. For the purposes of administering the museum store as provided in
24 section 7a of 1913 PA 271, MCL 399.7a, the department is exempt from section 261 of
25 the management and budget act, 1984 PA 431, MCL 18.1261.

1 Sec. 14-405. As appropriated in part 1, proceeds in excess of costs incurred in
2 the conduct of auctions, sales, or transfers of artifacts no longer considered
3 suitable for the collections of the state historical museum may be expended upon
4 receipt for additional material for the collection. The department shall notify the
5 chairpersons, vice chairpersons, and minority vice chairpersons of the senate and
6 house appropriations subcommittees on natural resources 1 week prior to any auctions
7 or sales. Any unexpended funds may be carried forward into the next succeeding fiscal
8 year.

9 Sec. 14-406. As appropriated in part 1, funds collected by the department for
10 historical markers; document reproduction and services; conferences, admissions,
11 workshops, and training classes; and the use of specialized equipment, facilities,
12 exhibits, collections, and software shall be used for expenses necessary to provide
13 the required services. The department may charge fees for the aforementioned services,
14 including admission fees. Any unexpended funds may be carried forward into the next
15 succeeding fiscal year.

16 **FISHERIES DIVISION**

17 Sec. 14-601. (1) From the appropriation in part 1 for aquatic resource
18 mitigation, not more than \$758,000.00 shall be allocated for grants to watershed
19 councils, resource development councils, soil conservation districts, local
20 governmental units, and other nonprofit organizations for stream habitat stabilization
21 and soil erosion control.

22 (2) The fisheries division in the department shall develop priority and cost
23 estimates for all projects recommended for grants under subsection (1).

24 Sec. 14-603. The department shall provide an annual report to the legislature on
25 use of funding provided for cormorant management. The department shall use general
26 fund/general purpose revenue for this purpose and submit revenue appropriated in part

1 1 for cormorant management to the United States Department of Agriculture animal and
2 plant health inspection service to allow for increased taking of cormorants and their
3 nests. If any funds appropriated for cormorant management are retained by the
4 department, or other funds become available for this purpose, the department shall use
5 those funds to harass cormorants with the goal of reducing foraging attempts on fish
6 populations.

7 **PARKS AND RECREATION DIVISION**

8 Sec. 14-706. The department shall work with the state budget office to ensure
9 that the funds appropriated in 2013 PA 102 for the Grand River waterway study continue
10 to be carried forward as a work project per the management and budget act, 1984 PA
11 431, MCL 18.1101 to 18.1594, or until the project is complete.

12 **FOREST RESOURCES DIVISION**

13 Sec. 14-803. In addition to the money appropriated in part 1, the department may
14 receive and expend money from federal sources for the purpose of providing response to
15 wildfires as required by a compact with the federal government. If additional
16 expenditure authorization is required, the department shall notify the state budget
17 office that expenditure under this section is required. The department shall notify
18 the house and senate appropriations subcommittees on natural resources and the house
19 and senate fiscal agencies of the expenditures under this section by November 1, 2017.

20 Sec. 14-807. (1) In addition to the funds appropriated in part 1, there is
21 appropriated from the disaster and emergency contingency fund up to \$800,000.00 to
22 cover costs related to any disaster as defined in section 2 of the emergency
23 management act, 1976 PA 390, MCL 30.402.

24 (2) Funds appropriated under subsection (1) shall not be expended unless the
25 state budget director recommends the expenditure and the department notifies the house

1 and senate committees on appropriations. By December 1 each year, the department shall
2 provide a report to the senate and house fiscal agencies and the state budget office
3 on the use of the disaster and emergency contingency fund during the prior fiscal
4 year.

5 (3) If federal emergency management agency (FEMA) reimbursement is approved for
6 costs paid from the disaster and emergency contingency fund, the federal revenue shall
7 be deposited into the disaster and emergency contingency fund.

8 (4) Unexpended and unencumbered funds remaining in the disaster and emergency
9 contingency fund at the close of the fiscal year shall not lapse to the general fund
10 and shall be carried forward and be available for expenditures in subsequent fiscal
11 years.

12 Sec. 14-808. (1) From the increased funds appropriated in part 1 for forest
13 management and timber market development, the department shall utilize funding made
14 available for increased harvest of timber on state forestlands. The purpose of this
15 program expansion is to expand the growth of the forest products economy.

16 (2) The department shall identify specific outcomes and performance metrics for
17 this initiative, such as increasing the number of acres prepared for timber sale.

18 Sec. 14-809. (1) From the increased funds appropriated in part 1 for forest fire
19 equipment and forestry investment, the department shall increase funding for the
20 replacement of aging forest fire suppression equipment that is in disrepair. The
21 purpose of the program expansion is to promote rapid, reliable response to wildfires
22 to protect life, property, and timber assets.

23 (2) The department shall identify specific outcomes and performance metrics for
24 this initiative, such as reducing average wildfire response time.

25 **GRANTS**

26 Sec. 14-1001. Federal pass-through funds to local institutions and governments

1 that are received in amounts in addition to those included in part 1 for grants to
2 communities - federal oil, gas, and timber payments and that do not require additional
3 state matching funds are appropriated for the purposes intended. By November 30, 2016,
4 the department shall report to the senate and house appropriations subcommittees on
5 natural resources, the senate and house fiscal agencies, and the state budget director
6 on all amounts appropriated under this section during the fiscal year ending September
7 30, 2016.

8 CAPITAL OUTLAY

9 Sec. 14-1103. The appropriations in part 1 for capital outlay shall be carried
10 forward at the end of the fiscal year consistent with the provisions of section 248 of
11 the management and budget act, 1984 PA 431, MCL 18.1248.

12 ONE-TIME APPROPRIATIONS

13 Sec. 14-1201. (1) From the increased funds appropriated in part 1 for forest
14 management and timber market development, the department shall utilize funding made
15 available for increased harvest of timber on state forestlands. The purpose of this
16 program expansion is to strategically invest in technology enhancements to expand the
17 growth of the forest products economy.

18 (2) The department shall identify specific outcomes and performance metrics for
19 this initiative, such as adding online services to increase access to state
20 government.

21 Sec. 14-1202. (1) From the increased funds appropriated in part 1 for land
22 ownership tracking system, the department shall establish a replacement electronic
23 system to facilitate state land records management. The purpose of this new project is
24 to increase access to public land records and to integrate antiquated systems.

25 (2) The department shall identify specific outcomes and performance metrics for

1 this initiative, such as adding online services to increase access to state
2 government.

3 Sec. 14-1203. (1) From the increased funds appropriated in part 1 for invasive
4 species prevention and control, the department shall increase funding available for
5 the interdepartmental invasive species program. The purpose of this program expansion
6 is to prevent, detect, eradicate, and control invasive species.

7 (2) The department shall identify specific outcomes and performance metrics for
8 this initiative, such as prevention and mitigation of confirmed cases of silver and
9 bighead carp in Michigan's waterways.

Article 15

DEPARTMENT OF STATE

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 15-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of state are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

DEPARTMENT OF STATE

APPROPRIATION SUMMARY

12	Full-time equated unclassified positions.....	6.0	6.0
13	Full-time equated classified positions.....	1,597.0	1,597.0
14	GROSS APPROPRIATION	\$ 258,015,600	\$ 243,015,600
15	Total interdepartmental grants and intradepartmental		
16	transfers.....	20,000,000	20,000,000
17	ADJUSTED GROSS APPROPRIATION	\$ 238,015,600	\$ 223,015,600
18	Total federal revenues	1,460,000	1,460,000
19	Total local revenues	5,000,000	0
20	Total private revenues	100	100
21	Total other state restricted revenues	204,445,900	204,445,900
22	State general fund/general purpose	\$ 27,109,600	\$ 17,109,600
23	<i>State general fund/general purpose schedule:</i>		
24	<i>Ongoing state general fund/general purpose</i>	<i>17,109,600</i>	<i>17,109,600</i>
25	<i>One-time state general fund/general purpose</i>	<i>10,000,000</i>	<i>0</i>
26	Sec. 15-102. EXECUTIVE DIRECTION		
27	Full-time equated unclassified positions.....	6.0	6.0

1	Full-time equated classified positions	30.0	30.0
2	Secretary of State	\$ 112,500	\$ 112,500
3	Unclassified positions-5.0 FTE positions	628,800	628,800
4	Operations-30.0 FTE positions	<u>4,567,200</u>	<u>4,567,200</u>
5	GROSS APPROPRIATION	\$ 5,308,500	\$ 5,308,500
6	Appropriated from:		
7	Special revenue funds:		
8	Auto repair facilities fees	68,700	68,700
9	Children's protection registry fund	270,700	270,700
10	Driver fees	276,000	276,000
11	Expedient service fees	66,300	66,300
12	Parking ticket court fines	9,200	9,200
13	Enhanced driver license and enhanced official state		
14	personal identification card fund.....	216,700	216,700
15	Personal identification fee-operator license	32,300	32,300
16	Reinstatement fees-operator license	248,900	248,900
17	Transportation administration collection fund	2,499,800	2,499,800
18	Vehicle theft prevention fees	40,400	40,400
19	State general fund/general purpose	\$ 1,579,500	\$ 1,579,500
20	Sec. 15-103. DEPARTMENT SERVICES		
21	Full-time equated classified positions.....	117.0	117.0
22	Operations-117.0 FTE positions	<u>\$ 25,315,100</u>	<u>\$ 25,315,100</u>
23	GROSS APPROPRIATION	\$ 25,315,100	\$ 25,315,100
24	Appropriated from:		
25	Special revenue funds:		
26	Abandoned vehicle fees	481,100	481,100
27	Driver fees	731,000	731,000

1	Driver improvement course fees	308,600	308,600
2	Enhanced driver license and enhanced official state		
3	personal identification card fund.....	329,400	329,400
4	Expedient service fees	273,600	273,600
5	Marine safety fund	85,200	85,200
6	Personal identification card fees	193,700	193,700
7	Reinstatement fees-operator license	537,700	537,700
8	Scrap tire fund	78,100	78,100
9	Transportation administration collection fund	21,714,300	21,714,300
10	State general fund/general purpose	\$ 582,400	\$ 582,400
11	Sec. 15-104. LEGAL SERVICES		
12	Full-time equated classified positions.....	83.0	83.0
13	Operations-83.0 FTE positions	\$ <u>14,501,500</u>	\$ <u>14,501,500</u>
14	GROSS APPROPRIATION	\$ 14,501,500	\$ 14,501,500
15	Appropriated from:		
16	Special revenue funds:		
17	Auto repair facilities fees	3,363,800	3,363,800
18	Driver education provider & instructor fund	25,400	25,400
19	Driver fees	2,193,800	2,193,800
20	Driver responsibility fees	1,000,000	1,000,000
21	Enhanced driver license and enhanced official state		
22	personal identification card fund.....	504,900	504,900
23	Personal identification card fees	61,700	61,700
24	Reinstatement fees-operator license	1,463,900	1,463,900
25	Transportation administration collection fund	4,311,100	4,311,100
26	Vehicle theft prevention fees	1,092,600	1,092,600
27	State general fund/general purpose	\$ 484,300	\$ 484,300

1	Sec. 15-105. CUSTOMER DELIVERY SERVICES		
2	Full-time equated classified positions	1,322.0	1,322.0
3	Branch operations-922.0 FTE positions	\$ 85,709,100	\$ 85,709,100
4	Central operations-398.0 FTE positions	50,115,300	50,115,300
5	Organ donor program	129,100	129,100
6	Credit and debit assessment service fees	6,000,000	6,000,000
7	Motorcycle safety education administration-2.0 FTE		
8	positions	335,500	335,500
9	Motorcycle safety education grants	<u>1,800,000</u>	<u>1,800,000</u>
10	GROSS APPROPRIATION	\$ 144,089,000	\$ 144,089,000
11	Appropriated from:		
12	Interdepartmental grant revenues:		
13	IDG-from MDOT Michigan transportation fund	20,000,000	20,000,000
14	Federal revenues:		
15	Federal funds	1,460,000	1,460,000
16	Private funds	100	100
17	Special revenue funds:		
18	Abandoned vehicle fees	204,500	204,500
19	Auto repair facilities fees	910,400	910,400
20	Child support clearance fees	363,600	363,600
21	Credit and debit card service assessment	6,000,000	6,000,000
22	Driver fees	25,355,100	25,355,100
23	Driver improvement course fund	1,246,200	1,246,200
24	Driver education provider & instructor fund	49,600	49,600
25	Enhanced driver license and enhanced official state		
26	personal identification card fund	9,021,200	9,021,200
27	Expedient service fees	2,603,600	2,603,600

1	Marine safety fees	1,420,400		1,420,400
2	Michigan state police auto theft fund	123,700		123,700
3	Motorcycle safety funds	1,835,500		1,835,500
4	Mobile home commission fees	507,500		507,500
5	Off road vehicle fees	170,400		170,400
6	Parking ticket court fines	1,629,800		1,629,800
7	Personal identification card fees	2,319,700		2,319,700
8	Reinstatement fees-operator license	2,358,000		2,358,000
9	Recreation passport fees	1,000,000		1,000,000
10	Snowmobile registration fees	390,000		390,000
11	Thomas Daley gift of life fund	50,000		50,000
12	Transportation administration collection fund	60,920,300		60,920,300
13	Vehicle theft prevention fees	742,200		742,200
14	State general fund/general purpose	\$ 3,407,200	\$	3,407,200
15	Sec. 15-106. ELECTION REGULATION			
16	Full-time equated classified positions	45.0		45.0
17	Election administration and services-45.0 FTE positions	\$ 7,169,100	\$	7,169,100
18	Fees to local units	109,800		109,800
19	County clerk education and training fund	<u>100,000</u>		<u>100,000</u>
20	GROSS APPROPRIATION	\$ 7,378,900	\$	7,378,900
21	Appropriated from:			
22	Special revenue funds:			
23	Notary education and training fund	100,000		100,000
24	Notary fee fund	343,500		343,500
25	State general fund/general purpose	\$ 6,935,400	\$	6,935,400
26	Sec. 15-107. DEPARTMENTWIDE APPROPRIATIONS			
27	Building occupancy charges/rent	\$ 9,792,000	\$	9,792,000

1	Worker's compensation	<u>254,400</u>	<u>254,400</u>
2	GROSS APPROPRIATION	\$ 10,046,400	\$ 10,046,400
3	Appropriated from:		
4	Special revenue funds:		
5	Auto repair facilities fees	133,200	133,200
6	Driver fees	708,800	708,800
7	Enhanced driver license and enhanced official state		
8	personal identification card fund.....	326,000	326,000
9	Parking ticket court fines	441,500	441,500
10	Transportation administration collection fund	5,904,200	5,904,200
11	State general fund/general purpose	\$ 2,532,700	\$ 2,532,700
12	Sec. 15-108. INFORMATION TECHNOLOGY		
13	Information technology services and projects	\$ <u>36,376,200</u>	\$ <u>36,376,200</u>
14	GROSS APPROPRIATION	\$ 36,376,200	\$ 36,376,200
15	Appropriated from:		
16	Special revenue funds:		
17	Administrative order processing fee	11,700	11,700
18	Auto repair facilities fees	129,300	129,300
19	Driver fees	787,400	787,400
20	Enhanced driver license and enhanced official state		
21	personal identification card fund.....	327,500	327,500
22	Expedient service fees	1,085,100	1,085,100
23	Parking ticket court fines	89,000	89,000
24	Personal identification card fees	173,300	173,300
25	Reinstatement fees-operator license	592,300	592,300
26	Transportation administration collection fund	31,411,500	31,411,500
27	Vehicle theft prevention fees	181,000	181,000

1	State general fund/general purpose	\$	1,588,100	\$	1,588,100
2	Sec. 15-109. ONE-TIME APPROPRIATIONS				
3	Election administration and services	\$	<u>15,000,000</u>	\$	<u>0</u>
4	GROSS APPROPRIATION	\$	15,000,000	\$	0
5	Appropriated from:				
6	Special revenue funds:				
7	Local funding		5,000,000		0
8	State general fund/general purpose	\$	10,000,000	\$	0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

GENERAL SECTIONS

Sec. 15-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is \$231,555,500.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is \$1,211,300.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE

19	Fees to local units	\$	109,800
20	Motorcycle safety grants		<u>1,101,500</u>
21	TOTAL	\$	1,211,300

Sec. 15-202. The appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 15-203. As used in this article:

- (a) "ATM" means automated teller machine.

1 (b) "Department" means the department of state.

2 (c) "Director" means the Secretary of State.

3 (d) "FTE" means full-time equated.

4 (e) "IDG" means interdepartmental grant.

5 (f) "MDOT" means the Michigan department of transportation.

6 Sec. 15-204. The departments and agencies receiving appropriations in part 1
7 shall use the Internet to fulfill the reporting requirements of this article. This
8 requirement may include transmission of reports via electronic mail to the recipients
9 identified for each reporting requirement, or it may include placement of reports on
10 an Internet or Intranet site.

11 Sec. 15-205. Funds appropriated in part 1 shall not be used for the purchase of
12 foreign goods or services, or both, if competitively priced and of comparable quality
13 American goods or services, or both, are available. Preference shall be given to goods
14 or services, or both, manufactured or provided by Michigan businesses, if they are
15 competitively priced and of comparable quality. In addition, preference should be
16 given to goods or services, or both, that are manufactured or provided by Michigan
17 businesses owned and operated by veterans, if they are competitively priced and of
18 comparable quality.

19 Sec. 15-206. The director shall take all reasonable steps to ensure businesses in
20 deprived and depressed communities compete for and perform contracts to provide
21 services or supplies, or both. Each director shall strongly encourage firms with which
22 the department contracts to subcontract with certified businesses in depressed and
23 deprived communities for services, supplies, or both.

24 Sec. 15-207. The departments and agencies receiving appropriations in part 1
25 shall prepare a report on out-of-state travel expenses not later than January 1 of
26 each year. The travel report shall be a listing of all travel by classified and
27 unclassified employees outside this state in the immediately preceding fiscal year

1 that was funded in whole or in part with funds appropriated in the department's
2 budget. The report shall be submitted to the senate and house appropriations
3 committees, the house and senate fiscal agencies, and the state budget director. The
4 report shall include the following information:

5 (a) The dates of each travel occurrence.

6 (b) The transportation and related costs of each travel occurrence, including the
7 proportion funded with state general fund/general purpose revenues, the proportion
8 funded with state restricted revenues, the proportion funded with federal revenues,
9 and the proportion funded with other revenues.

10 Sec. 15-208. Funds appropriated in part 1 shall not be used by a principal
11 executive department, state agency, or authority to hire a person to provide legal
12 services that are the responsibility of the attorney general. This prohibition does
13 not apply to legal services for bonding activities and for those outside services that
14 the attorney general authorizes.

15 Sec. 15-209. Not later than November 30, the state budget office shall prepare
16 and transmit a report that provides for estimates of the total general fund/general
17 purpose appropriation lapses at the close of the prior fiscal year. This report shall
18 summarize the projected year-end general fund/general purpose appropriation lapses by
19 major departmental program or program areas. The report shall be transmitted to the
20 chairpersons of the senate and house appropriations committees, and the senate and
21 house fiscal agencies.

22 Sec. 15-210. (1) In addition to the funds appropriated in part 1, there is
23 appropriated an amount not to exceed \$2,000,000.00 for federal contingency funds.
24 These funds are not available for expenditure until they have been transferred to
25 another line item in this article under section 393(2) of the management and budget
26 act, 1984 PA 431, MCL 18.1393.

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

1 amount not to exceed \$7,500,000.00 for state restricted contingency funds. These funds
2 are not available for expenditure until they have been transferred to another line
3 item in this article under section 393(2) of the management and budget act, 1984 PA
4 431, MCL 18.1393.

5 (3) In addition to the funds appropriated in part 1, there is appropriated an
6 amount not to exceed \$50,000.00 for local contingency funds. These funds are not
7 available for expenditure until they have been transferred to another line item in
8 this article under section 393(2) of the management and budget act, 1984 PA 431, MCL
9 18.1393.

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

15 Sec. 15-211. The department shall cooperate with the department of technology,
16 management and budget to maintain a searchable website accessible by the public at no
17 cost that includes, but is not limited to, all of the following for each department or
18 agency:

19 (a) Fiscal year-to-date expenditures by category.

20 (b) Fiscal year-to-date expenditures by appropriation unit.

21 (c) Fiscal year-to-date payments to a selected vendor, including the vendor name,
22 payment date, payment amount, and payment description.

23 (d) The number of active department employees by job classification.

24 (e) Job specifications and wage rates.

25 Sec. 15-212. Within 14 days after the release of the executive budget
26 recommendation, the department shall cooperate with the state budget office to provide
27 the senate and house appropriations chairs, the senate and house appropriations

1 subcommittees chairs, and the senate and house fiscal agencies with an annual report
2 on estimated state restricted fund balances, state restricted fund projected revenues,
3 and state restricted fund expenditures for the fiscal years ending September 30, 2016
4 and September 30, 2017.

5 Sec. 15-213. The department shall maintain, on a publicly accessible website, a
6 department scorecard that identifies, tracks and regularly updates key metrics that
7 are used to monitor and improve the agency's performance.

8 Sec. 15-214. Total authorized appropriations from all sources under part 1 for
9 legacy costs for the fiscal year ending September 30, 2017 are \$31,874,100.00. From
10 this amount, total agency appropriations for pension-related legacy costs are
11 estimated at \$17,673,400.00. Total agency appropriations for retiree health care
12 legacy costs are estimated at \$14,200,700.00.

13 DEPARTMENT OF STATE

14 Sec. 15-703. From the funds appropriated in part 1, the department of state shall
15 sell copies of records including, but not limited to, records of motor vehicles, off-
16 road vehicles, snowmobiles, watercraft, mobile homes, personal identification
17 cardholders, drivers, and boat operators and shall charge \$11.00 per record sold only
18 as authorized in section 208b of the Michigan vehicle code, 1949 PA 300, MCL 257.208b,
19 section 7 of 1972 PA 222, MCL 28.297, and sections 80130, 80315, 81114, and 82156 of
20 the natural resources and environmental protection act, 1994 PA 451, MCL 324.80130,
21 324.80315, 324.81114, and 324.82156. The revenue received from the sale of records
22 shall be credited to the transportation administration collection fund created under
23 section 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b.

24 Sec. 15-704. From the funds appropriated in part 1, the secretary of state may
25 enter into agreements with the department of corrections for the manufacture of
26 vehicle registration plates 15 months before the registration year in which the

1 registration plates will be used.

2 Sec. 15-705. (1) The department of state may accept gifts, donations,
3 contributions, and grants of money and other property from any private or public
4 source to underwrite, in whole or in part, the cost of a departmental publication that
5 is prepared and disseminated under the Michigan vehicle code, 1949 PA 300, MCL 257.1
6 to 257.923. A private or public funding source may receive written recognition in the
7 publication and may furnish a traffic safety message, subject to departmental
8 approval, for inclusion in the publication. The department may reject a gift,
9 donation, contribution, or grant. The department may furnish copies of a publication
10 underwritten, in whole or in part, by a private source to the underwriter at no
11 charge.

12 (2) The department of state may sell and accept paid advertising for placement in
13 a departmental publication that is prepared and disseminated under the Michigan
14 vehicle code, 1949 PA 300, MCL 257.1 to 257.923. The department may charge and receive
15 a fee for any advertisement appearing in a departmental publication and shall review
16 and approve the content of each advertisement. The department may refuse to accept
17 advertising from any person or organization. The department may furnish a reasonable
18 number of copies of a publication to an advertiser at no charge.

19 (3) Pending expenditure, the funds received under this section shall be deposited
20 in the Michigan department of state publications fund created by section 211 of the
21 Michigan vehicle code, 1949 PA 300, MCL 257.211. Funds given, donated, or contributed
22 to the department from a private source are appropriated and allocated for the purpose
23 for which the revenue is furnished. Funds granted to the department from a public
24 source are allocated and may be expended upon receipt. The department shall not accept
25 a gift, donation, contribution, or grant if receipt is conditioned upon a commitment
26 of state funding at a future date. Revenue received from the sale of advertising is
27 appropriated and may be expended upon receipt.

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

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

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

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

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

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

16 (6) In addition to copies delivered without charge as the secretary of state
17 considers necessary, the department of state may sell copies of manuals and other
18 publications regarding the sale, ownership, or operation or regulation of motor
19 vehicles, with amendments, at prices to be established by the secretary of state. As
20 used in this subsection, the term "manuals and other publications" includes videos and
21 propriety electronic publications. All funds received from sales of these manuals and
22 other publications shall be credited to the Michigan department of state publications
23 fund.

24 Sec. 15-707. Funds collected by the department of state under section 211 of the
25 Michigan vehicle code, 1949 PA 300, MCL 257.211, are appropriated for all expenses
26 necessary to provide for the costs of the publication. Funds are allotted for
27 expenditure when they are received by the department of treasury and shall not lapse

1 to the general fund at the end of the fiscal year.

2 Sec. 15-708. From the funds appropriated in part 1, the department of state shall
3 use available balances at the end of the state fiscal year to provide payment to the
4 department of state police in the amount of \$332,000.00 for the services provided by
5 the traffic accident records program as first appropriated in 1990 PA 196 and 1990 PA
6 208.

7 Sec. 15-709. From the funds appropriated in part 1, the department of state may
8 restrict funds from miscellaneous revenue to cover cash shortages created from normal
9 branch office operations. This amount shall not exceed \$50,000.00 of the total funds
10 available in miscellaneous revenue.

11 Sec. 15-710. (1) Commemorative and specialty license plate fee revenue collected
12 by the department of state and deposited into the transportation administration
13 collection fund created in section 810b of the Michigan vehicle code, 1949 PA 300, MCL
14 257.810b, is authorized for expenditure up to the amount of revenue collected but not
15 to exceed the amount appropriated to the department of state in part 1 to administer
16 commemorative and specialty license plate programs.

17 (2) Commemorative and specialty license plate fee revenue collected by the
18 department of state and deposited in the transportation administration collection fund
19 created in section 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b, in
20 addition to the amount appropriated in part 1 to the department of state, shall remain
21 in the transportation administration collection fund created in section 810b of the
22 Michigan vehicle code, 1949 PA 300, MCL 257.810b, and be available for future
23 appropriation.

24 Sec. 15-711. Collector plate and fund-raising registration plate revenues
25 collected by the department of state are appropriated and allotted for distribution to
26 the recipient university or public or private agency overseeing a state-sponsored goal
27 when received. Distributions shall occur on a quarterly basis or as otherwise

1 authorized by law. Any revenues remaining at the end of the fiscal year shall not
2 lapse to the general fund but shall remain available for distribution to the
3 university or agency in the next fiscal year.

4 Sec. 15-712. The department of state may produce and sell copies of a training
5 video designed to inform registered automotive repair facilities of their obligations
6 under Michigan law. The price shall not exceed the cost of production and
7 distribution. The money received from the sale of training videos shall revert to the
8 department of state and be placed in the auto repair facility account.

9 Sec. 15-713. (1) The department of state, in collaboration with the gift of life
10 transplantation society or its successor federally designated organ procurement
11 organization, may develop and administer a public information campaign concerning the
12 Michigan organ donor program.

13 (2) The department may solicit funds from any private or public source to
14 underwrite, in whole or in part, the public information campaign authorized by this
15 section. The department may accept gifts, donations, contributions, and grants of
16 money and other property from private and public sources for this purpose. A private
17 or public funding source underwriting the public information campaign, in whole or in
18 substantial part, shall receive sponsorship credit for its financial backing.

19 (3) Funds received under this section, including grants from state and federal
20 agencies, shall not lapse to the general fund at the end of the fiscal year but shall
21 remain available for expenditure for the purposes described in this section.

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

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

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

7 Sec. 15-714. (1) Except as otherwise provided under subsection (2), at least 180
8 days before closing a branch office or consolidating a branch office and at least 60
9 days before relocating a branch office, the department of state shall inform members
10 of the senate and house of representatives standing committees on appropriations and
11 legislators who represent affected areas regarding the details of the proposal. The
12 information provided shall be in written form and include all analyses done regarding
13 criteria for changes in the location of branch offices, including, but not limited to,
14 branch transactions, revenue, and the impact on citizens of the affected area. The
15 impact on citizens shall include information regarding additional distance to branch
16 office locations resulting from the plan. The written notice provided by the
17 department of state shall also include detailed estimates of costs and savings that
18 will result from the overall changes made to the branch office structure and the same
19 level of detail regarding costs for new leased facilities and expansions of current
20 leased space.

21 (2) If the consolidation of a branch office is with another branch office that is
22 located within the same local unit of government or the relocation of a branch office
23 is to another location that is located within the same local unit of government, the
24 department of state is not required to provide the notification or written information
25 described in subsection (1).

26 (3) As used in this section, "local unit of government" means a city, village,
27 township, or county.

1 Sec. 15-715. (1) Any service assessment collected by the department of state from
2 the user of a credit or debit card under section 3 of 1995 PA 144, MCL 11.23, may be
3 used by the department for necessary expenses related to that service and may be
4 remitted to a credit or debit card company, bank, or other financial institution.

5 (2) The service assessment imposed by the department of state for credit and
6 debit card services may be based either on a percentage of each individual credit or
7 debit card transaction, or on a flat rate per transaction, or both, scaled to the
8 amount of the transaction. However, the department shall not charge any amount for a
9 service assessment which exceeds the costs billable to the department for service
10 assessments.

11 (3) If there is a balance of service assessments received from credit and debit
12 card services remaining on September 30, the balance may be carried forward to the
13 following fiscal year and appropriated for the same purpose.

14 (4) As used in this section, "service assessment" means and includes costs
15 associated with service fees imposed by credit and debit card companies and processing
16 fees imposed by banks and other financial institutions.

17 Sec. 15-717. (1) The department of state may accept nonmonetary gifts, donations,
18 or contributions of property from any private or public source to support, in whole or
19 in part, the operation of a departmental function relating to licensing, regulation or
20 safety. The department may recognize a private or public contributor for making the
21 contribution. The department may reject a gift, donation, or contribution.

22 (2) The department of state shall not accept a gift, donation, or contribution
23 under subsection (1) if receipt of the gift, donation, or contribution is conditioned
24 upon a commitment of future state funding.

25 (3) On March 1 of each year, the department of state shall file a report with the
26 senate and house of representatives standing committees on appropriations, the senate
27 and house fiscal agencies, and the state budget director. The report shall list any

1 gift, donation, or contribution received by the department under subsection (1) for
2 the prior calendar year.

3 Sec. 15-721. From the funds appropriated in part 1, the department of state may
4 collect ATM commission fees from companies that have ATMs located in secretary of
5 state branch offices. The commission received from the use of these ATMs shall be
6 credited to the transportation administration collection fund created under section
7 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b.

8 Sec. 15-722. From the increased funds appropriated in part 1 for information
9 technology services and projects, the department shall establish a legacy
10 modernization project beginning in the current year. The purpose of this program
11 expansion is modernization of the entire system and removal of existing programs from
12 the legacy mainframes.

13 Sec. 15-723. From the increased funds appropriated in part 1 for elections
14 administration and services, the department shall establish funding available for the
15 replacement of voting machines. The purpose of this program expansion is replacement
16 of existing voting machines in the local jurisdictions.

Article 16

DEPARTMENT OF STATE POLICE

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 16-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of state police are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

DEPARTMENT OF STATE POLICE

APPROPRIATION SUMMARY

Full-time equated unclassified positions.....	3.0	3.0
Full-time equated classified positions.....	3,250.0	3,250.0
GROSS APPROPRIATION	\$ 658,726,100	\$ 650,250,300
Total interdepartmental grants and intradepartmental transfers.....	26,580,400	26,580,400
ADJUSTED GROSS APPROPRIATION	\$ 632,145,700	\$ 623,669,900
Total federal revenues	87,967,800	87,967,800
Total local revenues	5,828,500	5,828,500
Total private revenues	78,100	78,100
Total other state restricted revenues	126,358,500	126,358,500
State general fund/general purpose	\$ 411,912,800	\$ 403,437,000
<i>State general fund/general purpose schedule:</i>		
Ongoing state general fund/general purpose	396,162,800	403,437,000
One-time state general fund/general purpose	15,750,000	0
Sec. 16-102. UNCLASSIFIED POSITIONS		
Full-time equated unclassified positions.....	3.0	3.0

1	Unclassified positions	\$	<u>600,200</u>	\$	<u>600,200</u>
2	GROSS APPROPRIATION	\$	600,200	\$	600,200
3	Appropriated from:				
4	Interdepartmental grant revenues		7,400		7,400
5	State restricted revenues		388,100		388,100
6	State general fund/general purpose	\$	204,700	\$	204,700
7	Sec. 16-103. EXECUTIVE DIRECTION AND DEPARTMENTAL SERVICES				
8	Full-time equated classified positions		103.0		103.0
9	Executive direction and departmental services	\$	<u>78,051,300</u>	\$	<u>78,051,300</u>
10	GROSS APPROPRIATION	\$	78,051,300	\$	78,051,300
11	Appropriated from:				
12	Interdepartmental grant revenues		769,100		769,100
13	Federal revenues		1,328,000		1,328,000
14	Local revenues		1,133,100		1,133,100
15	State restricted revenues		12,231,400		12,231,400
16	State general fund/general purpose	\$	62,589,700	\$	62,589,700
17	<i>Schedule of programs:</i>				
18	<i>Departmentwide</i>		38,607,700		38,607,700
19	<i>Departmental services</i>		7,001,900		7,001,900
20	<i>Executive direction</i>		8,015,800		8,015,800
21	<i>Information technology services and projects</i>		24,425,900		24,425,900
22	Sec. 16-104. LAW ENFORCEMENT SERVICES				
23	Full-time equated classified positions		505.0		505.0
24	Law enforcement services	\$	<u>98,802,100</u>	\$	<u>98,802,100</u>
25	GROSS APPROPRIATION	\$	98,802,100	\$	98,802,100
26	Appropriated from:				
27	Interdepartmental grant revenues		6,216,500		6,216,500

1	Federal revenues	17,261,400	17,261,400
2	Local revenues	915,300	915,300
3	State restricted revenues	35,084,000	35,084,000
4	State general fund/general purpose	\$ 39,324,900	\$ 39,324,900
5	<i>Schedule of programs:</i>		
6	<i>Biometrics and identification</i>	<i>8,145,400</i>	<i>8,145,400</i>
7	<i>Criminal justice information center</i>	<i>18,485,400</i>	<i>18,485,400</i>
8	<i>Forensic science</i>	<i>41,556,700</i>	<i>41,556,700</i>
9	<i>Grants and community services</i>	<i>17,584,000</i>	<i>17,584,000</i>
10	<i>Training</i>	<i>13,030,600</i>	<i>13,030,600</i>
11	Sec. 16-105. COMMISSION ON LAW ENFORCEMENT STANDARDS		
12	Full-time equated classified positions	18.0	18.0
13	Commission on law enforcement standards	\$ <u>9,899,700</u>	\$ <u>9,899,700</u>
14	GROSS APPROPRIATION	\$ 9,899,700	\$ 9,899,700
15	Appropriated from:		
16	Federal revenues	175,700	175,700
17	State restricted revenues	8,830,700	8,830,700
18	State general fund/general purpose	\$ 893,300	\$ 893,300
19	<i>Schedule of programs:</i>		
20	<i>Public safety officers benefit program</i>	<i>151,100</i>	<i>151,100</i>
21	<i>Standards and training/justice training grants</i>	<i>9,094,500</i>	<i>9,094,500</i>
22	<i>Training only to local units</i>	<i>654,100</i>	<i>654,100</i>
23	Sec. 16-106. FIELD SERVICES		
24	Full-time equated classified positions	2,109.0	2,109.0
25	Field services	\$ <u>317,783,300</u>	\$ <u>325,057,500</u>
26	GROSS APPROPRIATION	\$ 317,783,300	\$ 325,057,500
27	Appropriated from:		

1	Interdepartmental grant revenues	6,776,800	6,776,800
2	Federal revenues	6,590,000	6,590,000
3	Local revenues	2,079,000	2,079,000
4	State restricted revenues	44,556,900	44,556,900
5	State general fund/general purpose	\$ 257,780,600	\$ 265,054,800
6	<i>Schedule of programs:</i>		
7	<i>Casino gaming oversight</i>	<i>6,012,000</i>	<i>6,012,000</i>
8	<i>General law enforcement and criminal investigations</i>	<i>306,475,600</i>	<i>313,749,800</i>
9	<i>Tobacco tax fraud investigations</i>	<i>5,295,700</i>	<i>5,295,700</i>
10	Sec. 16-107. SPECIALIZED SERVICES		
11	Full-time equated classified positions	514.0	514.0
12	Specialized services	\$ <u>126,771,500</u>	\$ <u>126,771,500</u>
13	GROSS APPROPRIATION	\$ 126,771,500	\$ 126,771,500
14	Appropriated from:		
15	Interdepartmental grant revenues	12,810,600	12,810,600
16	Federal revenues	62,612,700	62,612,700
17	Local revenues	1,701,100	1,701,100
18	Private revenues	78,100	78,100
19	State restricted revenues	14,199,400	14,199,400
20	State general fund/general purpose	\$ 35,369,600	\$ 35,369,600
21	<i>Schedule of programs:</i>		
22	<i>Commercial vehicle enforcement</i>	<i>28,378,700</i>	<i>28,378,700</i>
23	<i>Emergency management and homeland security</i>	<i>50,048,200</i>	<i>50,048,200</i>
24	<i>Highway safety planning</i>	<i>16,130,000</i>	<i>16,130,000</i>
25	<i>Special operations</i>	<i>32,214,600</i>	<i>32,214,600</i>
26	Sec. 16-108. SECONDARY ROAD PATROL		
27	Full-time equated classified positions	1.0	1.0

1	Secondary road patrol	\$	<u>11,068,000</u>	\$	<u>11,068,000</u>
2	GROSS APPROPRIATION	\$	11,068,000	\$	11,068,000
3	Appropriated from:				
4	State restricted revenues		11,068,000		11,068,000
5	State general fund/general purpose	\$	0	\$	0
6	Sec. 16-109. ONE-TIME APPROPRIATIONS				
7	One-time appropriations	\$	<u>15,750,000</u>	\$	<u>0</u>
8	GROSS APPROPRIATION	\$	15,750,000	\$	0
9	Appropriated from:				
10	State general fund/general purpose	\$	15,750,000	\$	0
11	<i>Schedule of programs:</i>				
12	<i>Disaster and emergency contingency fund</i>		6,000,000		0
13	<i>Homeland security - energy disaster</i>		750,000		0
14	<i>School safety initiative</i>		4,000,000		0
15	<i>Sexual assault prevention and education initiative .</i>		500,000		0
16	<i>Trooper school</i>		4,500,000		0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

GENERAL SECTIONS

21 Sec. 16-201. Pursuant to section 30 of article IX of the state constitution of
 22 1963, total state spending from state resources under part 1 for fiscal year 2016-2017
 23 is \$538,271,300.00 and state spending from state resources to be paid to local units
 24 of government for fiscal year 2016-2017 is \$19,198,900.00. The itemized statement
 25 below identifies appropriations from which spending to local units of government will

1 occur:

2 DEPARTMENT OF STATE POLICE

3	Commission on law enforcement standards	\$	3,559,700
4	Specialized services		681,900
5	Secondary road patrol program		10,957,300
6	Local public safety initiative		<u>4,000,000</u>
7	TOTAL	\$	19,198,900

8 Sec. 16-202. The appropriations authorized under this article are subject to the
 9 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

10 Sec. 16-203. As used in this article:

11 (a) "CJIS" means criminal justice information systems.

12 (b) "Core service" means that phrase as defined in section 373 of the management
 13 and budget act, 1984 PA 431, MCL 18.1373.

14 (c) "Department" means the department of state police.

15 (d) "Director" means the director of the department.

16 (e) "DNA" means deoxyribonucleic acid.

17 (f) "DTMB" means the department of technology, management and budget.

18 (g) "MCOLES" means Michigan commission on law enforcement standards.

19 (h) "Support service" means an activity required to support the ongoing delivery
 20 of core services.

21 Sec. 16-204. The departments and agencies receiving appropriations in part 1
 22 shall use the Internet to fulfill the reporting requirements of this article. This
 23 requirement may include transmission of reports via electronic mail to the recipients
 24 identified for each reporting requirement, or it may include placement of reports on
 25 an Internet or Intranet site.

26 Sec. 16-205. Funds appropriated in part 1 shall not be used for the purchase of
 27 foreign goods or services, or both, if competitively priced and of comparable quality

1 American goods or services, or both, are available. Preference shall be given to goods
2 or services, or both, manufactured or provided by Michigan businesses, if they are
3 competitively priced and of comparable quality. In addition, preference should be
4 given to goods or services, or both, that are manufactured or provided by Michigan
5 businesses owned and operated by veterans, if they are competitively priced and of
6 comparable quality.

7 Sec. 16-206. The director shall take all reasonable steps to ensure businesses in
8 deprived and depressed communities compete for and perform contracts to provide
9 services or supplies, or both. Each director shall strongly encourage firms with which
10 the department contracts to subcontract with certified businesses in depressed and
11 deprived communities for services, supplies, or both.

12 Sec. 16-207. The departments and agencies receiving appropriations in part 1
13 shall prepare a report on out-of-state travel expenses not later than January 1 of
14 each year. The travel report shall be a listing of all travel by classified and
15 unclassified employees outside this state in the immediately preceding fiscal year
16 that was funded in whole or in part with funds appropriated in the department's
17 budget. The report shall be submitted to the senate and house appropriations
18 committees, the house and senate fiscal agencies, and the state budget director. The
19 report shall include the following information:

20 (a) The dates of each travel occurrence.

21 (b) The transportation and related costs of each travel occurrence, including the
22 proportion funded with state general fund/general purpose revenues, the proportion
23 funded with state restricted revenues, the proportion funded with federal revenues,
24 and the proportion funded with other revenues.

25 Sec. 16-208. Funds appropriated in part 1 shall not be used by a principal
26 executive department, state agency, or authority to hire a person to provide legal
27 services that are the responsibility of the attorney general. This prohibition does

1 not apply to legal services for bonding activities and for those outside services that
2 the attorney general authorizes.

3 Sec. 16-209. Not later than November 30, the state budget office shall prepare
4 and transmit a report that provides for estimates of the total general fund/general
5 purpose appropriation lapses at the close of the prior fiscal year. This report shall
6 summarize the projected year-end general fund/general purpose appropriation lapses by
7 major departmental program or program areas. The report shall be transmitted to the
8 chairpersons of the senate and house appropriations committees, and the senate and
9 house fiscal agencies.

10 Sec. 16-210. (1) In addition to the funds appropriated in part 1, there is
11 appropriated an amount not to exceed \$10,000,000.00 for federal contingency funds.
12 These funds are not available for expenditure until they have been transferred to
13 another line item in this article under section 393(2) of the management and budget
14 act, 1984 PA 431, MCL 18.1393.

15 (2) In addition to the funds appropriated in part 1, there is appropriated an
16 amount not to exceed \$3,500,000.00 for state restricted contingency funds. These funds
17 are not available for expenditure until they have been transferred to another line
18 item in this article under section 393(2) of the management and budget act, 1984 PA
19 431, MCL 18.1393.

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

25 (4) In addition to the funds appropriated in part 1, there is appropriated an
26 amount not to exceed \$200,000.00 for private contingency funds. These funds are not
27 available for expenditure until they have been transferred to another line item in

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

3 Sec. 16-211. The department shall cooperate with the department of technology,
4 management and budget to maintain a searchable website accessible by the public at no
5 cost that includes, but is not limited to, all of the following for each department or
6 agency:

7 (a) Fiscal year-to-date expenditures by category.

8 (b) Fiscal year-to-date expenditures by appropriation unit.

9 (c) Fiscal year-to-date payments to a selected vendor, including the vendor name,
10 payment date, payment amount, and payment description.

11 (d) The number of active department employees by job classification.

12 (e) Job specifications and wage rates.

13 Sec. 16-212. Within 14 days after the release of the executive budget
14 recommendation, the department shall cooperate with the state budget office to provide
15 the senate and house appropriations chairs, the senate and house appropriations
16 subcommittees chairs, and the senate and house fiscal agencies with an annual report
17 on estimated state restricted fund balances, state restricted fund projected revenues,
18 and state restricted fund expenditures for the fiscal years ending September 30, 2016
19 and September 30, 2017.

20 Sec. 16-213. The department shall maintain, on a publicly accessible website, a
21 department scorecard that identifies, tracks and regularly updates key metrics that
22 are used to monitor and improve the agency's performance.

23 Sec. 16-214. Total authorized appropriations from all sources under part 1 for
24 legacy costs for the fiscal year ending September 30, 2017 is \$133,307,100.00. From
25 this amount, total agency appropriations for pension-related legacy costs are
26 estimated at \$71,007,700.00. Total agency appropriations for retiree health care
27 legacy costs are estimated at \$62,299,400.00.

1 Sec. 16-215. Based on the availability of federal funding and demonstrated need
2 as indicated by applications submitted to the state court administrative office, the
3 department shall provide \$1,500,000.00 in Byrne justice assistance grant program
4 funding to the judiciary by interdepartmental grant.

5 Sec. 16-216. (1) Notwithstanding any other provision of this part, the schedule
6 of programs in part 1 lists programs which may, but are not required to be, funded
7 under this part or part 1.

8 (2) Notwithstanding any other provisions of this part, the schedule of revenue
9 sources in part 1 may or may not be received from the funding entities listed or in
10 the amounts listed.

11 (3) The secondary road patrol funding is not subject to funding flexibility and
12 shall be funded in accordance with section 629e of the Michigan vehicle code, 1949 PA
13 300, MCL 257.629e.

14 (4) Any funding required by statute is not subject to funding flexibility and
15 shall be funded in accordance with that statute.

16 Sec. 16-217. The department shall provide quarterly reports to the subcommittees,
17 the senate and house fiscal agencies, and the state budget office that provide the
18 following data:

19 (a) A list of major work projects, including the status of each project.

20 (b) The department's financial status, featuring a report of budgeted versus
21 actual expenditures by part 1 line item including a year-end projection of budget
22 requirements. If projected department budget requirements exceed the allocated budget,
23 the report shall include a plan to reduce overall expenses while still satisfying
24 specified service level requirements.

25 (c) A report on the performance metrics cited or information required to be
26 reported in this part, reasons for nonachievement of metric targets, and proposed
27 corrective actions.

1 (d) A summary of fund shifts, that have been approved by the state budget office,
2 that have occurred between items listed in the schedule of programs on a quarterly
3 basis to the subcommittees and the senate and house fiscal agencies.

4 Sec. 16-218. The appropriations in part 1 are for the core services, support
5 services, and work projects of the department, including, but not limited to, the
6 following core services:

7 (a) State security operations.

8 (b) Training.

9 (c) Commission on law enforcement standards.

10 (d) Criminal justice information systems.

11 (e) Forensic analysis and biometric identification.

12 (f) General law enforcement and criminal investigations.

13 (g) Special operations.

14 (h) Commercial vehicle regulation and enforcement.

15 (i) Emergency management and homeland security.

16 (j) Highway safety planning.

17 (k) Secondary road patrol program.

18 Sec. 16-219. (1) When the department provides contractual services to a local
19 unit of government, the department shall be reimbursed for all costs incurred in
20 providing the services, including, but not limited to, retirement and overtime costs.

21 (2) The department shall define service cost models for those services requiring
22 reimbursement.

23 (3) Contractual services provided to an entity other than a local unit of
24 government may be provided by department personnel, but only on an overtime basis
25 outside the normal work schedule of the personnel.

26 (4) This section does not apply to services provided to state agencies.

27 Sec. 16-220. The department shall serve as an active liaison between the DTMB and

1 state, local, regional, and federal public safety agencies on matters pertaining to
2 the Michigan public safety communications system and shall report user issues to the
3 DTMB.

4 Sec. 16-221. Money privately donated to the department is appropriated under part
5 1 to be used for the purposes designated by the donor of the money, if specified.

6 **EXECUTIVE DIRECTION AND DEPARTMENTAL SERVICES**

7 Sec. 16-301. (1) The department shall provide security services at the state
8 capitol complex facilities and state secondary complex as provided under section 6c of
9 1935 PA 59, MCL 28.6c.

10 (2) The department shall maintain the staff and resources necessary to respond to
11 emergencies at the state capitol complex, state secondary complex, house office
12 building, Farnum building, capitol parking lot, Townsend parking ramp, the Roosevelt
13 parking ramp, and other areas as directed.

14 (3) The department may develop a phased approach for improving security at the
15 capitol building.

16 (4) The department shall maintain a goal of annually conducting 35,000 property
17 inspections of state owned and leased facilities.

18 **LAW ENFORCEMENT SERVICES**

19 Sec. 16-400. The department shall provide administrative support for the
20 following grant and community service programs:

21 (a) The operations of the automobile theft prevention authority.

22 (b) Administration of the Edward Byrne memorial justice assistance program and
23 other grant programs, as well as the department's community policing efforts.

24 (c) Oversight and administration of 9-1-1 operations statewide.

25 Sec. 16-401. (1) The department shall develop and deliver professional,

1 innovative, and quality training that supports the enforcement and public safety
2 efforts of the criminal justice community.

3 (2) The department shall provide the following performance data as provided under
4 section 219 for average classroom occupancy rate, with an annual goal of 55%.

5 (3) The department shall submit a report to the subcommittees and the senate and
6 house fiscal agencies within 60 days of the conclusion of any trooper, motor carrier,
7 or state properties security recruit school. The report shall include the following:

8 (a) The number of veterans and the number of MCOLES-certified police officers who
9 were admitted to and the number who graduated from the recruit school.

10 (b) The total number of recruits who were admitted to the school, the number of
11 recruits who graduated from the school, and the location at which each of these
12 recruits is assigned.

13 (4) The department shall distribute and review course evaluations to ensure that
14 quality training is provided.

15 Sec. 16-402. (1) In accordance with applicable state and federal laws and
16 regulations, the department shall maintain and ensure compliance with CJIS databases
17 and applications in the support of public safety and law enforcement communities.

18 (2) The department shall improve the accuracy, timeliness, and completeness of
19 criminal history information by conducting a minimum of 30 outreach activities
20 targeted to criminal justice agencies.

21 (3) The department shall provide for the compilation of crime statistics
22 consistent with the uniform crime reporting program and the national incident-based
23 report system.

24 (4) The department shall provide for the compilation and evaluation of traffic
25 crash reports and the maintenance of the state accident data collection system.

26 (5) The department shall make traffic crash information available to the public
27 at a reasonable cost. For bulk access to the accident records in which the vehicle

1 identification number has been collected and computerized, the department shall make
2 those records available to the public at cost, provided that the name and address have
3 been excluded.

4 (6) In accordance with applicable state and federal laws and regulations, the
5 department shall provide for the maintenance and dissemination of criminal history
6 records and juvenile records, including to the extent necessary to exchange criminal
7 history records information with the Federal Bureau of Investigation and other states
8 through the interstate identification index, the National Crime Information Center,
9 and other federal CJIS databases and indices.

10 (7) In accordance with applicable state and federal laws, the department shall
11 provide for the maintenance of records, including criminal history records regarding
12 firearms licensure.

13 (8) The department shall maintain the staff and resources necessary to maintain
14 the sex offender registry and enforce the registration requirements as provided by
15 law.

16 (9) The department shall provide information on the number of background checks
17 processed through the Internet criminal history access tool (ICHAT) as provided in
18 section 219.

19 (10) The following unexpended and unencumbered revenues deposited into the
20 criminal justice information service fee fund shall not lapse to the general fund, but
21 shall be carried forward into the subsequent fiscal year:

22 (a) Fees for fingerprinting and criminal record checks and name-based criminal
23 record checks pursuant to 1935 PA 120, MCL 28.271 to 28.273.

24 (b) Fees for application and licensing for initial and renewal concealed pistol
25 licenses pursuant to 1927 PA 372, MCL 28.421 to 28.435.

26 (c) Fees for searching, copying, and providing public records pursuant to the
27 freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

1 (d) Revenue from other sources, including, but not limited to, investment and
2 interest earnings.

3 (11) Unexpended and unencumbered revenue generated by state records management
4 system fees shall not lapse to the general fund, but shall be carried forward into the
5 subsequent fiscal year.

6 Sec. 16-403. (1) The department shall provide forensic testing services to aid in
7 criminal investigations.

8 (2) The department shall ensure its ability to maintain accreditation by the
9 American Society of Crime Laboratory Directors/Laboratory Accreditation Board
10 (ASCLD/LAB), or other federally designated accrediting agency, as provided under 42
11 USC 14132.

12 (3) The department shall provide forensic science services with an average
13 turnaround time of 55 days, assuming an annual caseload volume commensurate with that
14 received in fiscal year 2012-2013, and shall achieve a goal of a 30-day average
15 turnaround time across all forensic science disciplines by December 31, 2016.

16 (4) The department shall provide the following data as provided in section 219:

17 (a) The average turnaround time for processing forensic evidence across all
18 disciplines.

19 (b) Forensic laboratory staffing levels, including scientists in training, and
20 vacancies.

21 (c) The number of backlogged cases in each discipline.

22 (5) The department shall maintain the staffing and resources necessary to provide
23 forensic laboratory services with a goal of decreasing firearms backlog by 20%
24 annually until the department maintains a 30-day turnaround time across disciplines,
25 assuming an annual caseload volume of 5,200 cases received.

26 (6) The department shall maintain the staffing and resources necessary to provide
27 forensic laboratory services with a goal of decreasing the backlog of toxicology cases

1 per year until the department maintains a 30-day turnaround time across all
2 disciplines assuming an annual caseload volume of 20,000 cases received.

3 (7) If changes are made to the department's protocol for retaining and purging
4 DNA analysis samples and records, the department shall post a copy of the protocol
5 changes on the department's website.

6 (8) The department shall maintain the staffing and resources necessary to provide
7 forensic laboratory services with a goal of decreasing the backlog of biology/DNA
8 cases per year until the department maintains a 30-day turnaround time across all
9 disciplines, assuming an annual caseload volume of 10,500 biology/DNA cases received.

10 Sec. 16-404. (1) The biometrics and identification division shall house and
11 manage the automated fingerprint identification system, the statewide network of
12 agency photographs, and combined offender DNA index system biometric databases.

13 (2) The department shall provide data on the number of 10-print and palm-print
14 submissions to the database, with a goal of at least 97% of submissions provided
15 electronically as provided in section 219.

16 (3) The department shall maintain the staffing and resources necessary to have a
17 28-day average wait time for scheduling a polygraph examination, assuming an annual
18 caseload received commensurate with fiscal year 2012-2013, with a goal of achieving a
19 15-day average wait time.

20 (4) The department shall provide information on the number of fingerprint checks
21 processed as provided in section 219.

22 Sec. 16-405. Not later than October 31 of the subsequent fiscal year, the
23 department shall submit a report to the subcommittees and senate and house fiscal
24 agencies that includes, but is not limited to, all of the following information:

25 (a) Sexual assault kit analysis backlog at the beginning of the current fiscal
26 year.

27 (b) The number of sexual assault kits collected or submitted for analysis during

1 the current fiscal year.

2 (c) The number of sexual assault kits analyzed and the number of associated DNA
3 profiles created and uploaded during the current fiscal year.

4 (d) Sexual assault kit analysis backlog at the ending of the current fiscal year.

5 (e) The average turnaround time to analyze sexual assault kits and to create and
6 upload associated DNA profiles for the current fiscal year.

7 **COMMISSION ON LAW ENFORCEMENT STANDARDS**

8 Sec. 16-501. (1) MCOLES shall maintain the staffing and resources necessary to
9 exercise the authority, powers, functions, and responsibilities necessary to establish
10 standards for the selection, employment, training, education, licensing, and
11 revocation of all law enforcement officers and provide the basic law enforcement
12 training curriculum for law enforcement training academy programs statewide.

13 (2) MCOLES shall maintain staffing and resources necessary to update law
14 enforcement standards within 120 days of the effective date of any new legislation.

15 **FIELD SERVICES**

16 Sec. 16-601. (1) Department enlisted personnel who are employed to enforce
17 traffic laws as provided in section 629e of the Michigan vehicle code, 1949 PA 300,
18 MCL 257.629e, shall not be prohibited from responding to crimes in progress or other
19 emergency situations and are responsible for making every effort to protect all
20 residents of this state.

21 (2) The department shall maintain the staffing and resources necessary to
22 continually work to enhance traffic safety throughout the state and shall dedicate a
23 minimum of 396,700 hours to statewide patrol, of which a minimum of 40,000 shall be
24 committed to distressed cities in this state, and 4,000 shall be committed to Belle
25 Isle. The department shall work to improve public safety efforts within distressed

1 cities by enhancing data analysis capabilities and identifying crime trend and areas
2 with high occurrences of crime.

3 (3) The department shall maintain the staffing and resources necessary to perform
4 activities to maintain a 93% compliance rate for reporting by registered sex
5 offenders.

6 (4) The department shall submit a report on or before December 1 to the
7 subcommittees and senate and house fiscal agencies regarding the secure cities
8 partnership during the prior fiscal year.

9 Sec. 16-602. (1) The department shall identify and apprehend criminals through
10 criminal investigations in this state.

11 (2) The department shall maintain the staffing and resources necessary to provide
12 a comparable number of hours investigating crimes as those performed in fiscal year
13 2012-2013.

14 (3) The department shall maintain the staffing and resources necessary to
15 annually meet or exceed a case clearance rate of 62%.

16 (4) The department shall maintain the staffing and resources necessary to
17 increase the number of opioid-related investigations by 25% above the number of such
18 investigations conducted in the 2014-15 fiscal year conducted by multi-jurisdictional
19 task forces and hometown security teams. The department shall work to enhance
20 investigative and drug interdiction efforts by enhancing data analysis capabilities
21 and linking investigations among multi-jurisdictional task forces and hometown
22 security teams.

23 Sec. 16-603. (1) The department shall provide protection to this state, its
24 economy, welfare, and vital state-sponsored programs through the prevention and
25 suppression of organized smuggling of untaxed tobacco products in the state, through
26 enforcement of the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, and
27 other laws pertaining to combating criminal activity in this state, by maintaining a

1 tobacco tax enforcement unit.

2 (2) The department shall submit an annual report on December 1 to the
3 subcommittees, the senate and house appropriations subcommittees on general
4 government, senate and house fiscal agencies, and the state budget office that details
5 expenditures and activities related to tobacco tax enforcement for the prior fiscal
6 year.

7 (3) The tobacco tax enforcement unit shall dedicate a minimum of 16,600 hours to
8 tobacco tax enforcement.

9 Sec. 16-604. (1) The department shall provide fire investigation services to
10 citizens of this state through training and investigative assistance to public safety
11 agencies in this state.

12 (2) The department shall maintain the staffing and resources necessary to
13 maintain readiness to respond appropriately to at least the number of requests for
14 fire investigation services that occurred in fiscal year 2010-2011 and shall be
15 available for call out statewide 100% of the time.

16 SPECIALIZED SERVICES

17 Sec. 16-701. (1) The department shall provide specialized services in support of,
18 and to enhance, local, state, and federal law enforcement operations within this state
19 in accordance with all applicable state and federal laws and regulations.

20 (2) The department shall operate the Michigan intelligence operation center for
21 homeland security as the state's primary federally designated fusion center to
22 receive, analyze, gather, and disseminate threat-related information among federal,
23 state, local, tribal, and private sector partners.

24 (3) The department shall ensure public safety by providing public and private
25 sector partners with timely and accurate information regarding critical information
26 key resource threats as reported to or discovered by the Michigan intelligence

1 operations center for homeland security and shall increase public awareness on how to
2 report suspicious activity through website or telephone communications.

3 (4) The department shall maintain the staffing and resources necessary to provide
4 training to maintain readiness to respond appropriately to at least the number of
5 requests for specialty services which occurred in fiscal year 2010-2011.

6 (5) The canine unit shall be available for call out statewide 100% of the time.

7 (6) The bomb squad unit shall be available for call out statewide 100% of the
8 time.

9 (7) The emergency support teams shall be available for call out statewide 100% of
10 the time.

11 (8) The underwater recovery unit shall be available for call out statewide 100%
12 of the time.

13 (9) Aviation services shall be available for call out statewide 100% of the time,
14 unless prohibited by weather or unexpected mechanical breakdowns.

15 (10) The department shall maintain the staffing and resources necessary to
16 support the cyber section, including the Michigan cyber command center, the computer
17 crimes unit, and the Internet crimes against children task force. The department shall
18 maintain the staffing and resources necessary to increase the number of cases
19 completed by the computer crimes unit by 25% above the number of cases completed in
20 the 2014-2015 fiscal year. The unit shall pursue process improvement initiatives to
21 effectively utilize staff resources in providing investigatory assistance and
22 evidentiary analysis for law enforcement and criminal justice agencies statewide.

23 Sec. 16-702. (1) The department shall maintain commercial vehicle regulation,
24 school bus inspections and enforcement activities, including enforcement of
25 requirements concerning size, weight, and load restrictions; operating authority;
26 registration; fuel taxes; the transportation of hazardous materials; the operations of
27 new entrants; and commercial driver's licenses.

1 (2) The department shall maintain the staffing and resources necessary to meet
2 inspection goals consistent with the department's federal motor carrier assistance
3 program activities.

4 Sec. 16-703. (1) The department shall coordinate the mitigation, preparation,
5 response, and recovery activities of municipal, county, state, and federal
6 governments, and other governmental entities, for all hazards, disasters, and
7 emergencies.

8 (2) The state director of emergency management may expend money appropriated
9 under part 1 to call upon any agency or department of the state or any resource of the
10 state to protect life or property or to provide for the health or safety of the
11 population in any area of the state in which the governor proclaims a state of
12 emergency or state of disaster under 1945 PA 302, MCL 10.31 to 10.33, or under the
13 emergency management act, 1976 PA 390, MCL 30.401 to 30.421. The state director of
14 emergency management may expend the amounts the director considers necessary to
15 accomplish these purposes. The director shall submit to the state budget director as
16 soon as possible a complete report of all actions taken under the authority of this
17 section. The report shall contain, as a separate item, a statement of all money
18 expended that is not reimbursable from federal money. The state budget director shall
19 review the expenditures and submit recommendations to the legislature in regard to any
20 possible need for a supplemental appropriation.

21 (3) In addition to the money appropriated in part 1, the department may receive
22 and expend money from local, private, federal, or state sources for the purpose of
23 providing emergency management training to local or private interests and for the
24 purpose of supporting emergency preparedness, response, recovery, and mitigation
25 activity. If additional expenditure authorization in the Michigan administrative
26 information network is approved by the state budget office under this section, the
27 department and the state budget office shall notify the subcommittees and the senate

1 and house fiscal agencies within 10 days after the approval. The notification shall
2 include the amount and source and the additional authorization, the date of its
3 approval, and the projected use of funds to be expended under the authorization.

4 (4) The department shall foster, promote, and maintain partnerships to protect
5 this state and homeland from all hazards.

6 (5) The department shall maintain the staffing and resources necessary to do all
7 of the following:

8 (a) Serve approximately 105 local emergency management preparedness programs and
9 88 local emergency planning committees in this state.

10 (b) Operate and maintain the state's emergency operations center and provide
11 command and control in support of emergency response services.

12 (c) Maintain readiness, including training and equipment to respond to civil
13 disorders and natural disasters commensurate with the capabilities of fiscal year
14 2010-2011.

15 (d) Perform hazardous materials response training.

16 (6) The department shall conduct a minimum of 3 training sessions to enhance safe
17 response in the event of natural or manmade incidents, emergencies, or disasters.

18 (7) In addition to the funds appropriated in part 1, there is appropriated from
19 the disaster and emergency contingency fund an amount necessary to cover costs related
20 to any disaster or emergency as defined in the emergency management act, 1976 PA 390,
21 MCL 30.401 to 30.421. Funds shall be expended as provided under sections 18 and 19 of
22 the emergency management act, 1976 PA 390, MCL 30.418 and 30.419, and R 30.51 to R
23 30.61 of the Michigan administrative code.

24 (8) Funds in the disaster and emergency contingency fund shall not be expended
25 unless the state budget director approves the expenditure and the department and the
26 state budget office notify the senate and house appropriations committees.

27 Sec. 16-704. The department shall provide for the planning, administration, and

1 implementation of highway traffic safety programs to save lives and reduce injuries on
2 Michigan roads in partnership with other public and private organizations.

3 **SECONDARY ROAD PATROL PROGRAM**

4 Sec. 16-801. (1) The department shall provide funding to county sheriff
5 departments to patrol secondary roads.

6 (2) The sheriffs' duties under the secondary road patrol program, as outlined in
7 section 76(2) of 1846 RS 14, MCL 51.76, are to patrol and monitor traffic violations;
8 to enforce the criminal laws of this state, violations of which are observed by or
9 brought to the attention of the sheriff's department while patrolling and monitoring
10 secondary roads; to investigate accidents involving motor vehicles; and to provide
11 emergency assistance to persons on or near a highway or road the sheriff is patrolling
12 and monitoring.

13 (3) The department shall provide the following information on secondary road
14 patrol activities supported by appropriations in part 1:

15 (a) The number of funded full-time equivalent county sheriff secondary road
16 patrol deputies.

17 (b) The number of hours dedicated to patrol under the secondary road patrol
18 program, with an annual goal of at least 178,000 hours.

19 (4) The information required to be reported under subsection (3) shall be
20 reported on an annual basis.

21 **ONE-TIME APPROPRIATIONS**

22 Sec. 16-901. (1) Funding appropriated in part 1 for one-time appropriations for
23 local public safety initiative shall be used to provide competitive grants to public
24 or nonpublic schools, school districts, intermediate school districts, and county
25 sheriff's departments to purchase technology and equipment to improve the safety and

1 security of school buildings, students, and staff.

2 (2) Of the grant funds awarded, up to 20 percent shall be awarded to county
3 sheriff's department, with the balance awarded to public or nonpublic schools, school
4 districts, or intermediate school districts without bias toward public or nonpublic
5 institutions.

6 (3) The department shall issue grant guidance and application materials including
7 required performance measures no later than November 1, 2016, and shall issue awards
8 no later than February 28, 2017.

9 (4) The department shall report on grant activities to the subcommittees and the
10 state budget office by December 1, 2017 including performance outcomes as identified
11 in individual grant agreements.

Article 17

TALENT AND ECONOMIC DEVELOPMENT

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 17-101. Subject to the conditions set forth in this article, the amounts listed in this article for the department of talent and economic development are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0	6.0
Full-time equated classified positions	1,609.0	1,609.0
GROSS APPROPRIATION	\$ 1,142,494,300	\$ 1,112,915,800
Total interdepartmental grants and intradepartmental transfers	0	0
ADJUSTED GROSS APPROPRIATION	\$ 1,142,494,300	\$ 1,112,915,800
Total federal revenues	773,944,800	763,344,800
Total local revenues	500,000	500,000
Total private revenues	5,619,000	5,619,000
Total other state restricted revenues	192,341,600	188,363,100
State general fund/general purpose	\$ 170,088,900	\$ 155,088,900
<i>State general fund/general purpose schedule:</i>		
Ongoing state general fund/general purpose	155,088,900	155,088,900
One-time state general fund/general purpose	15,000,000	0

Sec. 17-102. EXECUTIVE DIRECTION

1	Full-time equated unclassified positions	6.0	6.0
2	Full-time equated classified positions	1.0	1.0
3	Unclassified positions-6.0 FTE positions	\$ 897,400	\$ 897,400
4	Executive direction and operations-1.0 FTE position ...	<u>812,900</u>	<u>812,900</u>
5	GROSS APPROPRIATION	\$ 1,710,300	\$ 1,710,300
6	Appropriated from:		
7	Federal revenues:		
8	Federal funds	1,179,200	1,179,200
9	Special revenue funds:		
10	State restricted funds	400,800	400,800
11	State general fund/general purpose	\$ 130,300	\$ 130,300
12	Sec. 17-103. MICHIGAN STRATEGIC FUND		
13	Full-time equated classified positions	194.0	194.0
14	Administrative services-34.0 FTE positions	\$ 5,743,600	\$ 5,743,600
15	Job creation services-160.0 FTE positions	22,198,400	22,198,400
16	Pure Michigan	33,000,000	33,000,000
17	Entrepreneurship eco-system	19,400,000	19,400,000
18	Business attraction and community revitalization	102,500,000	102,500,000
19	Community development block grants	47,000,000	47,000,000
20	Arts and cultural program	10,150,000	10,150,000
21	Community colleges skilled trades equipment program ...	4,600,000	4,600,000
22	Facility for rare isotope beams	<u>7,300,000</u>	<u>7,300,000</u>
23	GROSS APPROPRIATION	\$ 251,892,000	\$ 251,892,000
24	Appropriated from:		
25	Federal revenues:		
26	Federal funds	53,436,600	53,436,600
27	Special revenue funds:		

1	Private funds	350,000	350,000
2	State restricted funds	80,014,500	80,014,500
3	State general fund/general purpose	\$ 118,090,900	\$ 118,090,900
4	Sec. 17-104. TALENT INVESTMENT AGENCY		
5	Full-time equated classified positions	1,092.0	1,092.0
6	Executive direction-7.0 FTE positions	\$ 1,175,600	\$ 1,175,600
7	Workforce program administration-225.0 FTE positions ..	33,169,900	33,169,900
8	Workforce development programs	387,022,900	387,022,900
9	Skilled trades training program	35,600,000	35,600,000
10	Community Ventures-7.0 FTE positions	9,800,000	9,800,000
11	Unemployment insurance agency-853.0 FTE positions	139,065,500	139,065,500
12	Talent investment agency information technology services		
13	and projects	<u>22,501,000</u>	<u>22,501,000</u>
14	GROSS APPROPRIATION	\$ 628,334,900	\$ 628,334,900
15	Appropriated from:		
16	Federal revenues:		
17	Federal funds	540,869,000	540,869,000
18	Special revenue funds:		
19	Local funds	500,000	500,000
20	Private funds	5,269,000	5,269,000
21	State restricted funds	48,787,800	48,787,800
22	State general fund/general purpose	\$ 32,909,100	\$ 32,909,100
23	Sec. 17-105. LAND BANK FAST TRACK AUTHORITY		
24	Full-time equated classified positions	6.0	6.0
25	Land bank fast track authority-6.0 FTE positions	\$ <u>5,256,400</u>	\$ <u>5,256,400</u>
26	GROSS APPROPRIATION	\$ 5,256,400	\$ 5,256,400
27	Appropriated from:		

1	Federal revenues:		
2	Federal funds	1,000,000	1,000,000
3	Special revenue funds:		
4	State restricted funds	297,800	297,800
5	State general fund/general purpose	\$ 3,958,600	\$ 3,958,600
6	Sec. 17-106. MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY		
7	Full-time equated classified positions	316.0	316.0
8	Payments on behalf of tenants	\$ 166,860,000	\$ 166,860,000
9	Housing and rental assistance-316.0 FTE positions	51,248,200	51,248,200
10	Lighthouse preservation program	307,500	307,500
11	Rent and administrative support	3,721,000	3,721,000
12	Michigan state housing development authority		
13	technology services and projects	<u>3,585,500</u>	<u>3,585,500</u>
14	GROSS APPROPRIATION	\$ 225,722,200	\$ 225,722,200
15	Appropriated from:		
16	Federal revenues:		
17	Federal funds	166,860,000	166,860,000
18	Special revenue funds:		
19	State restricted funds	58,862,200	58,862,200
20	State general fund/general purpose	\$ 0	\$ 0
21	Sec. 17-107. ONE-TIME APPROPRIATIONS		
22	Business attraction and community revitalization	\$ 13,000,000	\$ 0
23	Community Ventures - challenge match	2,000,000	0
24	Statewide data system integration	8,778,500	0
25	Financial literacy pilot	<u>5,800,000</u>	<u>0</u>
26	GROSS APPROPRIATION	\$ 29,578,500	\$ 0
27	Appropriated from:		

1	Federal revenues:		
2	Federal funds	10,600,000	0
3	Special revenue funds:		
4	State restricted funds	3,978,500	0
5	State general fund/general purpose	\$ 15,000,000	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

GENERAL SECTIONS

Sec. 17-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is \$362,430,500.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is \$11,224,800.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF TALENT AND ECONOMIC DEVELOPMENT

Workforce development programs	\$	<u>11,224,800</u>
TOTAL	\$	11,224,800

Sec. 17-202. The appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 17-203. As used in this article:

- (a) "Department" means the department of talent and economic development.
- (b) "Director" means the director of the department.
- (c) "FTE" means full-time equated.
- (d) "Fund" means the Michigan strategic fund.

1 (e) "MEDC" means the Michigan economic development corporation, which is the
2 public body corporate created under section 28 of article VII of the state
3 constitution of 1963 and the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL
4 124.501 to 124.512, by contractual interlocal agreement effective April 5, 1999,
5 between local participating economic development corporations formed under the
6 economic development corporations act, 1974 PA 338, MCL 125.1601 to 125.1636, and the
7 Michigan strategic fund.

8 (f) "PATH" means Partnership. Accountability. Training. Hope.

9 Sec. 17-204. The departments and agencies receiving appropriations in part 1
10 shall use the Internet to fulfill the reporting requirements of this part. This
11 requirement may include transmission of reports via electronic mail to the recipients
12 identified for each reporting requirement, or it may include placement of reports on
13 an Internet or Intranet site.

14 Sec. 17-205. Funds appropriated in part 1 shall not be used for the purchase of
15 foreign goods or services, or both, if competitively priced and of comparable quality
16 American goods or services, or both, are available. Preference shall be given to goods
17 or services, or both, manufactured or provided by Michigan businesses, if they are
18 competitively priced and of comparable quality. In addition, preference should be
19 given to goods or services, or both, that are manufactured or provided by Michigan
20 businesses owned and operated by veterans, if they are competitively priced and of
21 comparable quality.

22 Sec. 17-206. The director of each department and agency receiving appropriations
23 in part 1 shall take all reasonable steps to ensure businesses in deprived and
24 depressed communities compete for and perform contracts to provide services or
25 supplies, or both. Each director shall strongly encourage firms with which the
26 department contracts to subcontract with certified businesses in depressed and
27 deprived communities for services, supplies, or both.

1 Sec. 17-207. The departments and agencies receiving appropriations in part 1
2 shall prepare a report on out-of-state travel expenses not later than January 1 of
3 each year. The travel report shall be a listing of all travel by classified and
4 unclassified employees outside this state in the immediately preceding fiscal year
5 that was funded in whole or in part with funds appropriated in the department's
6 budget. The report shall be submitted to the senate and house appropriations
7 committees, the house and senate fiscal agencies, and the state budget director. The
8 report shall include the following information:

9 (a) The dates of each travel occurrence.

10 (b) The transportation and related costs of each travel occurrence, including the
11 proportion funded with state general fund/general purpose revenues, the proportion
12 funded with state restricted revenues, the proportion funded with federal revenues,
13 and the proportion funded with other revenues.

14 Sec. 17-208. Funds appropriated in part 1 shall not be used by a principal
15 executive department, state agency, or authority to hire a person to provide legal
16 services that are the responsibility of the attorney general. This prohibition does
17 not apply to legal services for bonding activities and for those outside services that
18 the attorney general authorizes.

19 Sec. 17-209. Not later than November 30, the state budget office shall prepare
20 and transmit a report that provides for estimates of the total general fund/general
21 purpose appropriation lapses at the close of the prior fiscal year. This report shall
22 summarize the projected year-end general fund/general purpose appropriation lapses by
23 major departmental program or program areas. The report shall be transmitted to the
24 chairpersons of the senate and house appropriations committees, and the senate and
25 house fiscal agencies.

26 Sec. 17-210. (1) In addition to the funds appropriated in part 1, there is
27 appropriated an amount not to exceed \$ 30,000,000.00 for federal contingency funds.

1 These funds are not available for expenditure until they have been transferred to
2 another line item in this article under section 393(2) of the management and budget
3 act, 1984 PA 431, MCL 18.1393.

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

9 (3) In addition to the funds appropriated in part 1, there is appropriated an
10 amount not to exceed \$ 2,000,000.00 for local contingency funds. These funds are not
11 available for expenditure until they have been transferred to another line item in
12 this article under section 393(2) of the management and budget act, 1984 PA 431, MCL
13 18.1393.

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

19 Sec. 17-211. The department shall cooperate with the department of technology,
20 management and budget to maintain a searchable website accessible by the public at no
21 cost that includes, but is not limited to, all of the following for each department or
22 agency:

23 (a) Fiscal year-to-date expenditures by category.

24 (b) Fiscal year-to-date expenditures by appropriation unit.

25 (c) Fiscal year-to-date payments to a selected vendor, including the vendor name,
26 payment date, payment amount, and payment description.

27 (d) The number of active department employees by job classification.

1 (e) Job specifications and wage rates.

2 Sec. 17-212. Within 14 days after the release of the executive budget
3 recommendation, the department shall cooperate with the state budget office to provide
4 the senate and house appropriations chairs, the senate and house appropriations
5 subcommittees chairs, and the senate and house fiscal agencies with an annual report
6 on estimated state restricted fund balances, state restricted fund projected revenues,
7 and state restricted fund expenditures for the fiscal years ending September 30, 2016
8 and September 30, 2017.

9 Sec. 17-213. The department shall maintain, on a publicly accessible website, a
10 department scorecard that identifies, tracks and regularly updates key metrics that
11 are used to monitor and improve the agency's performance.

12 Sec. 17-214. Total authorized appropriations from all sources under part 1 for
13 legacy costs for the fiscal year ending September 30, 2017 is \$35,083,100.00. From
14 this amount, total agency appropriations for pension-related legacy costs are
15 estimated at \$19,452,700.00. Total agency appropriations for retiree health care
16 legacy costs are estimated at \$15,630,400.00.

17 Sec. 17-215. Federal pass-through funds to local institutions and governments
18 that are received in amounts in addition to those included in part 1 and that do not
19 require additional state matching funds are appropriated for the purposes intended.
20 The department may carry forward into the succeeding fiscal year unexpended federal
21 pass-through funds to local institutions and governments that do not require
22 additional state matching funds. The department shall report the amount and source of
23 the funds to the senate and house appropriation subcommittees on general government,
24 the senate and house fiscal agencies, and the state budget office within 10 business
25 days after receiving any additional pass-through funds.

26 Sec. 17-235. By April 1, the state budget director shall submit a report to the
27 senate and house appropriations committees and the senate and house fiscal agencies.

1 The report shall recommend a contingency plan for each federal funding source included
2 in the state budget of \$10,000,000.00 or more in the event that the federal government
3 reduces funding to the state through that source by 10% or greater.

4 **MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY**

5 Sec. 17-994. In addition to the funds appropriated in part 1, the funds collected
6 by state historic preservation programs for document reproduction and services and
7 application fees are appropriated for all expenses necessary to provide the required
8 services. These funds are available for expenditure when they are received and may be
9 carried forward into the succeeding fiscal year.

10 **LAND BANK FAST TRACK AUTHORITY**

11 Sec. 17-995. In addition to the amounts appropriated in part 1, the land bank
12 fast track authority may expend revenues received under the land bank fast track act,
13 2003 PA 258, MCL 124.751 to 124.774, for the purposes authorized by the act,
14 including, but not limited to, the acquisition, lease, management, demolition,
15 maintenance, or rehabilitation of real or personal property, payment of debt service
16 for notes or bonds issued by the authority, and other expenses to clear or quiet title
17 property held by the authority.

18 **MICHIGAN STRATEGIC FUND**

19 Sec. 17-1005. In addition to the appropriations in part 1, Travel Michigan may
20 receive and expend private revenue related to the use of "Pure Michigan" and all other
21 copyrighted slogans and images. This revenue may come from the direct licensing of the
22 name and image or from the royalty payments from various merchandise sales. Revenue
23 collected is appropriated for the marketing of the state as a travel destination. The
24 funds are available for expenditure when they are received by the department of

1 treasury.

2 Sec. 17-1008. As a condition of receiving funds under part 1, any interlocal
3 agreement entered into by the fund shall include language which states that if a local
4 unit of government has a contract or memorandum of understanding with a private
5 economic development agency, the MEDC will work cooperatively with that private
6 organization in that local area.

7 Sec. 17-1009. (1) Of the funds appropriated to the fund or through grants to the
8 MEDC, no funds shall be expended for the purchase of options on land or the purchase
9 of land unless at least 1 of the following conditions applies:

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

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

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

17 (3) As used in this section, "economically distressed area" means an area in a
18 city, village, or township that has been designated as blighted; a city, village, or
19 township that shows negative population change from 1970 and a poverty rate and
20 unemployment rate greater than the statewide average; or an area certified as a
21 neighborhood enterprise zone under the neighborhood enterprise zone act, 1992 PA 147,
22 MCL 207.771 to 207.786.

23 Sec. 17-1011. (1) From the appropriations in part 1 to the fund and granted or
24 transferred to the MEDC, any unexpended or unencumbered balance shall be disposed of
25 in accordance with the requirements in the management and budget act, 1984 PA 431, MCL
26 18.1101 to 18.1594, unless carryforward authorization has been otherwise provided for.

27 (2) Any encumbered funds shall be used for the same purposes for which funding

1 was originally appropriated in this part and part 1.

2 Sec. 17-1012. (1) As a condition of receiving funds under part 1, the fund shall
3 ensure that the MEDC and the fund comply with all of the following:

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

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

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

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

9 (2) If the MEDC is unable for any reason to perform duties under this part, the
10 fund may exercise those duties.

11 Sec. 17-1013. As a condition for receiving the appropriations in part 1, any
12 staff of the MEDC involved in private fund-raising activities shall not be party to
13 any decisions regarding the awarding of grants, incentives, or tax abatements from the
14 fund, the MEDC, or the Michigan economic growth authority.

15 Sec. 17-1024. From the funds appropriated in part 1 for business attraction and
16 community revitalization, not less than \$20,000,000.00 shall be granted by the fund
17 board for brownfield redevelopment and historic preservation projects under the
18 community revitalization program authorized by chapter 8C of the Michigan strategic
19 fund act, 1984 PA 270, MCL 125.2090 to 125.2090d.

20 Sec. 17-1032. (1) The department shall report to the subcommittees, the state
21 budget director, and the fiscal agencies on the status of the film incentives at the
22 same time as it submits the annual report required under section 455 of the Michigan
23 business tax act, 2007 PA 36, MCL 208.1455. The department of treasury shall provide
24 the department with the data necessary to prepare the report. Incentives included in
25 the report shall include all of the following:

26 (a) The tax credit provided under section 455 of the Michigan business tax act,
27 2007 PA 36, MCL 208.1455.

1 (b) The tax credit provided under section 457 of the Michigan business tax act,
2 2007 PA 36, MCL 208.1457.

3 (c) The tax credit provided under section 459 of the Michigan business tax act,
4 2007 PA 36, MCL 208.1459.

5 (d) The amount of any tax credit claimed under former section 367 of the income
6 tax act of 1967, 1967 PA 281.

7 (e) Any tax credits provided for film and digital media production under the
8 Michigan economic growth authority act, 1995 PA 24, MCL 207.801 to 207.810.

9 (f) Loans to an eligible production company or film and digital media private
10 equity fund authorized under section 88d(3), (4), and (5) of the Michigan strategic
11 fund act, 2005 PA 225, MCL 125.2088d.

12 (2) The report shall include all of the following information:

13 (a) For each tax credit, the number of contracts signed, the projected
14 expenditures qualifying for the credit, and the estimated value of the credits. For
15 loans, the number of loans made under each section, the interest rate of those loans,
16 the loan amount, the percent of the projected budget of each production financed by
17 those loans, and the estimated interest earnings from the loan.

18 (b) For credits authorized under section 455 of the Michigan business tax act,
19 2007 PA 36, MCL 208.1455, for productions completed by December 31, the expenditures
20 of each production eligible for the credit that has filed a request for certificate of
21 completion with the film office, broken down into expenditures for goods, services, or
22 salaries and wages and showing separately expenditures in each local unit of
23 government, including expenditures for personnel, whether or not they were made to a
24 Michigan entity, and whether or not they were taxable under the laws of this state.
25 For loans, the report shall include the number of loans that have been fully repaid,
26 with principal and interest shown separately, and the number of loans that are
27 delinquent or in default, and the amount of principal that is delinquent or is in

1 default.

2 (c) For each of the tax credit incentives and loan incentives listed in
3 subsection (1), a breakdown for each project or production showing each of the
4 following:

5 (i) The number of temporary jobs created.

6 (ii) The number of permanent jobs created.

7 (iii) The number of persons employed in Michigan as a result of the incentive, on
8 a full-time equated basis.

9 (3) For any information not included in the report due to the provisions of
10 section 455(6), 457(6), or 459(6) of the Michigan business tax act, 2007 PA 36, MCL
11 208.1455, 208.1457, and 208.1459, the report shall do all of the following:

12 (a) Indicate how the information would describe the commercial and financial
13 operations or intellectual property of the company.

14 (b) Attest that the information has not been publicly disseminated at any time.

15 (c) Describe how disclosure of the information may put the company at a
16 competitive disadvantage.

17 (4) Any information not disclosed due to the provisions of section 455(6),
18 457(6), or 459(6) of the Michigan business tax act, 2007 PA 36, MCL 208.1455,
19 208.1457, and 208.1459, shall be presented at the lowest level of aggregation that
20 would no longer describe the commercial and financial operations or intellectual
21 property of the company.

22 Sec. 17-1035. From the appropriation in part 1, the Michigan council for arts and
23 cultural affairs shall administer an arts and cultural grant program that maintains an
24 equitable geographic distribution of funding and utilizes past arts and cultural grant
25 programs as a guideline for administering this program. The council shall do all of
26 the following:

27 (a) On or before October 1, the fund shall publish proposed application criteria,

1 instructions, and forms for use by eligible applicants. The fund shall provide at
2 least a 2-week period for public comment before finalizing the application criteria,
3 instructions, and forms.

4 (b) A nonrefundable application fee may be assessed for each application.
5 Application fees shall be deposited in the council for the arts fund and are
6 appropriated for expenses necessary to administer the programs. These funds are
7 available for expenditure when they are received and may be carried forward to the
8 following fiscal year.

9 (c) Grants are to be made to public and private arts and cultural entities.

10 (d) Within 1 business day after the award announcements, the council shall
11 provide to each member of the legislature and the fiscal agencies a list of all grant
12 recipients and the total award given to each recipient, sorted by county.

13 Sec. 17-1036. (1) The general fund/general purpose funds appropriated in part 1
14 to the fund for business attraction and community revitalization funds shall be
15 transferred to the 21st century jobs trust fund per section 90b(3) of the Michigan
16 strategic fund act, 1984 PA 270, MCL 125.2090b.

17 (2) Funds transferred to the 21st century jobs trust fund under subsection (1)
18 are appropriated and available for allocation as authorized in the Michigan strategic
19 fund act, 1984 PA 270, MCL 125.2001 to 125.2094.

20 Sec. 17-1042. For the funds appropriated in part 1 for business attraction and
21 community revitalization, the fund shall report quarterly on the amount of funds
22 considered appropriated, pre-encumbered, encumbered, and expended. The report shall
23 also include a listing of appropriations for business attraction and community
24 revitalization, or a predecessor, in 2011 PA 63, 2012 PA 200, 2013 PA 59, and 2014 PA
25 252, that were considered appropriated, pre-encumbered, encumbered, or expended that
26 have lapsed back to the fund for any purpose. The report shall be submitted to the
27 chairpersons of the senate and house of representatives standing committees on

1 appropriations, the chairpersons of the senate and house of representatives standing
2 committees on appropriations subcommittees on general government, the senate and house
3 fiscal agencies, and the state budget office.

4 Sec. 17-1042a. (1) From the increased funds appropriated in part 1 for business
5 attraction and community revitalization, the department shall continue strategic
6 investments that create jobs and support community re-development to grow Michigan's
7 economy.

8 (2) The department shall identify specific outcomes and performance metrics for
9 this program, including, but not limited to the following:

10 (a) Committed number of new jobs.

11 (b) Private investment for leveraged for community projects.

12 TALENT INVESTMENT AGENCY

13 Sec. 17-1060. The talent investment agency shall administer the PATH training
14 program in accordance with the requirements of section 407(d) of title IV of the
15 social security act, 42 USC 607, the state social welfare act, 1939 PA 280, MCL 400.1
16 to 400.119b, and all other applicable laws and regulations.

17 Sec. 17-1062. The talent investment agency shall make available, in person or by
18 telephone, 1 disabled veterans outreach program specialist or local veterans
19 employment representative to Michigan Works! service centers, as resources permit,
20 during hours of operation, and shall continue to make the appropriate placement of
21 veterans and disabled veterans a priority.

22 Sec. 17-1063. (1) In addition to the funds appropriated in part 1, any
23 unencumbered and unrestricted federal workforce investment act of 1998, 29 USC 2801 to
24 2945, workforce innovation and opportunity act, 29 USC 3101 to 3361, or trade
25 adjustment assistance funds available from prior fiscal years are appropriated for the
26 purposes originally intended.

1 (2) The talent investment agency shall report by February 15 to the
2 subcommittees, the fiscal agencies, and the state budget office on the amount by
3 fiscal year of federal workforce investment act of 1998, 29 USC 2801 to 2945,
4 workforce innovation and opportunity act, 29 USC 3101 to 3361, funds appropriated
5 under this section.

6 Sec. 17-1065. The talent investment agency shall publish data and reports on the
7 agency website concerning the status of the career technology and skilled trades
8 training programs funded in part 1. The report shall include the following:

9 (a) The number of awardees participating in the program and the names of those
10 awardees organized by major industry group.

11 (b) The amount of funding received by each awardee under the program.

12 (c) Amount of funding leveraged from each awardee or other funding source for
13 each awardee project.

14 (d) Training models established by each awardee.

15 (e) The number of individuals enrolled in a skilled trades training program by
16 awardee.

17 (f) The number of individuals who completed the program and were hired by
18 awardee.

19 (g) The number of applications received and the number of applications approved
20 for each region.

21 (h) The department of talent and economic development shall expand workforce
22 training and re-employment services to better connect workers to in-demand jobs and,
23 identify specific outcomes with performance metrics for this initiative, including but
24 not limited to new apprenticeships, jobs created, jobs retained, training completed,
25 and employment retention rate at 6 months, and hourly wage at 6 months.

26 Sec. 17-1066. As a condition of receiving funds in part 1 for the skilled trades
27 training program, the talent investment agency shall administer the program as

1 follows:

2 (a) The talent investment agency shall work cooperatively with grantees to
3 maximize the amount of funds from part 1 that are available for direct training.

4 (b) The talent investment agency, workforce development partners, including
5 regional Michigan Works! agencies, and employers shall collaborate and work
6 cooperatively to prioritize and streamline the expenditure of the funds appropriated
7 in part 1. The talent investment agency shall ensure that the skilled trades training
8 program provides a collaborative statewide network of workforce and employee skill
9 development partners that addresses the employee talent needs throughout the state.

10 (c) The talent investment agency shall ensure that grants are utilized for
11 individual skill enhancement for employees of Michigan businesses including the
12 development of additional opportunities for apprenticeship programs and more advance-
13 tech training programs.

14 (d) The talent investment agency shall develop program goals and detailed
15 guidance for prospective participants to follow to qualify under the program. The
16 program goals and detailed guidance shall be posted on the talent investment agency
17 website and distributed to workforce development partners, including local Michigan
18 Works! agencies, by October 1. Periodic assessments of employer and employee needs
19 shall be evaluated on a regional basis, and the talent investment agency shall
20 identify solutions and goals to be implemented to satisfy those needs. The talent
21 investment agency shall notify the senate and house of representatives standing
22 committees on appropriations, the senate and house of representatives standing
23 committees on appropriations subcommittees on general government, the senate and house
24 fiscal agencies, and the state budget office on any program goal, solution, or
25 guidance changes not fewer than 14 days prior to the finalization and publication of
26 the changes. Revenue received by the talent investment agency for the skilled trades
27 training program may be expended for the purpose of those programs.

1 (e) Up to \$5,000,000.00 of the funds may be expended to match federal funds. The
2 intent of these funds will involve improving and increasing the skill level of
3 employees in skilled trades in the automotive industry and the manufacturing processes
4 within the changing manufacturing environment.

5 Sec. 17-1068. (1) Of the funds appropriated in part 1 for the workforce training
6 programs, the talent investment agency shall provide a report by February 15 to the
7 senate and house of representatives standing committees on appropriations
8 subcommittees on general government, the state budget director, and the fiscal
9 agencies on the status of the workforce training programs. The report shall include
10 the following:

11 (a) The amount of funding allocated to each Michigan Works! agency and the total
12 funding allocated to the workforce training programs statewide by fund source.

13 (b) The number of participants enrolled in education or training programs by each
14 Michigan Works! agency.

15 (c) The average duration of training for training program participants by each
16 Michigan Works! agency.

17 (d) The number of participants enrolled in remedial education programs and the
18 number of participants enrolled in literacy programs.

19 (e) The number of participants enrolled in programs at 2-year institutions.

20 (f) The number of participants enrolled in 4-year institutions.

21 (g) The number of participants enrolled in proprietary schools or other technical
22 training programs.

23 (h) The number of participants that have completed education or training
24 programs.

25 (i) The number of participants who secured employment in Michigan within 1 year
26 of completing a training program.

27 (j) The number of participants who completed a training program and secured

1 employment in a field related to their training.

2 (k) The average wage earned by participants who completed a training program and
3 secured employment within 1 year.

4 (1) The actual revenues received by the fund source and fund appropriated for
5 each discrete workforce development program area.

6 (2) Data collection for the report shall be for the prior state fiscal year.

7 Sec. 17-1069. (1) The one-time appropriation in part 1 for community ventures -
8 challenge match shall only be expended upon commitment of matching dollars from
9 private sources. For every \$1.00 the department receives from a private source for the
10 purposes of the community ventures - challenge match, the department shall expend
11 \$1.00 from the one-time appropriation in part 1, until exhaustion of the
12 appropriation. Funds received from private sources for the community ventures -
13 challenge match are appropriated and shall be expended for the purposes of the
14 community ventures program.

15 (2) The department shall identify specific outcomes and performance measures for
16 this initiative, including, but not limited to, the following:

17 (a) The number of commitments from private sources, including the dollar amount
18 committed and source.

19 (b) Additional participants served with challenge funds.

20 (c) Jobs created and the average wage.

21 Sec. 17-1080. (1) The department of talent and economic development shall publish
22 the "activities classification structure data book" for Michigan community colleges on
23 or before March 1.

24 (2) The department of talent and economic development shall compile information
25 received from community colleges on North American Indian tuition waivers granted
26 pursuant to 1976 PA 174, MCL 390.1251 to 390.1253, and shall submit this compilation
27 to the house and senate appropriations subcommittees on community colleges, the fiscal

1 agencies, and the state budget director by March 1.

2 (3) The department of talent and economic development shall compile information
3 received from community colleges on the number and types of associate degrees and
4 other certificates awarded during the previous fiscal year and shall submit this
5 compilation to the house and senate appropriations subcommittees on community
6 colleges, the fiscal agencies, and the state budget director by March 1.

7 (4) The department of talent and economic development shall place the reports
8 required in this section on a publicly available website.

9 Sec. 17-1081. (1) From the one-time funds appropriated in part 1 for statewide
10 system for data integration, the department shall establish new information technology
11 systems to integrate data for talent and pipeline development to track and report
12 workforce development activities and provide for sustained and expanded longitudinal
13 data analysis between state departments.

14 (2) The department shall identify specific outcomes and performance metrics for
15 this initiative, including, but not limited to the following:

16 (a) Job placements and retention at 6 months.

17 (b) Apprenticeships completed.

18 (c) Average wage.

19 Sec. 17-1082. From the funds appropriated in part 1 for the financial literacy
20 pilot, the department shall request competitive proposals from service providers
21 interested in providing financial literacy counseling to family independence program
22 (FIP) recipients and temporary assistance for needy families eligible individuals
23 using an established financial literacy model. The pilot is to include individual
24 client counseling sessions with professionally-trained financial counselors. The
25 counseling sessions shall be a voluntary service to clients and focus on effective
26 personal budgeting, debt reduction, establishing and improving credit, accessing safe
27 and affordable banking services, building savings and connecting to other supportive

1 services through referrals. The pilot may provide for client financial literacy
2 counseling services in up to three prosperity regions. The geographic selection of the
3 prosperity region for the pilot shall be part of the competitive request for proposal,
4 but priority shall be given to those proposals that have a mix of urban and rural
5 implementation areas. The service provider may provide financial literacy counseling
6 to clients from other state programs provided those programs provide support for such
7 services. The pilot shall have a duration of no more than three years. Priority shall
8 be given to those proposals that demonstrate a model for statewide implementation and
9 a sustainability strategy at the conclusion of the pilot, as well as opportunities for
10 additional state program integrations. Client outcomes for both FIP recipients and any
11 other state programs utilizing financial literacy services shall be monitored and
12 reported by the service provider to the department on a quarterly basis. During the
13 course of the pilot, the department shall provide an annual report on client outcomes
14 to the senate and house subcommittees on general government, senate and house fiscal
15 agencies, and state budget director. Key outcome metrics for clients will include: 1)
16 increased or maintained access to safe and affordable banking services; 2) increased
17 credit scores; 3) reduced debt; and 4) increased savings.

Article 18

DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 18-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of technology, management and budget are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0	6.0
Full-time equated classified positions	2,867.0	2,867.0
GROSS APPROPRIATION	\$ 1,320,096,200	\$ 1,287,745,300
Total interdepartmental grants and intradepartmental transfers	696,904,100	694,054,100
ADJUSTED GROSS APPROPRIATION	\$ 623,192,100	\$ 593,691,200
Total federal revenues	4,958,200	4,958,200
Total local revenues	2,320,000	2,320,000
Total private revenues	0	0
Total other state restricted revenues	111,490,800	111,490,800
State general fund/general purpose	\$ 504,423,100	\$ 474,922,200
<i>State general fund/general purpose schedule:</i>		
Ongoing state general fund/general purpose	474,922,200	474,922,200
One-time state general fund/general purpose	29,500,900	0

Sec. 18-102. EXECUTIVE DIRECTION

1	Full-time equated unclassified positions	6.0	6.0
2	Full-time equated classified positions	12.0	12.0
3	Unclassified positions-6.0 FTE positions	\$ 1,001,400	\$ 1,001,400
4	Executive operations-12.0 FTE positions	<u>2,376,000</u>	<u>2,376,000</u>
5	GROSS APPROPRIATION	\$ 3,377,400	\$ 3,377,400
6	Appropriated from:		
7	Interdepartmental grant revenues:		
8	IDG from building occupancy and parking charges	249,700	249,700
9	IDG from technology user fees	2,074,400	2,074,400
10	Special revenue funds:		
11	Special revenue, internal service and pension trust		
12	funds	289,200	289,200
13	State general fund/general purpose	\$ 764,100	\$ 764,100
14	Sec. 18-103. DEPARTMENT SERVICES		
15	Full-time equated classified positions	720.5	720.5
16	Administrative services-138.5 FTE positions	\$ 20,389,400	\$ 20,389,400
17	Budget and financial management-135.0 FTE positions ...	17,913,100	17,913,100
18	Office of the state employer-23.0 FTE positions	3,417,300	3,417,300
19	Design and construction services-40.0 FTE positions ...	6,477,000	6,447,000
20	Business support services-97.0 FTE positions	11,469,600	11,469,600
21	Building operation services-210.0 FTE positions	92,416,200	92,416,290
22	Building occupancy charges, rent, and utilities	7,494,200	7,494,200
23	Motor vehicle fleet-35.0 FTE positions	74,260,100	74,260,100
24	Information technology services and projects	32,630,500	32,630,500
25	Bureau of labor market information and strategies-		
26	42.0 FTE positions	<u>5,475,100</u>	<u>5,475,100</u>
27	GROSS APPROPRIATION	\$ 271,942,500	\$ 271,942,500

1	Appropriated from:			
2	Interdepartmental grant revenues:			
3	IDG from accounting service center user charges	2,698,000		2,698,000
4	IDG from building occupancy and parking charges	94,647,900		94,647,900
5	IDG from MDHHS, community health	484,500		484,500
6	IDG from MDHHS, human services	215,400		215,400
7	IDG from MDLARA	100,000		100,000
8	IDG from motor transport fund	74,260,100		74,260,100
9	IDG from technology user fees	7,658,600		7,658,600
10	IDG from user fees	6,754,000		6,754,000
11	Federal revenues:			
12	Federal funds	4,958,200		4,958,200
13	Special revenue funds:			
14	Local-MPSCS subscriber and maintenance fees	61,700		61,700
15	Local revenues	35,000		35,000
16	Deferred compensation	2,600		2,600
17	Health management funds	2,257,200		2,257,200
18	MAIN user charges	4,337,600		4,337,600
19	Other agency charges	1,178,700		1,178,700
20	Pension trust funds	10,082,000		10,082,000
21	Special revenue, internal service, and pension trust			
22	funds.....	17,168,300		17,168,300
23	State restricted indirect funds	3,392,200		3,392,200
24	State general fund/general purpose	\$ 41,650,500	\$	41,650,500
25	Sec. 18-104. TECHNOLOGY SERVICES			
26	Full-time equated classified positions	1,487.5		1,487.5
27	Education services-29.0 FTE positions	\$ 4,106,500	\$	4,106,500

1	Health and human services-617.5 FTE positions	291,972,300	291,972,300
2	Public protection-154.5 FTE positions	55,832,600	55,832,600
3	Resources services-146.5 FTE positions	20,283,500	20,283,500
4	Transportation services-89.5 FTE positions	31,739,300	31,739,300
5	General services-331.5 FTE positions	98,027,300	98,027,300
6	Enterprisewide information technology investments	65,000,000	65,000,000
7	Homeland security initiative/cyber security-13.0 FTE		
8	positions.....	14,118,200	14,118,200
9	Michigan public safety communications system-100.0		
10	FTE positions.....	40,094,800	40,094,800
11	Enterprise identity management-6.0 FTE positions	<u>6,700,000</u>	<u>6,700,000</u>
12	GROSS APPROPRIATION	\$ 627,874,500	\$ 627,874,500
13	Appropriated from:		
14	Interdepartmental grant revenues:		
15	IDG from technology user fees	501,961,500	501,961,500
16	Special revenue funds:		
17	Local-MPSCS subscriber and maintenance fees	2,223,300	2,223,300
18	State general fund/general purpose	\$ 123,689,700	\$ 123,689,700
19	Sec. 18-105. STATEWIDE APPROPRIATIONS		
20	Professional development fund - NERES	\$ 250,000	\$ 250,000
21	Professional development fund - UAW	<u>700,000</u>	<u>700,000</u>
22	GROSS APPROPRIATION	\$ 950,000	\$ 950,000
23	Appropriated from:		
24	Interdepartmental grant revenues:		
25	IDG from employer contributions	950,000	950,000
26	Special revenue funds:		
27	State general fund/general purpose	\$ 0	\$ 0

1	Sec. 18-106. SPECIAL PROGRAMS		
2	Full-time equated classified positions	197.0	197.0
3	Building occupancy charges - property management		
4	Services for executive/legislative building occupancy .	\$ 1,154,500	\$ 1,154,500
5	Retirement services-167.0 FTE positions	28,724,900	28,724,900
6	Office of children's ombudsman-14.0 FTE positions	1,801,600	1,801,600
7	Office of urban initiatives-5.0 FTE positions	1,512,200	1,512,200
8	Public private partnership	1,500,000	1,500,000
9	Regional prosperity grants	2,500,000	2,500,000
10	School reform office operations-11.0 FTE positions	<u>2,318,300</u>	<u>2,318,300</u>
11	GROSS APPROPRIATION	\$ 39,511,500	\$ 39,511,500
12	Appropriated from:		
13	Special revenue funds:		
14	Deferred compensation	2,800,000	2,800,000
15	Pension trust funds	20,548,100	20,548,100
16	Public private partnership investment fund	1,500,000	1,500,000
17	State general fund/general purpose	\$ 14,663,400	\$ 14,663,400
18	Sec. 18-107. STATE BUILDING AUTHORITY		
19	State building authority rent - state agencies	\$ 49,665,800	\$ 49,665,800
20	State building authority rent - department of		
21	corrections	21,029,900	21,029,900
22	State building authority rent - universities	144,995,300	144,995,300
23	State building authority rent - community colleges	<u>30,879,600</u>	<u>30,879,600</u>
24	GROSS APPROPRIATION	\$ 246,570,600	\$ 246,570,600
25	Appropriated from:		
26	Special revenue funds:		
27	State general fund/general purpose	\$ 246,570,600	\$ 246,570,600

1	Sec. 18-108. CIVIL SERVICE COMMISSION			
2	Full-time equated classified positions		450.0	450.0
3	Agency services-74.0 FTE positions	\$	13,103,100	\$ 13,103,100
4	Executive direction-40.0 FTE positions		8,894,300	8,894,300
5	Employee benefits-16.0 FTE positions		5,704,000	5,704,000
6	Human resources operations-320.0 FTE positions		38,463,100	38,463,100
7	Information technology services and projects		<u>3,354,300</u>	<u>3,354,300</u>
8	GROSS APPROPRIATION	\$	69,518,800	\$ 69,518,800
9	Appropriated from:			
10	Interdepartmental grant revenues:			
11	State restricted funds 1%		30,702,500	30,702,500
12	State restricted indirect funds		8,592,200	8,592,200
13	State sponsored group insurance		8,640,200	8,640,200
14	State general fund/general purpose	\$	21,583,900	\$ 21,583,900
15	Sec. 18-109. CAPITAL OUTLAY			
16	Major special maintenance, remodeling, and additions			
17	for state agencies	\$	2,000,000	\$ 2,000,000
18	Enterprisewide special maintenance for state			
19	facilities		<u>26,000,000</u>	<u>26,000,000</u>
20	GROSS APPROPRIATION	\$	28,000,000	\$ 28,000,000
21	Appropriated from:			
22	Interdepartmental grant revenues:			
23	IDG from building occupancy charges		2,000,000	2,000,000
24	Special revenue funds:			
25	State general fund/general purpose	\$	26,000,000	\$ 26,000,000
26	Sec. 18-110. ONE-TIME APPROPRIATIONS			
27	Capitol area reconfiguration project	\$	7,500,000	\$ 0

1	Capital outlay - university, community college and		
2	state agency planning authorization - university of		
3	Michigan - Flint, Murchie science building addition -		
4	for program and planning to be paid for from		
5	university resources (estimated total authorized cost		
6	\$39,000,000; state share \$29,250,000; university		
7	share \$9,750,000)	100	0
8	Capital outlay - university, community college and		
9	state agency planning authorization - Saginaw Valley		
10	state university, college of business and management		
11	expansion - for program and planning to be paid for		
12	from university resources (estimated total authorized		
13	cost \$17,500,000; state share \$9,800,000; university		
14	share \$7,700,000)	100	0
15	Capital outlay - university, community college and		
16	state agency planning authorization - Wayne State		
17	university, STEM innovation learning center - for		
18	program and planning to be paid for from university		
19	resources (estimated total authorized cost \$29,500,000;		
20	state share \$14,750,000; university share \$14,750,000)	100	0
21	Capital outlay - university, community college and		
22	state agency planning authorization - Eastern Michigan		
23	university, strong hall renovation - for program and		
24	planning to be paid for from university resources		
25	(estimated total authorized cost \$39,536,000; state		
26	share \$29,652,000; university share \$9,884,000)	100	0
27	Capital outlay - university, community college and state		

1	agency planning authorization - Kellogg community		
2	college, regional manufacturing technology center		
3	renovation and addition - for program and planning to		
4	be paid for from community college resources		
5	(estimated total authorized cost \$4,300,000; state		
6	share \$2,150,000; community college share \$2,150,000)	100	0
7	Capital outlay - university, community college and state		
8	agency planning authorization - Wayne County community		
9	college, eastern campus repurposing and upgrading -		
10	for program and planning to be paid for from community		
11	college resources (estimated total authorized cost		
12	\$18,000,000; state share \$9,000,000; community college		
13	share \$9,000,000)	100	0
14	Capital outlay - university, community college and state		
15	agency planning authorization - Northwestern Michigan		
16	college, west hall innovation center renovation and		
17	expansion - for program and planning to be paid for		
18	from community college resources (estimated total		
19	authorized cost \$14,499,400; state share \$7,249,700;		
20	community college share \$7,249,700)	100	0
21	Capital outlay - university, community college and state		
22	agency planning authorization - department of natural		
23	resources, coolwater rearing hatchery		
24	improvements - for program and planning to be paid for		
25	from state resources (estimated total authorized cost		
26	\$12,242,500; state share \$12,242,500)	100	0
27	Capital outlay - university, community college and state		

1	agency planning authorization - department of			
2	technology, management and budget, Jackson state			
3	office building renovation - for program and planning			
4	to be paid for from state resources (estimated total			
5	authorized cost \$9,450,000; state share \$9,450,000) ..	100		0
6	ITIF one-time augmentation	7,000,000		0
7	Legal services	5,000,000		0
8	Enterprisewide special maintenance for state			
9	facilities.....	10,000,000		0
10	ORS IT modernization and enterprise mandates	<u>2,850,000</u>	<u> </u>	<u>0</u>
11	GROSS APPROPRIATION	\$ 32,350,900	\$	0
12	Appropriated from:			
13	Interdepartmental grant revenues:			
14	Pension trust funds	2,850,000		0
15	Special revenue funds:			
16	State general fund/general purpose	\$ 29,500,900	\$	0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

GENERAL SECTIONS

Sec. 18-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is \$615,913,900.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is \$0.00.

Sec. 18-202. The appropriations authorized under this article are subject to the

1 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

2 Sec. 18-203. As used in this article:

3 (a) "COBRA" means the consolidated omnibus budget reconciliation act of 1985,
4 Public Law 99-272, 100 Statute 82.

5 (b) "Department" or "DTMB" means the department of technology, management and
6 budget.

7 (c) "Director" means the director of the department.

8 (d) "FTE" means full-time equated.

9 (e) "IDG" means interdepartmental grant.

10 (f) "IT" means information technology.

11 (g) "ITIF" means information technology investment fund.

12 (h) "JCOS" means the joint capital outlay subcommittee.

13 (i) "MAIN" means the Michigan administrative information network.

14 (j) "MDHHS" means the Michigan department of health and human services.

15 (k) "MDLARA" means the Michigan department of licensing and regulatory affairs.

16 (l) "MPSCS" means the Michigan public safety communication system.

17 (m) "NERE" means nonexclusively represented employees.

18 (n) "ORS" means the office of retirement systems.

19 (o) "State building authority" means the authority created under 1964 PA 183, MCL
20 830.411 to 830.425.

21 (p) "STEM" means science, technology, engineering and mathematics.

22 (q) "UAW" means the united auto workers.

23 Sec. 18-204. The departments and agencies receiving appropriations in part 1
24 shall use the Internet to fulfill the reporting requirements of this article. This
25 requirement may include transmission of reports via electronic mail to the recipients
26 identified for each reporting requirement, or it may include placement of reports on
27 an Internet or Intranet site.

1 Sec. 18-205. Funds appropriated in part 1 shall not be used for the purchase of
2 foreign goods or services, or both, if competitively priced and of comparable quality
3 American goods or services, or both, are available. Preference shall be given to goods
4 or services, or both, manufactured or provided by Michigan businesses, if they are
5 competitively priced and of comparable quality. In addition, preference should be
6 given to goods or services, or both, that are manufactured or provided by Michigan
7 businesses owned and operated by veterans, if they are competitively priced and of
8 comparable quality.

9 Sec. 18-206. The director of each department receiving appropriations in part 1
10 shall take all reasonable steps to ensure businesses in deprived and depressed
11 communities compete for and perform contracts to provide services or supplies, or
12 both. Each director shall strongly encourage firms with which the department contracts
13 to subcontract with certified businesses in depressed and deprived communities for
14 services, supplies, or both.

15 Sec. 18-207. The departments and agencies receiving appropriations in part 1
16 shall prepare a report on out-of-state travel expenses not later than January 1 of
17 each year. The travel report shall be a listing of all travel by classified and
18 unclassified employees outside this state in the immediately preceding fiscal year
19 that was funded in whole or in part with funds appropriated in the department's
20 budget. The report shall be submitted to the senate and house appropriations
21 committees, the house and senate fiscal agencies, and the state budget director. The
22 report shall include the following information:

23 (a) The dates of each travel occurrence.

24 (b) The transportation and related costs of each travel occurrence, including the
25 proportion funded with state general fund/general purpose revenues, the proportion
26 funded with state restricted revenues, the proportion funded with federal revenues,
27 and the proportion funded with other revenues.

1 Sec. 18-208. Funds appropriated in part 1 shall not be used by a principal
2 executive department, state agency, or authority to hire a person to provide legal
3 services that are the responsibility of the attorney general. This prohibition does
4 not apply to legal services for bonding activities and for those outside services that
5 the attorney general authorizes.

6 Sec. 18-209. Not later than November 30, the state budget office shall prepare
7 and transmit a report that provides for estimates of the total general fund/general
8 purpose appropriation lapses at the close of the prior fiscal year. This report shall
9 summarize the projected year-end general fund/general purpose appropriation lapses by
10 major departmental program or program areas. The report shall be transmitted to the
11 chairpersons of the senate and house appropriations committees, and the senate and
12 house fiscal agencies.

13 Sec. 18-210. (1) In addition to the funds appropriated in part 1, there is
14 appropriated an amount not to exceed \$4,000,000.00 for federal contingency funds.
15 These funds are not available for expenditure until they have been transferred to
16 another line item in this article under section 393(2) of the management and budget
17 act, 1984 PA 431, MCL 18.1393.

18 (2) In addition to the funds appropriated in part 1, there is appropriated an
19 amount not to exceed \$8,000,000.00 for state restricted contingency funds. These funds
20 are not available for expenditure until they have been transferred to another line
21 item in this article under section 393(2) of the management and budget act, 1984 PA
22 431, MCL 18.1393.

23 (3) In addition to the funds appropriated in part 1, there is appropriated an
24 amount not to exceed \$150,000.00 for local contingency funds. These funds are not
25 available for expenditure until they have been transferred to another line item in
26 this article under section 393(2) of the management and budget act, 1984 PA 431, MCL
27 18.1393.

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

6 Sec. 18-211. The department shall cooperate with the department of technology,
7 management and budget to maintain a searchable website accessible by the public at no
8 cost that includes, but is not limited to, all of the following for each department or
9 agency:

10 (a) Fiscal year-to-date expenditures by category.

11 (b) Fiscal year-to-date expenditures by appropriation unit.

12 (c) Fiscal year-to-date payments to a selected vendor, including the vendor name,
13 payment date, payment amount, and payment description.

14 (d) The number of active department employees by job classification.

15 (e) Job specifications and wage rates.

16 Sec. 18-212. Within 14 days after the release of the executive budget
17 recommendation, the department shall cooperate with the state budget office to provide
18 the senate and house appropriations chairs, the senate and house appropriations
19 subcommittees chairs, and the senate and house fiscal agencies with an annual report
20 on estimated state restricted fund balances, state restricted fund projected revenues,
21 and state restricted fund expenditures for the fiscal years ending September 30, 2016
22 and September 30, 2017.

23 Sec. 18-213. The department shall maintain, on a publicly accessible website, a
24 department scorecard that identifies, tracks and regularly updates key metrics that
25 are used to monitor and improve the agency's performance.

26 Sec. 18-214. Total authorized appropriations from all sources under part 1 for
27 legacy costs for the fiscal year ending September 30, 2017 are \$78,962,000.00. From

1 this amount, total agency appropriations for pension-related legacy costs are
2 estimated at \$43,795,600.00. Total agency appropriations for retiree health care
3 legacy costs are estimated at \$35,166,400.00.

4 Sec. 18-215. In addition to the general fund/general purpose appropriations for
5 special maintenance, remodeling, and addition-state facilities in part 1, there is
6 also appropriated related federal and state restricted funds up to the amounts that
7 will be earned based upon the initiatives undertaken with the funds in part 1. The
8 state budget director shall determine and authorize the appropriate manner for
9 implementing this section.

10 Sec. 18-216. In addition to the general fund/general purpose appropriations for
11 enterprisewide information technology investments in part 1, there is also
12 appropriated related federal and state restricted funds up to the amounts that will be
13 earned based upon the initiatives undertaken with the funds in part 1. The state
14 budget director shall determine and authorize the appropriate manner for implementing
15 this section.

16 **DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET**

17 Sec. 18-802. Proceeds in excess of necessary costs incurred in the conduct of
18 transfers or auctions of state surplus, salvage, or scrap property made pursuant to
19 section 267 of the management and budget act, 1984 PA 431, MCL 18.1267, are
20 appropriated to the department of technology, management and budget to offset costs
21 incurred in the acquisition and distribution of federal surplus property. The
22 department of technology, management and budget shall provide consolidated Internet
23 auction services through the state's contractors for all local units of government.

24 Sec. 18-803. (1) The department of technology, management and budget may receive
25 and expend funds in addition to those authorized by part 1 for maintenance and
26 operation services provided specifically to other principal executive departments or

1 state agencies, the legislative branch, the judicial branch, or private tenants, or
2 provided in connection with facilities transferred to the operational jurisdiction of
3 the department of technology, management and budget.

4 (2) The department of technology, management and budget may receive and expend
5 funds in addition to those authorized by part 1 for real estate, architectural,
6 design, and engineering services provided specifically to other principal executive
7 departments or state agencies, the legislative branch, the judicial branch, or private
8 tenants.

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

13 (4) The department of technology, management and budget may receive and expend
14 funds in addition to those authorized in part 1 for purchasing services provided
15 specifically to other principal executive departments and state agencies, the
16 legislative branch, or the judicial branch.

17 Sec. 18-804. (1) The source of financing in part 1 for statewide appropriations
18 shall be funded by assessments against longevity and insurance appropriations
19 throughout state government in a manner prescribed by the department of technology,
20 management and budget. Funds shall be used as specified in joint labor/management
21 agreements or through the coordinated compensation hearings process. Any deposits made
22 under this subsection and any unencumbered funds are restricted revenues, may be
23 carried over into the succeeding fiscal years, and are appropriated.

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

1 to the same conditions as prescribed in subsection (1).

2 Sec. 18-805. To the extent a specific appropriation is required for a detailed
3 source of financing included in part 1 for the department of technology, management
4 and budget appropriations financed from special revenue and internal service and
5 pension trust funds, or MAIN user charges, the specific amounts are appropriated
6 within the special revenue internal service and pension trust funds in portions not to
7 exceed the aggregate amount appropriated in part 1.

8 Sec. 18-806. In addition to the funds appropriated in part 1 to the department of
9 technology, management and budget, the department may receive and expend funds from
10 other principal executive departments and state agencies to implement administrative
11 leave bank transfer provisions as may be specified in joint labor/management
12 agreements. The amounts may also be transferred to other principal executive
13 departments and state agencies under the joint agreement and any amounts transferred
14 under the joint agreement are authorized for receipt and expenditure by the receiving
15 principal executive department or state agency. Any amounts received by the department
16 of technology, management and budget under this section and intended, under the joint
17 labor/management agreements, to be available for use beyond the close of the fiscal
18 year and any unencumbered funds may be carried over into the succeeding fiscal year.

19 Sec. 18-807. The source of financing in part 1 for the Michigan administrative
20 information network shall be funded by proportionate charges assessed against the
21 respective state funds benefiting from this project in the amounts determined by the
22 department.

23 Sec. 18-808. (1) Deposits against the interdepartmental grant from building
24 occupancy and parking charges appropriated in part 1 shall be collected, in part, from
25 state agencies, the legislative branch, and the judicial branch based on estimated
26 costs associated with maintenance and operation of buildings managed by the department
27 of technology, management and budget. To the extent excess revenues are collected due

1 to estimates of building occupancy charges exceeding actual costs, the excess revenues
2 may be carried forward into succeeding fiscal years for the purpose of returning funds
3 to state agencies.

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

7 Sec. 18-809. On a quarterly basis, the department of technology, management and
8 budget shall notify the chairpersons of the senate and house of representatives
9 standing committees on appropriations, the chairpersons of the senate and house of
10 representatives standing committees on appropriations subcommittees on general
11 government, the house and senate fiscal agencies, and the state budget director on any
12 revisions that increase or decrease current contracts by more than \$500,000.00 for
13 computer software development, hardware acquisition, or quality assurance.

14 Sec. 18-811. The department of technology, management and budget may receive and
15 expend funds from the Vietnam veterans memorial monument fund as provided in the
16 Michigan Vietnam veterans memorial act, 1988 PA 234, MCL 35.1051 to 35.1057. Funds are
17 appropriated and allocated when received and may be expended upon receipt.

18 Sec. 18-812. The Michigan veterans' memorial park commission may receive and
19 expend money from any source, public or private, including, but not limited to, gifts,
20 grants, donations of money, and government appropriations, for the purposes described
21 in Executive Order No. 2001-10. Funds are appropriated and allocated when received and
22 may be expended upon receipt. Any deposits made under this section and unencumbered
23 funds are restricted revenues and may be carried over into succeeding fiscal years.

24 Sec. 18-813. (1) Funds in part 1 for motor vehicle fleet are appropriated to the
25 department of technology, management and budget for administration and for the
26 acquisition, lease, operation, maintenance, repair, replacement, and disposal of state
27 motor vehicles.

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

6 (3) Pursuant to the department of technology, management and budget's authority
7 under sections 213 and 215 of the management and budget act, 1984 PA 431, MCL 18.1213
8 and 18.1215, the department shall maintain a plan regarding the operation of the motor
9 vehicle fleet. The plan shall include the number of vehicles assigned to, or
10 authorized for use by, state departments and agencies, efforts to reduce travel
11 expenditures, the number of cars in the motor vehicle fleet, the number of miles
12 driven by fleet vehicles, and the number of gallons of fuel consumed by fleet
13 vehicles. The plan shall include a calculation of the amount of state motor vehicle
14 fuel taxes that would have been incurred by fleet vehicles if fleet vehicles were
15 required by law to pay motor fuel taxes. The plan shall include a description of fleet
16 garage operations, the goods sold and services provided by the fleet garage, the cost
17 to operate the fleet garage, the number of fleet garage locations, and the number of
18 employees assigned to each fleet garage. The plan may be adjusted during the fiscal
19 year based on needs and cost savings to achieve the maximum value and efficiency from
20 the state motor fleet. Within 60 days after the close of the fiscal year, the
21 department shall provide a report to the senate and house of representatives standing
22 committees on appropriations, the senate and house fiscal agencies, and the state
23 budget director detailing the current plan and changes made to the plan during the
24 fiscal year.

25 (4) The department of technology, management and budget may charge state agencies
26 for fuel cost increases that exceed \$3.04 per gallon of unleaded gasoline. The
27 department shall notify state agencies, in writing or by electronic mail, at least 30

1 days before implementing additional charges for fuel cost increases. Revenues received
2 from these charges are appropriated upon receipt.

3 (5) The state budget director, upon notification to the senate and house of
4 representatives standing committees on appropriations, may adjust spending
5 authorization and the IDG from motor transport fund in the department of technology,
6 management and budget in order to ensure that the appropriations for motor vehicle
7 fleet in the department budget equal the expenditures for motor vehicle fleet in the
8 budgets for all executive branch agencies.

9 Sec. 18-814. The department of technology, management and budget shall develop a
10 plan regarding the use of funds appropriated in part 1 for the enterprisewide
11 information technology investment projects. The plan shall include, but not be limited
12 to, a description of proposed information technology investment projects, the time
13 frame for completion of the information technology investment projects, the proposed
14 cost of the information technology investment projects, the number of employees
15 assigned to implement each information technology investment project, the contracts
16 entered into for each information technology investment project, and any other
17 information the department deems necessary. The plan shall be distributed to the
18 senate and house of representatives standing committees on appropriations
19 subcommittees on general government, as well as the senate and house fiscal agencies
20 and the state budget director on a quarterly basis. The submitted plan shall also
21 include anticipated spending reductions or overages for each of the proposed
22 information technology investment projects. The department of technology, management,
23 and budget shall notify the senate and house of representatives standing committees on
24 appropriations subcommittees on general government, the senate and house fiscal
25 agencies, and the state budget director when a project funded under an information
26 technology investment project line item in part 1 is expected to require a transfer of
27 dollars from another project in excess of \$500,000.00.

1 Sec. 18-814a. The funds appropriated in part 1 for information technology
2 investment projects shall be used for the modernization of state information
3 technology systems, improvement of the state's cyber security framework, and to
4 achieve efficiencies.

5 Sec. 18-818. In addition to the funds appropriated in part 1, the department of
6 technology, management and budget may receive and expend money from the Michigan law
7 enforcement officers memorial monument fund as provided in the Michigan law
8 enforcement officers memorial act, 2004 PA 177, MCL 28.781 to 28.787.

9 Sec. 18-820. The department shall make available to the public a list of all
10 parcels of real property owned by the state that are available for purchase. The list
11 shall be posted on the Internet through the department's website.

12 Sec. 18-821. The department of technology, management and budget shall annually
13 update the office space consolidation project plan, including the use of the funds
14 appropriated pursuant to 2012 PA 200 for the space consolidation fund. By February 15,
15 the department shall report to the senate and house of representatives committees on
16 appropriations subcommittees on general government and the senate and house fiscal
17 agencies on the revised plan and plan implementation. The report shall include, but is
18 not limited to, the description of the proposed office space to be consolidated, the
19 time frame for completion of the office space consolidation, the proposed itemized
20 cost of the office space consolidation, the number of employees assigned to implement
21 the office space consolidation, the contracts entered into for the office space
22 consolidation, information on completed projects, anticipated savings, savings
23 achieved, and any other information the department deems necessary.

24 Sec. 18-822b. (1) A public-private partnership investment fund is created in
25 DTMB. Subject to subsections (2) and (3), public-private partnership investments shall
26 include, but are not limited to, all of the following:

27 (a) Capital asset improvements including buildings, land, or structures.

1 (b) Energy resource exploration, extraction, generation, and sales.

2 (c) Financial and investment incentive opportunities.

3 (d) Infrastructure construction, maintenance, and operation.

4 (e) Public-private sector joint ventures that provide economic benefit to an area
5 or to the state.

6 (2) Public-private investments shall not include projects, consultant expenses,
7 staff effort, or any other activity related to the development, financing,
8 construction, operation, or implementation of the Detroit River International Crossing
9 or any successor project unless the project is approved by the legislature and signed
10 into law.

11 (3) The state budget director shall determine whether or not a specific public-
12 private partnership investment opportunity qualifies for funding under subsection (1).

13 (4) Investment development revenue, including a portion of the proceeds from the
14 sale of any public-private partnership investment designated in subsection (1), shall
15 be deposited into the fund created in subsection (1) and shall be available for
16 administration, development, financing, marketing, and operating expenditures
17 associated with public-private partnerships, unless otherwise provided by law. Public-
18 private partnership investments authorized in subsection (1) are authorized for public
19 or private operation or sale consistent with state law. Expenditures from the fund are
20 authorized for investment purposes as designated in subsection (1) to enhance the
21 marketable value of each investment. The unencumbered balance remaining in the fund at
22 the end of the fiscal year may be carried forward for appropriation in future years.

23 (5) An annual report shall be transmitted to the senate and house of
24 representatives standing committees on appropriations, the senate and house fiscal
25 agencies, and the state budget office not later than December 31 of each year. This
26 report shall detail both of the following:

27 (a) The revenue and expenditure activity in the fund for the preceding fiscal

1 year.

2 (b) Public-private partnership investments as identified under subsection (1).

3 (6) DTMB shall monitor the revenue deposited in the public-private partnership
4 investment fund created in subsection (1). If the revenue in the fund is insufficient
5 to pay the amount appropriated in part 1 for public-private partnership investment,
6 then DTMB shall propose a legislative transfer to fund the line from the
7 appropriations in part 1.

8 Sec. 18-822c. The funds appropriated in part 1 shall not be used to support any
9 staff effort, projects, consultant expenses, or any other activity related to the
10 development, financing, construction, operation, or implementation of the Detroit
11 River International Crossing or any successor project unless the project is approved
12 by the legislature and signed into law.

13 Sec. 18-822f. (1) The funds appropriated in part 1 for the regional prosperity
14 initiative are to be used as competitive grants to eligible regional planning
15 organizations qualifying for funding as a regional prosperity collaborative, a
16 regional prosperity council, or a regional prosperity board. A regional planning
17 organization may not qualify for funding under more than 1 category in the same state
18 fiscal year. As used in this section:

19 (a) "Eligible regional planning organization" means any of the following:

20 (i) An existing regional planning commission created pursuant to 1945 PA 281, MCL
21 125.11 to 125.25.

22 (ii) An existing regional economic development commission created pursuant to
23 1966 PA 46, MCL 125.1231 to 125.1237.

24 (iii) An existing metropolitan area council formed pursuant to the metropolitan
25 councils act, 1989 PA 292, MCL 124.651 to 124.729.

26 (iv) A Michigan metropolitan planning organization established pursuant to the
27 moving ahead for progress in the 21st century act, Public Law 112-141.

1 (b) "Freedom of Information Act" means the freedom of information act, U.S. Code.
2 Title 5, Part 1, Chapter 5, Subchapter II, Section 552.

3 (c) "Open meetings act" means the open meetings act, 1976 PA 267, MCL 15.261 to
4 15.275.

5 (d) "Regional prosperity board" means a regional body that has a singular
6 governing board with representation from private, public, and nonprofit entities
7 engaged in joint decision-making practices for the purpose of creating or maintaining
8 a phase three: regional prosperity plan.

9 (e) "Regional prosperity collaborative" means any committee developed by a
10 regional planning organization or a metropolitan planning organization that serves to
11 bring organizational representation together from private, public, and nonprofit
12 entities within a region for the purpose of creating or maintaining a phase one:
13 regional prosperity plan.

14 (f) "Regional prosperity council" means a regional body with representation from
15 private, public, and nonprofit entities with shared administrative services and an
16 executive governing entity, as demonstrated by a formal local agreement or agreements
17 for the purpose of creating or maintaining a phase two: regional prosperity plan.

18 (2) Regional planning organizations may qualify to receive not more than
19 \$250,000.00 of incentive-based funding as a regional prosperity collaborative subject
20 to meeting all of the following requirements:

21 (a) The regional prosperity collaborative has created a phase one: regional
22 prosperity plan, as follows:

23 (i) The regional prosperity collaborative must include regional representatives
24 from adult education, workforce development, community development, economic
25 development, transportation, and higher education organizations.

26 (ii) The plan is required, at a minimum, to include a 5-year plan focused on
27 economic growth and vitality for the region, as well as a performance dashboard and

1 measurable annual goals to support the 5-year plan.

2 (iii) The 5-year plan shall address regional strategies related to adult
3 education, workforce development, economic development, transportation, higher
4 education, and business development.

5 (iv) The regional prosperity collaborative shall adopt the plan by a minimum 2/3
6 majority vote of its members.

7 (b) The regional prosperity collaborative adheres to accountability and
8 transparency measures required in the open meetings act and the freedom of information
9 act.

10 (c) The regional prosperity collaborative convenes monthly meetings, open to the
11 public, to consider and discuss issues leading to a common vision of economic
12 prosperity for the region, including, but not limited to, community development,
13 economic development, talent, and infrastructure opportunities.

14 (d) The regional prosperity collaborative makes available on the grant
15 recipient's publicly accessible Internet site pertinent documents, including, but not
16 limited to, monthly meeting agendas, minutes of monthly meetings, voting records, and
17 the regional prosperity plan and performance dashboard.

18 (e) The regional prosperity collaborative keeps a status report detailing the
19 spending associated with previous regional prosperity initiative grants. Organizations
20 that have successfully received grant awards in previous fiscal years shall be
21 required to make available to the department and on a publicly accessible Internet
22 site information regarding the use of those grant dollars.

23 (3) Regional planning organizations eligible to receive a payment as a regional
24 prosperity collaborative under subsection (2) may qualify to receive a 1-time grant of
25 not more than \$75,000.00 to produce a plan to transform the regional prosperity
26 collaborative into a regional prosperity council or regional prosperity board,
27 including necessary local formal agreements, to make recommendations that eliminate

1 duplicative efforts and administrative functions, and to leverage resources through
2 cooperation, collaboration, and consolidations of organizations or programs throughout
3 the region. Plans produced to transform the regional prosperity collaborative into a
4 regional prosperity council or regional prosperity board shall be made available on
5 the grant recipient's publicly accessible Internet site.

6 (4) Regional planning organizations may qualify to receive not more than
7 \$375,000.00 of incentive-based funding as a regional prosperity council subject to
8 meeting all of the following requirements:

9 (a) A regional prosperity council has been formed and includes regional
10 representatives from adult education, workforce development, community development,
11 economic development transportation, and higher education organizations.

12 (b) An eligible regional prosperity council will demonstrate shared
13 administrative services amount two public regional entities included in (a). In
14 addition, the council must have and maintain an executive governing entity, as
15 demonstrated by a formal local agreement or agreements.

16 (c) The regional prosperity council has created a phase two: regional prosperity
17 plan, as follows:

18 (i) The regional prosperity council shall identify opportunities for shared
19 administrative services and decision-making among the private, public, and nonprofit
20 entities within the region and shall continue collaboration with regional prosperity
21 council members, including, but not limited to, representatives from adult education
22 providers, workforce development agencies, community development agencies, economic
23 development agencies, transportation service providers, and higher education
24 institutions.

25 (ii) The plan is required to include, but is not limited to, all of the
26 following:

27 (a) A status report of the approved 5-year plan.

1 (b) The addition of a 10-year plan for the region which builds upon prior work
2 and is focused on economic growth and vitality in the region.

3 (c) A prioritized list of regional projects.

4 (d) A performance dashboard with measureable annual goals.

5 (iii) The regional prosperity council shall adopt the plan by a minimum 2/3 vote
6 of its members.

7 (a) The regional prosperity council adheres to accountability and transparency
8 measures required in the open meetings act and the freedom of information act.

9 (b) The regional prosperity council convenes monthly meetings, open to the
10 public, to consider and discuss issues leading to a common vision of economic
11 prosperity for the region, including, but not limited to, community development,
12 economic development, talent, and infrastructure opportunities.

13 (c) The regional prosperity council makes available on the grant recipient's
14 publicly accessible Internet site pertinent documents, including, but not limited to,
15 monthly meeting agendas, minutes of monthly meetings, voting records, and the regional
16 prosperity plan and performance dashboard.

17 (d) The regional prosperity council keeps a status report detailing the spending
18 associated with previous regional prosperity initiative grants. Organizations that
19 have successfully received grant awards in previous fiscal years shall be required to
20 make available to the department and on a publicly accessible Internet site
21 information regarding the use of those grant dollars.

22 (5) Regional planning organizations eligible to receive a payment as a regional
23 prosperity council under subsection (4) may qualify to receive a 1-time grant of not
24 more than \$75,000.00 to produce a plan to transform the regional prosperity council
25 into a regional prosperity board, including a singular private/public governance
26 structure that comports with federal guidelines for governance under the workforce
27 investment act, Public Law 105-220, the moving ahead for progress in the 21st century

1 act, Public Law 112-141, the economic development administration and Appalachian
2 regional development reform act of 1998, Public Law 105-393, and recommendations to
3 eliminate duplicative efforts, administrative functions, and leverage resources
4 through cooperation, collaboration, and consolidations of organizations or programs
5 throughout the region.

6 (6) Regional planning organizations may qualify to receive not more than
7 \$500,000.00 of incentive-based funding as a regional prosperity board subject to
8 meeting all of the following requirements:

9 (a) The regional prosperity board has been formed and at a minimum, must
10 demonstrate the consolidation of regional metropolitan planning organization, where
11 one exists, state designated regional planning agency boards, workforce development
12 boards and federally designated regional economic development districts within a
13 region.

14 (b) The regional prosperity board has created a phase three: regional prosperity
15 plan, as follows:

16 (i) The regional prosperity board shall create a regional services
17 recommendations report prioritizing the list of state-funded services and programs
18 provided to the region, and recommendations for state-regional partnerships to support
19 the adopted regional prosperity plan.

20 (ii) The plan is required to include a status report of the approved 10-year plan
21 for the creation of an updated regional prosperity plan.

22 (iii) The regional prosperity board shall adopt the plan by a minimum 2/3 vote of
23 its members.

24 (c) The regional prosperity board adheres to accountability and transparency
25 measures required in the open meetings act and the freedom of information act.

26 (d) The regional prosperity board convenes monthly meetings, open to the public,
27 to consider and discuss issues leading to a common vision of economic prosperity for

1 the region, including, but not limited to, community development, economic
2 development, talent, and infrastructure opportunities.

3 (e) The regional prosperity board makes available on the grant recipient's
4 publicly accessible Internet site pertinent documents, including, but not limited to,
5 monthly meeting agendas, minutes of monthly meetings, voting records, and the regional
6 prosperity plan and performance dashboard.

7 (7) Regional planning organizations eligible to receive a payment as a regional
8 prosperity board under subsection (6) may qualify to receive not more than
9 \$125,000.00, to implement the prioritized regional prosperity plan projects.

10 (8) Regional planning organizations eligible to receive a payment as a regional
11 prosperity collaborative, board, or council may partner with other eligible regional
12 planning organizations to submit joint applications. In the instance of a joint
13 application, 1 regional planning organization shall be utilized as the overall
14 applicant. The department may award a joint application award of no greater than the
15 sum of potential application dollars which would have otherwise been available through
16 individual applications.

17 (9) The department shall develop an application process and method of grant
18 distribution for the regional prosperity initiative. Funding applications from
19 regional planning organizations shall be due to the department by December 1, 2016.
20 The department shall notify regional planning organizations of grant application
21 status by January 1, 2017. The department shall ensure that processes are established
22 to verify that qualifying regional planning organizations meet the requirements under
23 subsections (2), (3), (4), (5), (6), and (7), as applicable.

24 (10) Unexpended funds appropriated in part 1 for the regional prosperity
25 initiative are designated as work project appropriations, and any unencumbered or
26 unallotted funds shall not lapse at the end of the fiscal year and shall be available
27 for expenditure for regional prosperity initiative projects under this section until

1 the projects have been completed. The following is in compliance with section 451a of
2 the management and budget act, 1984 PA 431, MCL 18.1451a:

3 (a) The purpose of the projects is to provide incentive-based grants to
4 recipients under this section.

5 (b) The projects will be accomplished by grants to qualified regional planning
6 organizations.

7 (c) The total estimated cost of all projects is \$2,500,000.00.

8 (d) The estimated completion date is September 30, 2021.

9 Sec. 18-822h. The department of technology, management and budget shall report by
10 April 15 to the senate and house appropriations subcommittees on general government,
11 the senate and house fiscal agencies and the state budget director on the expenditures
12 for the office of urban initiatives. The report shall provide information detailing
13 the economic impact and job growth initiatives for each urban and metropolitan area
14 receiving funds under part 1. The report shall also provide information detailing the
15 initiatives undertaken in each urban or metropolitan area receiving funds under part
16 1, including, but not limited to, all of the following:

17 (a) Transportation and infrastructure.

18 (b) Public services.

19 (c) Land use and sustainability.

20 (d) Housing.

21 (e) Workforce and economic development.

22 Sec. 18-822i. (1) From the funds appropriated in part 1, the department shall
23 assure all of the following:

24 (a) That public schools that are placed in the state school reform/redesign
25 school district or under a chief executive officer under section 1280c of the revised
26 school code, 1976 PA 451, MCL 380.1280c, remain in compliance with all applicable
27 state and federal law concerning special education.

1 (b) That students at public schools described in subdivision (a) with
2 individualized education programs are afforded special education services in
3 accordance with applicable state and federal law concerning special education.

4 (2) The department shall report to the legislature on the number of students in
5 public schools described in subsection (1)(a) who have an individualized education
6 program and the performance results of those students after the change in governance
7 of the public school.

8 Sec. 18-822j. From the increased funds appropriated in part 1 for the office of
9 good government, the department shall expand the scope of the office of good
10 government. The purpose of this program expansion is to broaden the office's support
11 of transformative good government initiatives related to employee engagement and
12 process improvement.

13 INFORMATION TECHNOLOGY

14 Sec. 18-823. (1) The department of technology, management and budget may sell and
15 accept paid advertising for placement on any state website under its jurisdiction. The
16 department shall review and approve the content of each advertisement. The department
17 may refuse to accept advertising from any person or organization or require
18 modification to advertisements based upon criteria determined by the department.
19 Revenue received under this subsection shall be used for operating costs of the
20 department and for future technology enhancements to state of Michigan e-government
21 initiatives. Funds received under this subsection shall be limited to \$250,000.00. Any
22 funds in excess of \$250,000.00 shall be deposited in the state general fund.

23 (2) The department of technology, management and budget may accept gifts,
24 donations, contributions, bequests, and grants of money from any public or private
25 source to assist with the underwriting or sponsorship of state webpages or services
26 offered on those webpages. A private or public funding source may receive recognition

1 in the webpage. The department of technology, management and budget may reject any
2 gift, donation, contribution, bequest, or grant.

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

9 Sec. 18-824. The department of technology, management and budget may enter into
10 agreements to supply spatial information and technical services to other principal
11 executive departments, state agencies, local units of government, and other
12 organizations. The department of technology, management and budget may receive and
13 expend funds in addition to those authorized in part 1 for providing information and
14 technical services, publications, maps, and other products. The department of
15 technology, management and budget may expend amounts received for salaries, supplies,
16 and equipment necessary to provide informational products and technical services.
17 Prior to December 1 of each year, the department shall provide a report to the senate
18 and house of representatives standing committees on appropriations subcommittees on
19 general government and the state budget director, detailing the sources of funding and
20 expenditures made under this section.

21 Sec. 18-825. The legislature shall have access to all historical and current data
22 contained within MAIN pertaining to state departments. State departments shall have
23 access to all historical and current data contained within MAIN.

24 Sec. 18-826. When used in this part and part 1, "information technology services"
25 means services involving all aspects of managing and processing information,
26 including, but not limited to, all of the following:

27 (a) Application and mobile development and maintenance.

1 (b) Desktop computer support and management.

2 (c) Cyber security.

3 (d) Social media.

4 (e) Mainframe computer support and management.

5 (f) Server support and management.

6 (g) Local area network support and management, including, but not limited to,
7 wired and wireless network build-out, support, and management.

8 (h) Information technology project management.

9 (i) Information technology planning and budget management.

10 (j) Telecommunication services, infrastructure, and support.

11 Sec. 18-827. (1) Funds appropriated in part 1 for the Michigan public safety
12 communications system shall be expended upon approval of an expenditure plan by the
13 state budget director.

14 (2) The department of technology, management and budget shall assess all
15 subscribers of the Michigan public safety communications system reasonable access and
16 maintenance fees and shall deposit the fees in the Michigan public safety
17 communications systems fees fund.

18 (3) All money received by the department of technology, management and budget
19 under this section shall be expended for the support and maintenance of the Michigan
20 public safety communications system.

21 (4) Any deposits made under this section are restricted revenues and shall be
22 carried forward into succeeding fiscal years.

23 Sec. 18-833. (1) The state budget director, upon notification to the senate and
24 house of representatives standing committees on appropriations, may adjust spending
25 authorization and user fees in the department of technology, management and budget in
26 order to ensure that the appropriations for information technology in the department
27 budget equal the appropriations for information technology in the budgets for all

1 executive branch agencies.

2 (2) If during the course of the fiscal year a transfer or supplemental to or from
3 the information technology line item within an agency budget is made under section 393
4 of the management and budget act, 1984 PA 431, MCL 18.1393, there is appropriated an
5 equal amount of user fees in the department of technology, management and budget to
6 accommodate an increase or decrease in spending authorization.

7 Sec. 18-834. (1) Revenue collected from licenses issued under the antenna site
8 management project shall be deposited into the antenna site management revolving fund
9 created for this purpose in the department of technology, management and budget. The
10 department may receive and expend money from the fund for costs associated with the
11 antenna site management project, including the cost of a third-party site manager. Any
12 excess revenue remaining in the fund at the close of the fiscal year shall be
13 proportionately transferred to the appropriate state restricted funds as designated in
14 statute or by constitution.

15 (2) An antenna shall not be placed on any site pursuant to this section without
16 complying with the respective local zoning codes and local unit of government
17 processes.

18 Sec. 18-835. In addition to the funds appropriated in part 1, the funds collected
19 by the department for supplying census-related information and technical services,
20 publications, statistical studies, population projections and estimates, and other
21 demographic products are appropriated for all expenses necessary to provide the
22 required services. These funds are available for expenditure when they are received
23 and may be carried forward into the next succeeding fiscal year.

24 Sec. 18-836. From the increased funds appropriated in part 1 for the information
25 technology investment fund, the department provide for the modernization of state
26 information technology systems, and integrate state system interfaces to improve
27 customer service.

1 Sec. 18-837. From the increased funds appropriated in part 1 for cyber security
2 improvements, the department shall increase cyber security information technology
3 investment projects in the current fiscal year. The purpose of this program expansion
4 will be to provide cyber security enhancements for network security improvements,
5 development of a comprehensive security framework and asset security program,
6 implementation of an enterprise-wide data loss prevention process and governance, risk
7 and compliance program, and development of security dashboards and security reporting
8 processes.

9 Sec. 18-838. From the increased funds appropriated in part 1 for enterprise
10 identity management, the department shall expand the enterprise identity management
11 program in the current fiscal year. The purpose of this program expansion is to
12 provide an enterprise-wide single sign-on and identity management tool to establish,
13 manage, and authenticate user identities for state information technology systems.

14 Sec. 18-839. From the increased funds appropriated in part 1 for office of
15 retirement services ongoing support of technology, the department shall expand the
16 office of retirement services' information technology capability in the current fiscal
17 year. The purpose of this new program/program expansion is to provide a 90% customer
18 contact satisfaction level.

19 STATE BUILDING AUTHORITY

20 Sec. 18-842. (1) The state building authority rent appropriations in part 1 may
21 also be expended for the payment of required premiums for insurance on facilities
22 owned by the state building authority or payment of costs that may be incurred as the
23 result of any deductible provisions in such insurance policies.

24 (2) If the amount appropriated in part 1 for state building authority rent is not
25 sufficient to pay the rent obligations and insurance premiums and deductibles
26 identified in subsection (1) for state building authority projects, there is

1 appropriated from the general fund of the state the amount necessary to pay such
2 obligations.

3 CIVIL SERVICE COMMISSION

4 Sec. 18-850. (1) In accordance with section 5 of article XI of the state
5 constitution of 1963, all restricted funds shall be assessed a sum not less than 1% of
6 the total aggregate payroll paid from those funds for financing the civil service
7 commission on the basis of actual 1% restricted sources total aggregate payroll of the
8 classified service for the preceding fiscal year. This includes, but is not limited
9 to, restricted funds appropriated in part 1 of any appropriations act. Unexpended 1%
10 appropriated funds shall be returned to each 1% fund source at the end of the fiscal
11 year.

12 (2) The appropriations in part 1 are estimates of actual charges based on payroll
13 appropriations. With the approval of the state budget director, the commission is
14 authorized to adjust financing sources for civil service charges based on actual
15 payroll expenditures, provided that such adjustments do not increase the total
16 appropriation for the civil service commission.

17 (3) The financing from restricted sources shall be credited to the civil service
18 commission by the end of the second fiscal quarter.

19 Sec. 18-851. Except where specifically appropriated for this purpose, financing
20 from restricted sources shall be credited to the civil service commission. For
21 restricted sources of funding within the general fund that have the legislative
22 authority for carryover, if current spending authorization or revenues are
23 insufficient to accept the charge, the shortage shall be taken from carryforward
24 balances of that funding source. Restricted revenue sources that do not have
25 carryforward authority shall be utilized to satisfy commission operating deducts first
26 and civil service obligations second. General fund dollars are appropriated for any

1 shortfall, pursuant to approval by the state budget director.

2 Sec. 18-852. The appropriation in part 1 to the civil service commission, for
3 state-sponsored group insurance, flexible spending accounts, and COBRA, represents
4 amounts, in part, included within the various appropriations throughout state
5 government for the current fiscal year to fund the flexible spending account program
6 included within the civil service commission. Deposits against state-sponsored group
7 insurance, flexible spending accounts, and COBRA for the flexible spending account
8 program shall be made from assessments levied during the current fiscal year in a
9 manner prescribed by the civil service commission. Unspent employee contributions to
10 the flexible spending accounts may be used to offset administrative costs for the
11 flexible spending account program, with any remaining balance of unspent employee
12 contributions to be lapsed to the general fund.

13 CAPITAL OUTLAY

14 Sec. 18-860. As used in sections 18-861 through 18-875:

15 (a) "Board" means the state administrative board.

16 (b) "Community college" does not include a state agency or university.

17 (c) "Department" means the department of technology, management and budget.

18 (d) "Director" means the director of the department.

19 (e) "University" means a 4-year university supported by the state. University
20 does not include a community college or a state agency.

21 Sec. 18-861. Each capital outlay project authorized in this article or any
22 previous capital outlay act shall comply with the procedures required by the
23 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

24 Sec. 18-864. The appropriations in part 1 for capital outlay shall be carried
25 forward at the end of the fiscal year consistent with the provisions of section 248 of
26 the management and budget act, 1984 PA 431, MCL 18.1248.

1 Sec. 18-865. (1) A site preparation economic development fund is created in the
2 department of technology, management and budget. As used in this section, "economic
3 development sites" means those state-owned sites declared as surplus property pursuant
4 to section 251 of the management and budget act, 1984 PA 431, MCL 18.1251, that would
5 provide economic benefit to the area or to the state. The Michigan economic
6 development corporation board and the state budget director shall determine whether or
7 not a specific state-owned site qualifies for inclusion in the fund created under this
8 subsection.

9 (2) Proceeds from the sale of any sites designated in subsection (1) shall be
10 deposited into the fund created in subsection (1) and shall be available for site
11 preparation expenditures, unless otherwise provided by law. The economic development
12 sites authorized in subsection (1) are authorized for sale consistent with state law.
13 Expenditures from the fund are authorized for site preparation activities that enhance
14 the marketable sale value of the sites. Site preparation activities include, but are
15 not limited to, demolition, environmental studies and abatement, utility enhancement,
16 and site excavation.

17 (3) A cash advance in an amount of not more than \$25,000,000.00 is authorized
18 from the general fund to the site preparation economic development fund.

19 (4) An annual report shall be transmitted to the senate and house of
20 representatives standing committees on appropriations not later than December 31 of
21 each year. This report shall detail both of the following:

22 (a) The revenue and expenditure activity in the fund for the preceding fiscal
23 year.

24 (b) The sites identified as economic development sites under subsection (1).

25 Sec. 18-867. Proceeds from the sale of the Farnum Building shall be subsequently
26 appropriated to the department in accordance with any legislation enacted that
27 authorizes the sale of that property. If the net proceeds from the sale of the Farnum

1 Building are less than the \$7,000,000.00 authorized for senate relocation costs in
2 section 896 of article VIII of 2014 PA 252, an amount equal to the difference between
3 the net sale proceeds and \$7,000,000.00 shall be appropriated by the legislature to
4 the department.

5 **CAPITAL OUTLAY - UNIVERSITIES AND COMMUNITY COLLEGES**

6 Sec. 18-873. (1) This section applies only to projects for community colleges.

7 (2) State support is directed towards the remodeling and additions, special
8 maintenance, or construction of certain community college buildings. The community
9 college shall obtain or provide for site acquisition and initial main utility
10 installation to operate the facility. Funding shall be composed of local and state
11 shares and not more than 50% of a capital outlay project, not including a lump-sum
12 special maintenance project or remodeling and addition project, for a community
13 college shall be appropriated from state and federal funds, unless otherwise
14 appropriated by the legislature.

15 (3) An expenditure under this article is authorized when the release of the
16 appropriation is approved by the board upon the recommendation of the director. The
17 director may recommend to the board the release of any appropriation in part 1 only
18 after the director is assured that the legal entity operating the community college to
19 which the appropriation is made has complied with this article and has matched the
20 amounts appropriated as required by this article. A release of funds in part 1 shall
21 not exceed 50% of the total cost of planning and construction of any project, not
22 including lump-sum remodeling and additions and special maintenance, unless otherwise
23 appropriated by the legislature. Further planning and construction of a project
24 authorized by this article or applicable sections of the management and budget act,
25 1984 PA 431, MCL 18.1101 to 18.1594, shall be in accordance with the purpose and scope
26 as defined and delineated in the approved program statements and planning documents.

1 This article is applicable to all projects for which planning appropriations were made
2 in previous acts.

3 (4) The community college shall take the steps necessary to secure available
4 federal construction and equipment money for projects funded for construction in this
5 article if an application was not previously made. If there is a reasonable
6 expectation that a prior year unfunded application may receive federal money in a
7 subsequent year, the college shall take whatever action necessary to keep the
8 application active.

9 Sec. 18-874. If university and community college matching revenues are received
10 in an amount less than the appropriations for capital projects contained in this
11 article, the state funds shall be reduced in proportion to the amount of matching
12 revenue received.

13 Sec. 18-875. (1) The director may require that community colleges and
14 universities that have an authorized project listed in part 1 submit documentation
15 regarding the project match and governing board approval of the authorized project not
16 more than 60 days after the beginning of the fiscal year.

17 (2) If the documentation required by the director under subsection (1) is not
18 submitted, or does not adequately authenticate the availability of the project match
19 or board approval of the authorized project, the authorization may terminate. The
20 authorization terminates 30 days after the director notifies the JCOS of the intent to
21 terminate the project unless the JCOS convenes to extend the authorization.

22 ONE-TIME APPROPRIATIONS

23 Sec. 18-822g. The department of technology, management and budget shall report by
24 April 1 to the senate and house appropriations subcommittees on general government and
25 the senate and house fiscal agencies on legal service fund expenditures. The report
26 shall itemize expenditures by case, purpose, and department involved.

Article 19

DEPARTMENT OF TRANSPORTATION

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 19-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of transportation are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

DEPARTMENT OF TRANSPORTATION

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0	6.0
Full-time equated classified positions	2,912.3	2,912.3
GROSS APPROPRIATION	\$ 4,125,203,600	\$ 4,114,803,600
Total interdepartmental grants and intradepartmental transfers	4,013,400	4,013,400
ADJUSTED GROSS APPROPRIATION	\$ 4,121,190,200	\$ 4,110,790,200
Total federal revenues	1,314,744,000	1,314,744,000
Total local revenues	50,418,500	50,418,500
Total private revenues	100,000	100,000
Total other state restricted revenues	2,745,527,700	2,745,527,700
State general fund/general purpose	\$ 10,400,000	\$ 0
<i>State general fund/general purpose schedule:</i>		
Ongoing state general fund/general purpose	0	0
One-time state general fund/general purpose	10,400,000	0

Sec. 19-102. DEBT SERVICE

1	State trunkline	\$	194,076,400	\$	194,076,400
2	Economic development		11,612,200		11,612,200
3	Local bridge fund		2,406,500		2,406,500
4	Blue Water Bridge fund		6,963,900		6,963,900
5	Airport safety and protection plan		4,616,400		4,616,400
6	Comprehensive transportation		<u>18,249,900</u>		<u>18,249,900</u>
7	GROSS APPROPRIATION	\$	237,925,300	\$	237,925,300
8	Appropriated from				
9	Federal revenues:				
10	Federal aid-transportation programs		45,767,900		45,767,900
11	Special revenue funds:				
12	Blue Water Bridge fund		6,963,900		6,963,900
13	Comprehensive transportation fund		18,249,900		18,249,900
14	Economic development fund		11,612,200		11,612,200
15	IRS debt service rebate		7,011,800		7,011,800
16	Local bridge fund		2,406,500		2,406,500
17	State aeronautics fund		4,616,400		4,616,400
18	State trunkline fund		141,296,700		141,296,700
19	State general fund/general purpose	\$	0	\$	0
20	Sec. 19-103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY SUPPORT SERVICES				
21	MTF grant to department of environmental quality	\$	1,335,100	\$	1,335,100
22	MTF grant to department of state for collection of				
23	revenue and fees		20,000,000		20,000,000
24	MTF grant to department of treasury		2,684,100		2,684,100
25	MTF grant to legislative auditor general		315,800		315,800
26	STF grant to department of attorney general		2,429,200		2,429,200
27	STF grant to civil service commission		5,847,000		5,847,000

1	STF grant to department of technology, management		
2	and budget	1,226,000	1,226,000
3	STF grant to department of state police	11,627,600	11,627,600
4	STF grant to department of treasury	157,900	157,900
5	STF grant to legislative auditor general	733,500	733,500
6	SAF grant to department of attorney general	177,600	177,600
7	SAF grant to civil service commission	150,000	150,000
8	SAF grant to department of technology, management		
9	and budget	33,500	33,500
10	SAF grant to department of treasury	73,900	73,900
11	SAF grant to legislative auditor general	30,300	30,300
12	CTF grant to department of attorney general	204,500	204,500
13	CTF grant to civil service commission	200,000	200,000
14	CTF grant to department of technology, management		
15	and budget	42,200	42,200
16	CTF grant to department of treasury	13,500	13,500
17	CTF grant to legislative auditor general	<u>39,000</u>	<u>39,000</u>
18	GROSS APPROPRIATION	\$ 47,320,700	\$ 47,320,700
19	Appropriated from:		
20	Special revenue funds:		
21	Comprehensive transportation fund	499,200	499,200
22	Michigan transportation fund	24,335,000	24,335,000
23	State aeronautics fund	465,300	465,300
24	State trunkline fund	22,021,200	22,021,200
25	State general fund/general purpose	\$ 0	\$ 0
26	Sec. 19-104. EXECUTIVE DIRECTION		
27	Full-time equated unclassified positions	6.0	6.0

1	Full-time equated classified positions	29.3		29.3
2	Unclassified salaries	\$ 754,000	\$	754,000
3	Asset management council	1,626,400		1,626,400
4	Commission support and audit—29.3 FTE positions	<u>3,335,900</u>		<u>3,335,900</u>
5	GROSS APPROPRIATION	\$ 5,716,300	\$	5,716,300
6	Appropriated from:			
7	Special revenue funds:			
8	Michigan transportation fund	1,626,400		1,626,400
9	State trunkline fund	4,089,900		4,089,900
10	State general fund/general purpose	\$ 0	\$	0
11	Sec. 19-105. BUSINESS SUPPORT			
12	Full-time equated classified positions	54.0		54.0
13	Business support services—44.0 FTE positions	\$ 6,756,100	\$	6,756,100
14	Economic development and enhancement programs—10.0 FTE			
15	positions	1,633,200		1,633,200
16	Property management	7,112,200		7,112,200
17	Worker's compensation	<u>1,711,200</u>		<u>1,711,200</u>
18	GROSS APPROPRIATION	\$ 17,212,700	\$	17,212,700
19	Appropriated from:			
20	Special revenue funds:			
21	Comprehensive transportation fund	1,835,100		1,835,100
22	Economic development fund	378,100		378,100
23	Michigan transportation fund	801,100		801,100
24	State aeronautics fund	752,100		752,100
25	State trunkline fund	13,446,300		13,446,300
26	State general fund/general purpose	\$ 0	\$	0
27	Sec. 19-106. INFORMATION TECHNOLOGY			

1	Information technology services and projects	\$	<u>32,364,500</u>	\$	<u>32,364,500</u>
2	GROSS APPROPRIATION	\$	32,364,500	\$	32,364,500
3	Appropriated from:				
4	Federal revenues:				
5	Federal aid-transportation programs		520,500		520,500
6	Special revenue funds:				
7	Blue Water Bridge fund		55,100		55,100
8	Comprehensive transportation fund		224,400		224,400
9	Economic development fund		37,200		37,200
10	Michigan transportation fund		293,300		293,300
11	State aeronautics fund		175,100		175,100
12	State trunkline fund		31,058,900		31,058,900
13	State general fund/general purpose	\$	0	\$	0
14	Sec. 19-107. FINANCE, CONTRACTS, AND SUPPORT SERVICES				
15	Full-time equated classified positions		186.0		186.0
16	Finance, contracts, and support services-186.0 FTE				
17	positions	\$	<u>21,791,700</u>	\$	<u>21,791,700</u>
18	GROSS APPROPRIATION	\$	21,791,700	\$	21,791,700
19	Appropriated from:				
20	Interdepartmental grant revenues:				
21	IDG for accounting service center user charges		4,013,400		4,013,400
22	Special revenue funds:				
23	Michigan transportation fund		1,621,700		1,621,700
24	State trunkline fund		16,156,600		16,156,600
25	State general fund/general purpose	\$	0	\$	0
26	Sec. 19-108. TRANSPORTATION PLANNING				
27	Full-time equated classified positions		140.0		140.0

1	Planning services-140.0 FTE positions	\$	38,481,100	\$	38,481,100
2	Grants to regional planning councils		<u>488,800</u>		<u>488,800</u>
3	GROSS APPROPRIATION	\$	38,969,900	\$	38,969,900
4	Appropriated from:				
5	Federal revenues:				
6	Federal aid-transportation program		19,250,000		19,250,000
7	Special revenue funds:				
8	Comprehensive transportation fund		610,500		610,500
9	Michigan transportation fund		9,571,400		9,571,400
10	State aeronautics fund		15,000		15,000
11	State trunkline fund		9,523,000		9,523,000
12	State general fund/general purpose	\$	0	\$	0
13	Sec. 19-109. DESIGN AND ENGINEERING SERVICES				
14	Full-time equated classified positions		1,589.3		1,589.3
15	Program development, delivery and system operations				
16	-1,539.3 FTE positions	\$	166,199,900	\$	166,199,900
17	Welcome center operations-50.0 FTE positions		<u>4,532,800</u>		<u>4,532,800</u>
18	GROSS APPROPRIATION	\$	170,732,700	\$	170,732,700
19	Appropriated from:				
20	Federal revenues:				
21	Federal aid-transportation programs		23,529,800		23,529,800
22	Special revenue funds:				
23	Michigan transportation fund		12,246,000		12,246,000
24	State trunkline fund		134,956,900		134,956,900
25	State general fund/general purpose	\$	0	\$	0
26	Sec. 19-110. HIGHWAY MAINTENANCE				
27	Full-time equated classified positions		743.7		743.7

1	State trunkline operations—743.7 FTE positions	\$	<u>303,948,000</u>	\$	<u>303,948,000</u>
2	GROSS APPROPRIATION	\$	303,948,000	\$	303,948,000
3	Appropriated from:				
4	Special revenue funds:				
5	State trunkline fund		303,948,000		303,948,000
6	State general fund/general purpose	\$	0	\$	0
7	Sec. 19-111. ROAD AND BRIDGE PROGRAMS				
8	State trunkline federal aid and road and bridge				
9	construction.....	\$	1,057,776,900	\$	1,057,776,900
10	Local federal aid and road and bridge construction		272,511,000		272,511,000
11	Grants to local programs		33,000,000		33,000,000
12	Rail grade crossing		3,000,000		3,000,000
13	Rail grade crossing-surface improvements		3,000,000		3,000,000
14	Local bridge program		27,468,600		27,468,600
15	County road commissions		797,470,600		797,470,600
16	Cities and villages		<u>444,625,500</u>		<u>444,625,500</u>
17	GROSS APPROPRIATION	\$	2,638,852,600	\$	2,638,852,600
18	Appropriated from:				
19	Federal revenues:				
20	Federal aid—transportation programs		1,030,225,800		1,030,225,800
21	Special revenue funds:				
22	Local funds		30,000,000		30,000,000
23	Blue Water Bridge fund		28,998,100		28,998,100
24	Local bridge fund		27,468,600		27,468,600
25	Michigan transportation fund		1,281,096,100		1,281,096,100
26	State trunkline fund		241,064,000		241,064,000
27	State general fund/general purpose	\$	0	\$	0

1	Sec. 19-112. BLUE WATER BRIDGE			
2	Full-time equated classified positions		41.0	41.0
3	Blue Water Bridge operations—41.0 FTE positions	\$	<u>6,433,100</u>	\$ <u>6,433,100</u>
4	GROSS APPROPRIATION	\$	6,433,100	\$ 6,433,100
5	Appropriated from:			
6	Special revenue funds:			
7	Blue Water Bridge fund		6,433,100	6,433,100
8	State general fund/general purpose	\$	0	\$ 0
9	Sec. 19-113. TRANSPORTATION ECONOMIC DEVELOPMENT FUND			
10	Forest roads	\$	5,000,000	\$ 5,000,000
11	Rural county urban system		2,500,000	2,500,000
12	Target industries/economic redevelopment		19,823,700	19,823,700
13	Urban county congestion		8,161,900	8,161,900
14	Rural county primary		<u>8,161,900</u>	<u>8,161,900</u>
15	GROSS APPROPRIATION	\$	43,647,500	\$ 43,647,500
16	Appropriated from:			
17	Special revenue funds:			
18	Economic development fund		43,647,500	43,647,500
19	State general fund/general purpose	\$	0	\$ 0
20	Sec. 19-114. AERONAUTICS SERVICES			
21	Full-time equated classified positions		54.0	54.0
22	Aeronautics services—54.0 FTE positions	\$	7,648,800	\$ 7,648,800
23	Air service program		<u>250,000</u>	<u>250,000</u>
24	GROSS APPROPRIATION	\$	7,898,800	\$ 7,898,800
25	Appropriated from:			
26	Special revenue funds:			
27	State aeronautics fund		7,898,800	7,898,800

1	State general fund/general purpose	\$	0	\$	0
2	Sec. 19-115. PUBLIC TRANSPORTATION SERVICES				
3	Full-time equated classified positions		36.0		36.0
4	Passenger transportation services-36.0 FTE positions ..	\$	<u>5,740,500</u>	\$	<u>5,740,500</u>
5	GROSS APPROPRIATION	\$	5,740,500	\$	5,740,500
6	Appropriated from:				
7	Federal revenues:				
8	Federal aid-transportation programs		972,100		972,100
9	Special revenue funds:				
10	Comprehensive transportation fund		4,768,400		4,768,400
11	State general fund/general purpose	\$	0	\$	0
12	Sec. 19-116. BUS TRANSIT DIVISION: STATUTORY OPERATING				
13	Local bus operating	\$	180,000,000	\$	180,000,000
14	Nonurban operating/capital		<u>26,027,900</u>		<u>26,027,900</u>
15	GROSS APPROPRIATION	\$	206,027,900	\$	206,027,900
16	Appropriated from:				
17	Federal revenues:				
18	Federal aid-transportation programs		24,027,900		24,027,900
19	Special revenue funds:				
20	Local funds		2,000,000		2,000,000
21	Comprehensive transportation fund		180,000,000		180,000,000
22	State general fund/general purpose	\$	0	\$	0
23	Sec. 19-117. INTERCITY PASSENGER				
24	Full-time equated classified positions		39.0		39.0
25	Office of rail-39.0 FTE positions	\$	6,427,700	\$	6,427,700
26	Freight property management		1,000,000		1,000,000
27	Detroit/Wayne County port authority		468,200		468,200

1	Intercity services	6,250,000	6,250,000
2	Rail operations and infrastructure	118,894,800	118,894,800
3	Marine passenger service	400,000	400,000
4	Terminal development	<u>300,000</u>	<u>300,000</u>
5	GROSS APPROPRIATION	\$ 133,740,700	\$ 133,740,700
6	Appropriated from		
7	Federal revenues:		
8	Federal aid-transportation programs	64,600,000	64,600,000
9	Special revenue funds:		
10	Local funds	150,000	150,000
11	Private funds	100,000	100,000
12	Comprehensive transportation fund	60,043,000	60,043,000
13	Intercity bus equipment fund	100,000	100,000
14	Michigan transportation fund	2,029,100	2,029,100
15	Rail freight fund	6,000,000	6,000,000
16	State trunkline fund	718,600	718,600
17	State general fund/general purpose	\$ 0	\$ 0
18	Sec. 19-118. PUBLIC TRANSPORTATION DEVELOPMENT		
19	Specialized services	\$ 17,938,900	\$ 17,938,900
20	Municipal credit program	2,000,000	2,000,000
21	Transit capital	60,157,100	60,157,100
22	Van pooling	195,000	195,000
23	Service initiatives	2,889,200	2,889,200
24	Transportation to work	<u>3,700,000</u>	<u>3,700,000</u>
25	GROSS APPROPRIATION	\$ 86,880,200	\$ 86,880,200
26	Appropriated from:		
27	Federal revenues:		

1	Federal aid-transportation programs	26,850,000	26,850,000
2	Special revenue funds:		
3	Local funds	5,760,000	5,760,000
4	Comprehensive transportation fund	54,270,200	54,270,200
5	State general fund/general purpose	\$ 0	\$ 0
6	Sec. 19-119. CAPITAL OUTLAY		
7	(1) BUILDINGS AND FACILITIES		
8	Special maintenance, remodeling, and additions	\$ <u>3,001,500</u>	\$ <u>3,001,500</u>
9	GROSS APPROPRIATION	\$ 3,001,500	\$ 3,001,500
10	Appropriated from:		
11	Special revenue funds:		
12	State trunkline fund	3,001,500	3,001,500
13	State general fund/general purpose	\$ 0	\$ 0
14	(2) AIRPORT IMPROVEMENT PROGRAMS		
15	Airport safety, protection and improvement program	\$ 97,824,000	\$ 97,824,000
16	Detroit Metropolitan Wayne County airport	<u>8,775,000</u>	<u>8,775,000</u>
17	GROSS APPROPRIATION	\$ 106,599,000	\$ 106,599,000
18	Appropriated from:		
19	Federal revenues:		
20	Federal aid-transportation programs	79,000,000	79,000,000
21	Special revenue funds:		
22	Local funds	12,508,500	12,508,500
23	State aeronautics fund	6,315,500	6,315,500
24	Qualified airport fund	8,775,000	8,775,000
25	State general fund/general purpose	\$ 0	\$ 0
26	Sec. 19-120. ONE-TIME APPROPRIATIONS		
27	State trunkline federal aid road and bridge		

1	construction.....	\$	<u>10,400,000</u>	\$	<u>0</u>
2	GROSS APPROPRIATION	\$	10,400,000	\$	0
3	Appropriated from:				
4	State general fund/general purpose	\$	10,400,000	\$	0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

FISCAL YEAR 2017

GENERAL SECTIONS

Sec. 19-201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2016-2017 is \$2,755,927,700.00 and state spending from state resources to be paid to local units of government for fiscal year 2016-2017 is \$1,583,461,200.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF TRANSPORTATION

16	Grants to regional planning councils	\$	488,800
17	Grants to local programs		33,000,000
18	Rail grade crossing		3,000,000
19	Rail grade crossing-surface improvements		3,000,000
20	Local bridge program		27,468,600
21	County road commissions		797,470,600
22	Cities and villages		444,625,500
23	Economic development fund		23,823,800
24	Air service program		250,000
25	Local bus operating		180,000,000

1	Detroit/Wayne County port authority	468,200
2	Marine passenger service	400,000
3	Terminal development	300,000
4	Specialized services	3,853,900
5	Municipal credit program	2,000,000
6	Transit capital	43,607,100
7	Service initiatives	914,200
8	Transportation to work	3,700,000
9	Airport safety, protection, and improvement program	6,315,500
10	Detroit Metropolitan Wayne County airport	<u>8,775,000</u>
11	Total payments to local units of government	\$ 1,583,461,200

12 Sec. 19-202. The appropriations authorized under this article are subject to the
13 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

14 Sec. 19-203. As used in this article:

- 15 (a) "CTF" means comprehensive transportation fund.
- 16 (b) "Department" means the state transportation department.
- 17 (c) "Director" means the director of the department.
- 18 (d) "DOT" means the United States department of transportation.
- 19 (e) "DOT-FHWA" means DOT, federal highway administration.
- 20 (f) "FTE" means full-time equated.
- 21 (g) "IDG" means interdepartmental grant.
- 22 (h) "IRS" means the internal revenue service.
- 23 (i) "MTF" means Michigan transportation fund.
- 24 (j) "SAF" means state aeronautics fund.
- 25 (k) "STF" means state trunkline fund.

26 Sec. 19-204. The departments and agencies receiving appropriations in part 1
27 shall use the Internet to fulfill the reporting requirements of this article. This

1 requirement may include transmission of reports via electronic mail to the recipients
2 identified for each reporting requirement, or it may include placement of reports on
3 an Internet or Intranet site.

4 Sec. 19-205. Funds appropriated in part 1 shall not be used for the purchase of
5 foreign goods or services, or both, if competitively priced and of comparable quality
6 American goods or services, or both, are available. Preference shall be given to goods
7 or services, or both, manufactured or provided by Michigan businesses, if they are
8 competitively priced and of comparable quality. In addition, preference should be
9 given to goods or services, or both, that are manufactured or provided by Michigan
10 businesses owned and operated by veterans, if they are competitively priced and of
11 comparable quality.

12 Sec. 19-206. The director shall take all reasonable steps to ensure businesses in
13 deprived and depressed communities compete for and perform contracts to provide
14 services or supplies, or both. Each director shall strongly encourage firms with which
15 the department contracts to subcontract with certified businesses in depressed and
16 deprived communities for services, supplies, or both.

17 Sec. 19-207. The departments and agencies receiving appropriations in part 1
18 shall prepare a report on out-of-state travel expenses not later than January 1 of
19 each year. The travel report shall be a listing of all travel by classified and
20 unclassified employees outside this state in the immediately preceding fiscal year
21 that was funded in whole or in part with funds appropriated in the department's
22 budget. The report shall be submitted to the senate and house appropriations
23 committees, the house and senate fiscal agencies, and the state budget director. The
24 report shall include the following information:

25 (a) The dates of each travel occurrence.

26 (b) The transportation and related costs of each travel occurrence, including the
27 proportion funded with state general fund/general purpose revenues, the proportion

1 funded with state restricted revenues, the proportion funded with federal revenues,
2 and the proportion funded with other revenues.

3 Sec. 19-208. Funds appropriated in part 1 shall not be used by a principal
4 executive department, state agency, or authority to hire a person to provide legal
5 services that are the responsibility of the attorney general. This prohibition does
6 not apply to legal services for bonding activities and for those outside services that
7 the attorney general authorizes.

8 Sec. 19-209. Not later than November 30, the state budget office shall prepare
9 and transmit a report that provides for estimates of the total general fund/general
10 purpose appropriation lapses at the close of the prior fiscal year. This report shall
11 summarize the projected year-end general fund/general purpose appropriation lapses by
12 major departmental program or program areas. The report shall be transmitted to the
13 chairpersons of the senate and house appropriations committees, and the senate and
14 house fiscal agencies.

15 Sec. 19-210. (1) In addition to the funds appropriated in part 1, there is
16 appropriated an amount not to exceed \$200,000,000.00 for federal contingency funds.
17 These funds are not available for expenditure until they have been transferred to
18 another line item in this article under section 393(2) of the management and budget
19 act, 1984 PA 431, MCL 18.1393.

20 (2) In addition to the funds appropriated in part 1, there is appropriated an
21 amount not to exceed \$40,000,000.00 for state restricted contingency funds. These
22 funds are not available for expenditure until they have been transferred to another
23 line item in this article under section 393(2) of the management and budget act, 1984
24 PA 431, MCL 18.1393.

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

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

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

8 Sec. 19-211. The department shall cooperate with the department of technology,
9 management and budget to maintain a searchable website accessible by the public at no
10 cost that includes, but is not limited to, all of the following for each department or
11 agency:

12 (a) Fiscal year-to-date expenditures by category.

13 (b) Fiscal year-to-date expenditures by appropriation unit.

14 (c) Fiscal year-to-date payments to a selected vendor, including the vendor name,
15 payment date, payment amount, and payment description.

16 (d) The number of active department employees by job classification.

17 (e) Job specifications and wage rates.

18 Sec. 19-212. Within 14 days after the release of the executive budget
19 recommendation, the department shall cooperate with the state budget office to provide
20 the senate and house appropriations chairs, the senate and house appropriations
21 subcommittees chairs, and the senate and house fiscal agencies with an annual report
22 on estimated state restricted fund balances, state restricted fund projected revenues,
23 and state restricted fund expenditures for the fiscal years ending September 30, 2016
24 and September 30, 2017.

25 Sec. 19-213. The department shall maintain, on a publicly accessible website, a
26 department scorecard that identifies, tracks and regularly updates key metrics that
27 are used to monitor and improve the agency's performance.

1 Sec. 19-214. Total authorized appropriations from all sources under part 1 for
2 legacy costs for the fiscal year ending September 30, 2017 is \$70,450,500.00. From
3 this amount, total agency appropriations for pension-related legacy costs are
4 estimated at \$39,063,000.00. Total agency appropriations for retiree health care
5 legacy costs are estimated at \$31,387,500.00.

6 DEPARTMENTAL SECTIONS

7 Sec. 19-301. (1) The department may establish a fee schedule and collect fees
8 sufficient to cover the costs to issue the permits that the department is authorized
9 by law to issue upon request, unless otherwise stipulated by law. All permit fees are
10 nonrefundable application fees and shall be credited to the appropriate fund to
11 recover the direct and indirect costs of receiving, reviewing, and processing the
12 requests.

13 (2) A bridge authority shall hold 3 public hearings on an increase in any toll
14 charged by the authority at least 30 days before the toll change will become
15 effective. Two of the hearings shall be held within 5 miles of the bridge over which
16 the bridge authority has jurisdiction. One hearing shall be held in Lansing. Public
17 hearings held under this section shall be conducted in accordance with the open
18 meetings act, 1976 PA 267, MCL 15.261 to 15.275, and shall be conducted so as to
19 provide a reasonable opportunity for public comment, including both spoken and written
20 comments.

21 Sec. 19-304. If, as a requirement of bidding on a highway project, the department
22 requires a contractor to submit financial or proprietary documentation as to how the
23 bid was calculated, that bid documentation shall be kept confidential and shall not be
24 disclosed other than to a department representative without the contractor's written
25 consent. The department may disclose the bid documentation if necessary to address or
26 defend a claim by a contractor.

1 Sec. 19-305. (1) The department may permit space on public passenger
2 transportation properties to be occupied by public or private tenants on a competitive
3 market rate basis. The department shall require that revenue from the tenants be
4 placed in an account to be used to pay the costs to maintain and improve the property.

5 (2) The department shall charge public transit agencies and intercity bus
6 carriers equal rates per square foot for leasing space in state-owned intermodal
7 facilities.

8 Sec. 19-306. (1) The amounts appropriated in part 1 to support tax and fee
9 collection, law enforcement, and other program services provided to the department and
10 to transportation funds by other state departments shall be expended from
11 transportation funds pursuant to annual contracts between the department and those
12 other state departments. The contracts shall be executed prior to the expenditure or
13 obligation of those funds. The contracts shall provide, but are not limited to, the
14 following data applicable to each state department:

15 (a) Estimated costs to be recovered from transportation funds.

16 (b) Description of services provided to the department and/or transportation
17 funds and financed with transportation funds.

18 (c) Detailed cost allocation methods appropriate to the type of services being
19 provided and the activities financed with transportation funds.

20 (2) Not later than 2 months after publication of the state of Michigan
21 comprehensive annual financial report, each state department receiving funding
22 pursuant to an interdepartment contract with the department shall submit a written
23 report to the department, the state budget director, and the house and senate fiscal
24 agencies stating by spending authorization account the amount of estimated funds
25 contracted with the department, the amount of funds expended, the amount of funds
26 returned to the transportation funds, and any unreimbursed transportation-related
27 costs incurred but not billed to transportation funds. A copy of the report shall be

1 submitted to the auditor general, and the report shall be subject to audit.

2 Sec. 19-307. Before March 1 of each year, the department will provide to the
3 legislature, the state budget office, and the house and senate fiscal agencies its
4 rolling 5-year plan listing by county or by county road commission all highway
5 construction projects for the fiscal year and all expected projects for the ensuing
6 fiscal years.

7 Sec. 19-310. The department shall provide in a timely manner copies of the agenda
8 and approved minutes of monthly transportation commission meetings to the members of
9 the house and senate appropriations subcommittees on transportation, the house and
10 senate fiscal agencies, and the state budget director.

11 Sec. 19-313. (1) From funds appropriated in part 1, the department may increase a
12 state infrastructure bank program and grant or loan funds in accordance with
13 regulations of the state infrastructure bank program of the United States department
14 of transportation. The state infrastructure bank is to be administered by the
15 department for the purpose of providing a revolving, self-sustaining resource for
16 financing transportation infrastructure projects.

17 (2) In addition to funds provided in subsection (1), money received by the state
18 as federal grants, repayment of state infrastructure bank loans, or other
19 reimbursement or revenue received by the state as a result of projects funded by the
20 program and interest earned on that money shall be deposited in the revolving state
21 infrastructure bank fund and shall be available for transportation infrastructure
22 projects. At the close of the fiscal year, any unencumbered funds remaining in the
23 state infrastructure bank fund shall remain in the fund and be carried forward into
24 the succeeding fiscal year.

25 Sec. 19-383. (1) The department shall prepare a report on use of department-owned
26 aircraft during the fiscal year ending September 30, 2016. With respect to each
27 department-owned aircraft, the report shall include all of the following:

1 (a) Total hours of usage.

2 (b) Description of specific flights including dates of travel, names of
3 passengers including state agency, university, or local government affiliation, travel
4 origin and destination, and total estimated costs associated with the air travel.

5 (2) The report shall be submitted to the senate and house appropriations
6 subcommittees on transportation and the house and senate fiscal agencies no later than
7 February 1, 2017.

8 (3) The department shall maintain a system for recovering the cost of operating
9 department-owned aircraft through charges to aircraft users.

10 (4) From the funds appropriated in part 1, the department is prohibited from
11 transporting legislators or legislative staff on state-owned aircraft without prior
12 approval from the senate majority leader or the speaker of the house of
13 representatives and only when the aircraft is scheduled by state agencies on related
14 official business.

15 Sec. 19-384. (1) Except as otherwise provided in subsection (2), the department
16 shall not obligate the state to expend any state transportation revenue for
17 construction planning or construction of the Detroit River International Crossing or a
18 renamed successor. In addition, except as provided in subsection (2), the department
19 shall not commit the state to any new contract related to the construction planning or
20 construction of the Detroit River International Crossing or a renamed successor that
21 would obligate the state to expend any state transportation revenue. An expenditure
22 for staff resources used in connection with project activities, which expenditure is
23 subject to full and prompt reimbursement from Canada, shall not be considered an
24 expenditure of state transportation revenue.

25 (2) If the legislature enacts specific enabling legislation for the construction
26 of the Detroit River International Crossing or a renamed successor, subsection (1)
27 does not apply once the enabling legislation goes into effect.

1 Sec. 19-385. (1) The department shall submit reports to the state budget
2 director, the speaker of the house, the house minority leader, the senate majority
3 leader, the senate minority leader, the house and senate appropriations subcommittees
4 on transportation, and the house and senate fiscal agencies on department activities
5 related to all nonconstruction or construction planning activities related to the
6 Detroit River International Crossing or a renamed successor. The initial report shall
7 be submitted on or before December 1, 2016 and shall cover the fiscal year ending
8 September 30, 2016.

9 (2) The initial report shall include, at a minimum, all of the following:

10 (a) Department costs incurred in the fiscal year ending September 30, 2016,
11 including employee salaries, wages, benefits, travel, and contractual services, and
12 what activities those costs were related to.

13 (b) Costs of other executive branch agencies incurred in the fiscal year ending
14 September 30, 2016, including employee salaries, wages, benefits, travel, and
15 contractual services, and what activities those costs were related to.

16 (c) A breakdown of the source of funds used for the activities described in
17 subdivisions (a) and (b).

18 (d) A breakdown of reimbursements made by Canada under section 384(1) to the
19 state for expenditures for staff resources used in connection with project activities.

20 (e) A narrative description of the status of the Detroit River International
21 Crossing or a renamed successor, including efforts undertaken to implement provisions
22 of the crossing agreement executed June 15, 2012 by representatives of the Canadian
23 government and this state.

24 (3) After submission of the initial report, a subsequent report shall be
25 submitted on March 1, 2017, June 1, 2017, and September 1, 2017 and shall include the
26 same information described in subsection (2) for the applicable previous fiscal
27 quarter.

1 Sec. 19-395. From the funds appropriated in part 1 for state trunkline federal
2 aid road and bridge construction, the department may expend up to \$10,000,000.00 on
3 highway maintenance activities to support safety-related, high-priority and other
4 deferred routine maintenance needs on Michigan's state trunkline network.

5 FEDERAL

6 Sec. 19-402. A portion of the federal DOT-FHWA highway research, planning, and
7 construction funds made available to this state shall be allocated to transportation
8 programs administered by local jurisdictions in accordance with section 10o of 1951 PA
9 51, MCL 247.660o. A local road agency, with respect to a project approved for federal
10 aid funding in a state transportation improvement program, may enter into a voluntary
11 buyout agreement with the department or with another local road agency to exchange the
12 federal aid with state restricted transportation funds as agreed to by the respective
13 parties. The state restricted transportation funds received in exchange for federal
14 aid funds shall be used for the same purpose as the federal aid funds were originally
15 intended.

16 MICHIGAN TRANSPORTATION FUND

17 Sec. 19-501. The money received under the motor carrier act, 1933 PA 254, MCL
18 475.1 to 479.43, and not appropriated to the department of licensing and regulatory
19 affairs or the department of state police is deposited in the Michigan transportation
20 fund.

21 Sec. 19-503. (1) The funds appropriated in part 1 for the economic development
22 and local bridge programs shall not lapse at the end of the fiscal year but shall
23 carry forward each fiscal year for the purposes for which appropriated in accordance
24 with 1987 PA 231, MCL 247.901 to 247.913, and section 10(5) of 1951 PA 51, MCL
25 247.660.

1 (2) Interest earned in the department of transportation economic development fund
2 and local bridge fund shall remain in the respective funds and shall be allocated to
3 the respective programs based on actual interest earned at the end of each fiscal
4 year.

5 (3) In addition to the funds appropriated in part 1, the department of
6 transportation economic development fund and local bridge fund may receive federal,
7 local, or private funds or restricted source funds such as interest earnings. These
8 funds are appropriated for projects that are consistent with the purposes of the
9 respective funds.

10 (4) None of the funds statutorily dedicated to the transportation economic
11 development fund and local bridge fund shall be diverted to other projects.

12 Sec. 19-504. Funds from the Michigan transportation fund shall be distributed to
13 the comprehensive transportation fund, the economic development fund, the recreation
14 improvement fund, and the state trunkline fund, in accordance with this article and
15 part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL
16 324.71101 to 324.71108, and may only be used as specified in this article, 1951 PA 51,
17 MCL 247.651 to 247.675, and part 711 of the natural resources and environmental
18 protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

19 Sec. 19-505. If roads innovation funds are not released by a 1-time concurrent
20 resolution pursuant to section 1J(5) of 2015 PA 175, MCL 247.651J on or before October
21 1, 2016, The department shall prepare a report that specifies the portions of total
22 Michigan transportation fund distributions to be withheld from the state trunkline
23 fund and each local road agency. The department shall present the report to the senate
24 and house standing committees on transportation, the senate and house appropriations
25 subcommittees on transportation, the senate and house fiscal agencies, and the state
26 budget director on or before November 1, 2016.

1 STATE TRUNKLINE FUND

2 Sec. 19-604. At the close of the fiscal year, any unencumbered and unexpended
3 balance in the state trunkline fund shall remain in the state trunkline fund and shall
4 carry forward and is appropriated for federal aid road and bridge programs for
5 projects contained in the annual state transportation program.

6 TRANSIT AND RAIL RELATED FUNDS

7 Sec. 19-701. The department shall establish an intercity bus equipment and
8 facility fund as a subsidiary fund within the comprehensive transportation fund
9 created under section 10b of 1951 PA 51, MCL 247.660b. Proceeds received by this state
10 from the sale of state-owned intercity bus equipment shall be credited to the
11 intercity bus equipment and facility fund for the purchase and repair of intercity bus
12 equipment, as appropriated. Security deposits not returned to a lessee of state-owned
13 intercity bus equipment under terms of the lease agreement shall be credited to the
14 intercity bus equipment and facility fund for the repair of intercity bus equipment,
15 as appropriated. Money received by the department from lease payments for state-owned
16 intercity bus equipment, and facility maintenance charges under terms of leases of
17 state-owned intercity facilities, shall be credited to the intercity bus equipment and
18 facility fund for the purchase and repair of intercity bus equipment or for the
19 maintenance and rehabilitation of state-owned intercity facilities, as appropriated.
20 At the close of the fiscal year, any funds remaining in the intercity bus equipment
21 and facility fund shall remain in the fund and be carried forward into the succeeding
22 fiscal year.

23 Sec. 19-702. Money that is received by this state as repayment for loans made for
24 rail or water freight capital projects, and as a result of the sale of property or
25 equipment used or projected to be used for rail or water freight projects shall be
26 deposited in the rail freight fund created by section 17 of the state transportation

1 preservation act of 1976, 1976 PA 295, MCL 474.67. At the close of the fiscal year,
2 any funds remaining in the rail freight fund shall remain in the fund and be carried
3 forward into the succeeding fiscal year.

4 Sec. 19-706. The Detroit/Wayne County port authority shall issue a complete
5 operations assessment and a financial disclosure statement. The operations assessment
6 shall include operational goals for the next 5 years and recommendations to improve
7 land acquisition and development efficiency. The report shall be completed and
8 submitted to the house of representatives and senate appropriations subcommittees on
9 transportation, the state budget director, and the house and senate fiscal agencies by
10 February 15 of each fiscal year for the prior fiscal year.

11 Sec. 19-735. For the fiscal year ending September 30, 2017, the appropriation to
12 a street railway pursuant to section 10e(22) of 1951 PA 51, MCL 247.660e, is \$0.

13 AERONAUTICS FUND

14 Sec. 19-801. Except as otherwise provided in section 903 for capital outlay, at
15 the close of the fiscal year, any unobligated and unexpended balance in the state
16 aeronautics fund created in the aeronautics code of the state of Michigan, 1945 PA
17 327, MCL 259.1 to 259.208, shall lapse to the state aeronautics fund and be
18 appropriated by the legislature in the immediately succeeding fiscal year.

19 CAPITAL OUTLAY

20 Sec. 19-901. (1) From federal-state-local project appropriations contained in
21 part 1 for the purpose of assisting political entities and subdivisions of this state
22 in the construction and improvement of publicly used airports and landing fields
23 within this state, the state transportation department may permit the award of
24 contracts on behalf of units of local government for the authorized locations not to
25 exceed the indicated amounts, of which the state allocated portion shall not exceed

1 the amount appropriated in part 1.

2 (2) Political entities and subdivisions shall provide not less than 5% of the
3 cost of any project under this section, unless a total nonfederal share greater than
4 10% is otherwise specified in federal law. State money shall not be allocated until
5 local money is allocated. State money for any 1 project shall not exceed 1/3 of the
6 total appropriation in part 1 from state funds for airport improvement programs.

7 (3) The Michigan aeronautics commission may take those steps necessary to match
8 federal money available for airport construction and improvement within this state and
9 to meet the matching requirements of the federal government. Whether acting alone or
10 jointly with another political subdivision or public agency or with this state, a
11 political subdivision or public agency of this state shall not submit to any agency of
12 the federal government a project application for airport planning or development
13 unless it is authorized in this article and the project application is approved by the
14 governing body of each political subdivision or public agency making the application
15 and by the Michigan aeronautics commission.

16 Sec. 19-903. The appropriations in part 1 for capital outlay shall be carried
17 forward at the end of the fiscal year consistent with the provisions of section 248 of
18 the management and budget act, 1984 PA 431, MCL 18.1248.

Article 20

DEPARTMENT OF TREASURY

PART 1

LINE-ITEM APPROPRIATIONS AND ANTICIPATED APPROPRIATIONS

Sec. 20-101. Subject to the conditions set forth in this article, the amounts listed in this part for the department of treasury are appropriated for the fiscal year ending September 30, 2017, and are anticipated to be appropriated for the fiscal year ending September 30, 2018, from the funds indicated in this part. The following is a summary of the appropriations and anticipated appropriations in this part:

DEPARTMENT OF TREASURY

APPROPRIATION SUMMARY

Full-time equated unclassified positions.....	10.0	10.0
Full-time equated classified positions.....	1,906.5	1,906.5
GROSS APPROPRIATION	\$ 1,910,747,400	\$ 1,909,341,400
Total interdepartmental grants and intradepartmental transfers.....	11,250,600	11,250,600
ADJUSTED GROSS APPROPRIATION	\$ 1,899,496,800	\$ 1,898,090,800
Total federal revenues	39,954,200	39,954,200
Total local revenues	9,265,700	9,265,700
Total private revenues	26,700	26,700
Total other state restricted revenues	1,615,304,400	1,635,282,900
State general fund/general purpose	\$ 234,945,800	\$ 213,561,300
<i>State general fund/general purpose schedule:</i>		
Ongoing state general fund/general purpose	232,103,300	213,561,300
One-time state general fund/general purpose	2,842,500	0
Sec. 20-102. EXECUTIVE DIRECTION		
Full-time equated unclassified positions.....	10.0	10.0

1	Full-time equated classified positions	52.0		52.0
2	Unclassified positions-10.0 FTE positions	\$ 995,500	\$	995,500
3	Executive direction and operations-52.0 FTE positions .	<u>9,328,400</u>		<u>9,328,400</u>
4	GROSS APPROPRIATION	\$ 10,323,900	\$	10,323,900
5	Appropriated from:			
6	Federal revenues:			
7	DED-OPSE, federal lenders allowance	20,000		20,000
8	DED-OPSE higher education act of 1965 insured loans ...	45,000		45,000
9	Local - city income tax fund	101,900		101,900
10	Special revenue funds:			
11	Delinquent tax collection revenue	2,159,800		2,159,800
12	State lottery fund	288,700		288,700
13	State services fee fund	328,200		328,200
14	State general fund/general purpose	\$ 7,380,300	\$	7,380,300
15	Sec. 20-103. DEPARTMENTWIDE APPROPRIATIONS			
16	Rent and building occupancy charges-property management			
17	services	\$ 6,047,400	\$	6,047,400
18	Workers' compensation insurance premium	<u>36,400</u>		<u>36,400</u>
19	GROSS APPROPRIATION	\$ 6,083,800	\$	6,083,800
20	Appropriated from:			
21	Special revenue funds:			
22	Delinquent tax collection revenue	2,890,600		2,890,600
23	State general fund/general purpose	\$ 3,193,200	\$	3,193,200
24	Sec. 20-104. LOCAL GOVERNMENT PROGRAMS			
25	Full-time equated classified positions	111.0		111.0
26	Supervision of the general property tax law-86.0 FTE			
27	positions	\$ 14,590,200	\$	14,590,200

1	Property tax assessor training-4.0 FTE positions	1,040,400	1,040,400
2	Local finance-21.0 FTE positions	<u>2,607,000</u>	<u>2,607,000</u>
3	GROSS APPROPRIATION	\$ 18,237,600	\$ 18,237,600
4	Appropriated from:		
5	Special revenue funds:		
6	Local-assessor training fees	1,040,400	1,040,400
7	Local-audit charges	825,800	825,800
8	Local-equalization study charge-backs	40,000	40,000
9	Local-revenue from local government	100,000	100,000
10	Delinquent tax collection revenue	1,514,700	1,514,700
11	Land reutilization fund	2,044,000	2,044,000
12	Municipal finance fees	544,900	544,900
13	State general fund/general purpose	\$ 12,127,800	\$ 12,127,800
14	Sec. 20-105. TAX PROGRAMS		
15	Full-time equated classified positions	774.0	774.0
16	Tax compliance-340.0 FTE positions	\$ 45,075,300	\$ 45,075,300
17	Tax and economic policy-75.0 FTE positions	11,570,600	11,570,600
18	Tax processing-331.0 FTE positions	37,376,900	37,376,900
19	Health insurance claims fund-15.0 FTE positions	2,070,500	2,070,500
20	Home heating assistance	3,086,200	3,086,200
21	Tobacco tax enforcement-13.0 FTE positions	1,509,100	1,509,100
22	Bottle bill implementation	<u>250,000</u>	<u>250,000</u>
23	GROSS APPROPRIATION	\$ 100,938,600	\$ 100,938,600
24	Appropriated from:		
25	Interdepartmental grant revenues:		
26	IDG from MDOT-Michigan transportation fund	2,284,100	2,284,100
27	IDG from MDOT-state aeronautics fund	72,200	72,200

1	Federal revenues:			
2	HHS-SSA, low income energy assistance	3,086,200		3,086,200
3	Special revenue funds:			
4	Emergency 911 fund	158,700		158,700
5	Bottle deposit fund	250,000		250,000
6	Delinquent tax collection revenue	70,557,200		70,557,200
7	Health insurance claims assessment fund	2,070,500		2,070,500
8	Tobacco tax revenue	4,109,300		4,109,300
9	Waterways fund	107,100		107,100
10	State general fund/general purpose	\$ 18,243,300	\$	18,243,300
11	Sec. 20-106. FINANCIAL AND ADMINISTRATIVE SERVICES			
12	Full-time equated classified positions	381.0		381.0
13	Departmental services-88.0 FTE positions	\$ 9,180,500	\$	9,180,500
14	Unclaimed property-29.0 FTE positions	4,835,300		4,835,300
15	Office of collections-202.0 FTE positions	26,255,100		26,255,100
16	Office of accounting services-24.0 FTE positions	2,491,400		2,491,400
17	Office of financial services-38.0 FTE positions	<u>4,478,500</u>		<u>4,478,500</u>
18	GROSS APPROPRIATION	\$ 47,240,800	\$	47,240,800
19	Appropriated from:			
20	Interdepartmental grant revenues:			
21	IDG-levy/warrant cost assessment fees	2,335,000		2,335,000
22	IDG-State agency collection fees	4,341,700		4,341,700
23	IDG-from MDHHS title IV-D	776,000		776,000
24	IDG-data/collection service fees	336,600		336,600
25	IDG-from accounting service center user charges	494,500		494,500
26	Special revenue funds:			
27	Delinquent tax collection revenue	27,387,100		27,387,100

1	Escheats revenue	4,835,300	4,835,300
2	Justice system fund	428,100	428,100
3	Garnishment fees	2,636,100	2,636,100
4	State restricted indirect funds	278,600	278,600
5	Treasury fees	47,200	47,200
6	State general fund/general purpose	\$ 3,344,600	\$ 3,344,600
7	Sec. 20-107. FINANCIAL PROGRAMS		
8	Full-time equated classified positions	210.5	210.5
9	Investments-82.0 FTE positions	\$ 20,594,200	\$ 20,594,200
10	Common cash and debt management-21.5 FTE positions	1,666,200	1,666,200
11	Student financial assistance programs-25.5 FTE		
12	positions.....	2,683,300	2,683,300
13	Dual enrollment payments	1,507,600	1,507,600
14	Michigan finance authority bond finance programs-72.5		
15	FTE positions.....	38,856,600	38,856,600
16	Financial independence team-9.0 FTE positions	3,729,500	3,729,500
17	John R. Justice grant program	<u>288,100</u>	<u>288,100</u>
18	GROSS APPROPRIATION	\$ 69,325,500	\$ 69,325,500
19	Appropriated from:		
20	Interdepartmental grant revenues:		
21	IDG, fiscal agent service fees	210,500	210,500
22	Federal revenues:		
23	Federal - John R. Justice grant	288,100	288,100
24	DED-OPSE, federal lenders allowance	10,686,100	10,686,100
25	DED-OPSE, higher education act of 1965, insured loans .	25,169,600	25,169,600
26	Special revenue funds:		
27	Defined contribution administrative fee revenue	100,000	100,000

1	MFA, bond and loan program revenue	2,944,600	2,944,600
2	School bond fees	854,300	854,300
3	Michigan merit awards trust fund	1,163,800	1,163,800
4	Retirement funds	19,016,000	19,016,000
5	Treasury fees	1,694,600	1,694,600
6	State general fund/general purpose	\$ 7,197,900	\$ 7,197,900
7	Sec. 20-108. DEBT SERVICE		
8	Quality of life bond	\$ 28,687,000	\$ 21,664,000
9	Clean Michigan initiative	89,477,000	63,308,000
10	Great lakes water quality bond	<u>18,873,000</u>	<u>33,523,000</u>
11	GROSS APPROPRIATION	\$ 137,037,000	\$ 118,495,000
12	Appropriated from:		
13	Special revenue funds:		
14	State general fund/general purpose	\$ 137,037,000	\$ 118,495,000
15	Sec. 20-109. GRANTS		
16	Convention facility development distribution	\$ 90,950,000	\$ 90,950,000
17	Senior citizen cooperative housing tax exemption	10,520,000	10,520,000
18	Emergency 911 payments	27,000,000	27,000,000
19	Health and safety fund grants	<u>9,000,000</u>	<u>9,000,000</u>
20	GROSS APPROPRIATION	\$ 137,470,000	\$ 137,470,000
21	Appropriated from:		
22	Special revenue funds:		
23	Convention facility development fund	90,950,000	90,950,000
24	Health and safety fund	9,000,000	9,000,000
25	Emergency 911 fund	27,000,000	27,000,000
26	State general fund/general purpose	\$ 10,520,000	\$ 10,520,000
27	Sec. 20-110. BUREAU OF STATE LOTTERY		

1	Full-time equated classified positions	183.0		183.0
2	Lottery operations-183.0 FTE positions	\$ 24,760,300	\$	24,760,300
3	Lottery information and technology services and projects	<u>5,239,600</u>		<u>5,239,600</u>
4	GROSS APPROPRIATION	\$ 29,999,900	\$	29,999,900
5	Appropriated from:			
6	Special revenue funds:			
7	State lottery fund	29,999,900		29,999,900
8	State general fund/general purpose	\$ 0	\$	0
9	Sec. 20-111. CASINO GAMING			
10	Full-time equated classified positions	142.0		142.0
11	Michigan gaming control board	\$ 50,000	\$	50,000
12	Casino gaming control administration-132.0 FTE positions	26,196,700		26,196,700
13	Casino gaming information technology services and			
14	projects	2,512,700		2,512,700
15	Racing commission-10.0 FTE positions	<u>1,962,600</u>		<u>1,962,600</u>
16	GROSS APPROPRIATION	\$ 30,722,000	\$	30,722,000
17	Appropriated from:			
18	Special revenue funds:			
19	Casino gambling agreements	942,700		942,700
20	Equine development fund	2,085,300		2,085,300
21	Laboratory fees	700,000		700,000
22	State services fee fund	26,994,000		26,994,000
23	State general fund/general purpose	\$ 0	\$	0
24	Sec. 20-112. PAYMENTS IN LIEU OF TAXES			
25	Commercial forest reserve	\$ 3,368,100	\$	3,368,100
26	Purchased lands	8,425,100		8,425,100
27	Swamp and tax reverted lands	<u>15,605,600</u>		<u>15,605,600</u>

1	GROSS APPROPRIATION	\$	27,398,800	\$	27,398,800
2	Appropriated from:				
3	Special revenue funds:				
4	Game and fish protection fund		2,919,700		2,919,700
5	Michigan natural resources trust fund		2,004,600		2,004,600
6	Michigan state waterways fund		253,200		253,200
7	Private funds		26,700		26,700
8	State general fund/general purpose	\$	22,194,600	\$	22,194,600
9	Sec. 20-113. REVENUE SHARING				
10	Constitutional state general revenue sharing grants ...	\$	781,501,400	\$	806,679,900
11	County incentive program		43,033,500		43,033,500
12	City, village, and township revenue sharing		243,040,000		243,040,000
13	County revenue sharing		172,134,000		172,134,000
14	Financially distressed cities, villages, and townships		5,000,000		5,000,000
15	Competitive grant assistance program		<u>5,800,000</u>		<u>5,800,000</u>
16	GROSS APPROPRIATION	\$	1,250,508,900	\$	1,275,687,400
17	Appropriated from:				
18	Special revenue funds:				
19	Sales tax		1,250,508,900		1,275,687,400
20	State general fund/general purpose	\$	0	\$	0
21	Sec. 20-114. STATE BUILDING AUTHORITY				
22	Full-time equated classified positions		4.0		4.0
23	State building authority-4.0 FTE positions	\$	<u>725,200</u>	\$	<u>725,200</u>
24	GROSS APPROPRIATION	\$	725,200	\$	725,200
25	Appropriated from:				
26	Special revenue funds:				
27	State building authority revenue		725,200		725,200

1	State general fund/general purpose	\$	0	\$	0
2	Sec. 20-115. CITY INCOME TAX ADMINISTRATION PROGRAM				
3	Full-time equated classified positions		49.0		49.0
4	City income tax administration-49.0 FTE positions	\$	<u>5,879,100</u>	\$	<u>5,879,100</u>
5	GROSS APPROPRIATIONS	\$	5,879,100	\$	5,879,100
6	Appropriated from:				
7	Special revenue funds:				
8	Local-city income tax fund		5,879,100		5,879,100
9	State general fund/general purpose	\$	0	\$	0
10	Sec. 20-116. INFORMATION TECHNOLOGY				
11	Treasury operations information technology service and				
12	projects	\$	<u>30,813,800</u>	\$	<u>30,813,800</u>
13	GROSS APPROPRIATION	\$	30,813,800	\$	30,813,800
14	Appropriated from:				
15	Interdepartmental grant revenues:				
16	IDG, from MDOT Michigan transportation fund		400,000		400,000
17	Federal revenues:				
18	DED-OPSE federal lenders allowance		659,200		659,200
19	Special revenue funds:				
20	Local-city income tax fund		1,278,500		1,278,500
21	Tobacco tax revenue		135,900		135,900
22	Delinquent tax collection revenue		16,668,400		16,668,400
23	Retirement funds		807,200		807,200
24	State general fund/general purpose	\$	10,864,600	\$	10,864,600
25	Sec. 20-117. ONE-TIME APPROPRIATIONS				
26	Competitive grant assistance program	\$	5,200,000	\$	0
27	Free individual tax E-file		<u>2,842,500</u>		<u>0</u>

1	GROSS APPROPRIATION	\$	8,042,500	\$	0
2	Appropriated from:				
3	Special revenue funds				
4	Sales tax		5,200,000		0
5	State general fund/general purpose	\$	2,842,500	\$	0

6

PART 2

7

PROVISIONS CONCERNING APPROPRIATIONS

8

FISCAL YEAR 2017

9 GENERAL SECTIONS

10 Sec. 20-201. Pursuant to section 30 of article IX of the state constitution of

11 1963, total state spending from state resources under part 1 for fiscal year 2016-2017

12 is \$1,850,250,200.00 and state spending from state resources to be paid to local units

13 of government for fiscal year 2016-2017 is \$1,441,979,600.00. The itemized statement

14 below identifies appropriations from which spending to local units of government will

15 occur:

16 DEPARTMENT OF TREASURY

17	Senior citizen cooperative housing tax exemption program	\$			10,520,000
18	Health and safety fund grants				9,000,000
19	Constitutional state general revenue sharing grants				781,501,400
20	City, village, and township revenue sharing				243,040,000
21	Convention facility development fund distribution				90,950,000
22	Emergency 911 payments				23,800,000
23	Financially distressed cities, villages, and townships				5,000,000
24	County incentive program				43,033,500
25	County revenue sharing payments				172,134,000

1	Airport parking distribution pursuant to section 909	24,601,900
2	Payments in lieu of taxes	27,398,800
3	Competitive grant assistance program	<u>11,000,000</u>
4	TOTAL	\$ 1,441,979,600

5 Sec. 20-202. The appropriations authorized under this article are subject to the
6 management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

7 Sec. 20-203. As used in this article:

- 8 (a) "DED" means the United States department of education.
- 9 (b) "DED-OPSE" means the DED office of post secondary education.
- 10 (c) "Department" means the department of treasury.
- 11 (d) "Director" means the director of the department.
- 12 (e) "FTE" means full-time equated.
- 13 (f) "HHS" means the United States department of health and human services.
- 14 (g) "HHS-SSA" means HHS social security administration.
- 15 (h) "IDG" means interdepartmental grant.
- 16 (i) "JCOS" means the joint capital outlay subcommittee.
- 17 (j) "MDHHS" means the Michigan department of health and human services.
- 18 (k) "MDOT" means the Michigan department of transportation.
- 19 (l) "MFA" means the Michigan finance authority.
- 20 (m) "Title IV-D" means part D of title IV of the social security act, 42 USC 65
21 to 669b.

22 Sec. 20-204. The departments and agencies receiving appropriations in part 1
23 shall use the Internet to fulfill the reporting requirements of this article. This
24 requirement may include transmission of reports via electronic mail to the recipients
25 identified for each reporting requirement, or it may include placement of reports on
26 an Internet or Intranet site.

27 Sec. 20-205. Funds appropriated in part 1 shall not be used for the purchase of

1 foreign goods or services, or both, if competitively priced and of comparable quality
2 American goods or services, or both, are available. Preference shall be given to goods
3 or services, or both, manufactured or provided by Michigan businesses, if they are
4 competitively priced and of comparable quality. In addition, preference should be
5 given to goods or services, or both, that are manufactured or provided by Michigan
6 businesses owned and operated by veterans, if they are competitively priced and of
7 comparable quality.

8 Sec. 20-206. The director shall take all reasonable steps to ensure businesses in
9 deprived and depressed communities compete for and perform contracts to provide
10 services or supplies, or both. Each director shall strongly encourage firms with which
11 the department contracts to subcontract with certified businesses in depressed and
12 deprived communities for services, supplies, or both.

13 Sec. 20-207. The departments and agencies receiving appropriations in part 1
14 shall prepare a report on out-of-state travel expenses not later than January 1 of
15 each year. The travel report shall be a listing of all travel by classified and
16 unclassified employees outside this state in the immediately preceding fiscal year
17 that was funded in whole or in part with funds appropriated in the department's
18 budget. The report shall be submitted to the senate and house appropriations
19 committees, the house and senate fiscal agencies, and the state budget director. The
20 report shall include the following information:

21 (a) The dates of each travel occurrence.

22 (b) The transportation and related costs of each travel occurrence, including the
23 proportion funded with state general fund/general purpose revenues, the proportion
24 funded with state restricted revenues, the proportion funded with federal revenues,
25 and the proportion funded with other revenues.

26 Sec. 20-208. Funds appropriated in part 1 shall not be used by a principal
27 executive department, state agency, or authority to hire a person to provide legal

1 services that are the responsibility of the attorney general. This prohibition does
2 not apply to legal services for bonding activities and for those outside services that
3 the attorney general authorizes.

4 Sec. 20-209. Not later than November 30, the state budget office shall prepare
5 and transmit a report that provides for estimates of the total general fund/general
6 purpose appropriation lapses at the close of the prior fiscal year. This report shall
7 summarize the projected year-end general fund/general purpose appropriation lapses by
8 major departmental program or program areas. The report shall be transmitted to the
9 chairpersons of the senate and house appropriations committees, and the senate and
10 house fiscal agencies.

11 Sec. 20-210. (1) In addition to the funds appropriated in part 1, there is
12 appropriated an amount not to exceed \$1,000,000.00 for federal contingency funds.
13 These funds are not available for expenditure until they have been transferred to
14 another line item in this article under section 393(2) of the management and budget
15 act, 1984 PA 431, MCL 18.1393.

16 (2) In addition to the funds appropriated in part 1, there is appropriated an
17 amount not to exceed \$10,000,000.00 for state restricted contingency funds. These
18 funds are not available for expenditure until they have been transferred to another
19 line item in this article under section 393(2) of the management and budget act, 1984
20 PA 431, MCL 18.1393.

21 (3) In addition to the funds appropriated in part 1, there is appropriated an
22 amount not to exceed \$200,000.00 for local contingency funds. These funds are not
23 available for expenditure until they have been transferred to another line item in
24 this article under section 393(2) of the management and budget act, 1984 PA 431, MCL
25 18.1393.

26 (4) In addition to the funds appropriated in part 1, there is appropriated an
27 amount not to exceed \$40,000.00 for private contingency funds. These funds are not

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

4 Sec. 20-211. The department shall cooperate with the department of technology,
5 management and budget to maintain a searchable website accessible by the public at no
6 cost that includes, but is not limited to, all of the following for each department or
7 agency:

8 (a) Fiscal year-to-date expenditures by category.

9 (b) Fiscal year-to-date expenditures by appropriation unit.

10 (c) Fiscal year-to-date payments to a selected vendor, including the vendor name,
11 payment date, payment amount, and payment description.

12 (d) The number of active department employees by job classification.

13 (e) Job specifications and wage rates.

14 Sec. 20-212. Within 14 days after the release of the executive budget
15 recommendation, the department shall cooperate with the state budget office to provide
16 the senate and house appropriations chairs, the senate and house appropriations
17 subcommittees chairs, and the senate and house fiscal agencies with an annual report
18 on estimated state restricted fund balances, state restricted fund projected revenues,
19 and state restricted fund expenditures for the fiscal years ending September 30, 2016
20 and September 30, 2017.

21 Sec. 20-213. The department shall maintain, on a publicly accessible website, a
22 department scorecard that identifies, tracks and regularly updates key metrics that
23 are used to monitor and improve the agency's performance.

24 Sec. 20-214. Total authorized appropriations from all department of treasury
25 sources under part 1 for legacy costs for the fiscal year ending September 30, 2017 is
26 \$49,651,800.00. From this amount, total department of treasury appropriations for
27 pension-related legacy costs are estimated at \$27,530,500.00. Total department of

1 treasury appropriations for retiree health care legacy costs are estimated at
2 \$22,121,300.00.

3 Sec. 20-215. Funds appropriated in part 1 shall not be used by this state, a
4 department, an agency, or an authority of this state to purchase an ownership interest
5 in a casino enterprise or a gambling, operation as those terms are defined in the
6 Michigan gaming control and revenue act, 1996 IL, MCL 432.201 to 432.226.

7 **DEPARTMENT OF TREASURY OPERATIONS**

8 Sec. 20-902. (1) Amounts needed to pay for interest, fees, principal, mandatory
9 and optional redemptions, arbitrage rebates as required by federal law, and costs
10 associated with the payment, registration, trustee services, credit enhancements, and
11 issuing costs in excess of the amount appropriated to the department of treasury in
12 part 1 for debt service on notes and bonds that are issued by the state under sections
13 14, 15, and 16 of article IX of the state constitution of 1963 as implemented by 1967
14 PA 266, MCL 17.451 to 17.455, are appropriated.

15 (2) In addition to the amount appropriated to the department of treasury for debt
16 service in part 1, there is appropriated an amount for fiscal year cash-flow borrowing
17 costs to pay for interest on interfund borrowing made under 1967 PA 55, MCL 12.51 to
18 12.53.

19 (3) In addition to the amount appropriated to the department of treasury for debt
20 service in part 1, there is appropriated all repayments received by the state on loans
21 made from the school bond loan fund not required to be deposited in the school loan
22 revolving fund by or pursuant to section 4 of 1961 PA 112, MCL 388.984, to the extent
23 determined by the state treasurer, for the payment of debt service, including, without
24 limitation, optional and mandatory redemptions, on bonds, notes or commercial paper
25 issued by the state pursuant to 1961 PA 112, MCL 388.981 to 388.985.

26 Sec. 20-903. (1) From the funds appropriated in part 1, the department of

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

11 (2) From the funds appropriated in part 1, the department of treasury may
12 contract with private collections agencies and law firms to collect defaulted student
13 loans and other accounts due the Michigan guaranty agency. In addition to the amounts
14 appropriated in part 1 to the department of treasury, there are appropriated amounts
15 necessary to fund collection costs and fees not to exceed 24.34% of the collection or
16 a lesser amount as prescribed by the contract. The appropriation to fund collection
17 costs and fees for the auditing and collection of defaulted student loans due the
18 Michigan guaranty agency is from the fund or account to which the revenues being
19 collected are recorded or dedicated.

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

26 Sec. 20-904. (1) The department of treasury, through its bureau of investments,
27 may charge an investment service fee against the applicable retirement funds. The fees

1 may be expended for necessary salaries, wages, contractual services, supplies,
2 materials, equipment, travel, worker's compensation insurance premiums, and grants to
3 the civil service commission and state employees' retirement funds. Service fees shall
4 not exceed the aggregate amount appropriated in part 1. The department of treasury
5 shall maintain accounting records in sufficient detail to enable the retirement funds
6 to be reimbursed periodically for fee revenue that is determined by the department of
7 treasury to be surplus.

8 (2) In addition to the funds appropriated in part 1 from the retirement funds to
9 the department of treasury, there is appropriated from retirement funds an amount
10 sufficient to pay for the services of money managers, investment advisors, investment
11 consultants, custodians, and other outside professionals, the state treasurer
12 considers necessary to prudently manage the retirement funds' investment portfolios.
13 The state treasurer shall report annually to the senate and house of representatives
14 standing committees on appropriations and the state budget office concerning the
15 performance of each portfolio by investment advisor.

16 Sec. 20-904a. (1) There is appropriated an amount sufficient to recognize and pay
17 expenditures for financial services provided by financial institutions as provided
18 under section (1) of 1861 PA 111, MCL 21.181.

19 (2) The appropriations under subsection (1) shall be funded by restricting
20 revenues from common cash interest earnings and investment earnings in an amount
21 sufficient to record these expenditures. If the amounts of common cash interest
22 earnings are insufficient to cover these costs, then miscellaneous revenues shall be
23 used to fund the remaining balance of these expenditures.

24 Sec. 20-905. A revolving fund known as the municipal finance fee fund is created
25 in the department of treasury. Fees are established under the revised municipal
26 finance act, 2001 PA 34, MCL 141.2101 to 141.2821, and the fees collected shall be
27 credited to the municipal finance fee fund and may be carried forward for future

1 appropriation.

2 Sec. 20-906. (1) The department of treasury shall charge for audits as permitted
3 by state or federal law or under contractual arrangements with local units of
4 government, other principal executive departments, or state agencies. A report
5 detailing audits performed and audit charges for the immediately preceding fiscal year
6 shall be submitted to the state budget director and the senate and house fiscal
7 agencies not later than November 30.

8 (2) A revolving fund known as the audit charges fund is created in the department
9 of treasury. The contractual charges collected shall be credited to the audit charges
10 fund and may be carried forward for future appropriation.

11 Sec. 20-907. A revolving fund known as the assessor certification and training
12 fund is created in the department of treasury. The assessor certification and training
13 fund shall be used to organize and operate a property assessor certification and
14 training program. Each participant certified and trained shall pay to the department
15 of treasury examination fees not to exceed \$50.00 per examination and certification
16 fees not to exceed \$175.00. Training courses shall be offered in assessment
17 administration. Each participant shall pay a fee to cover the expenses incurred in
18 offering the optional programs to certified assessing personnel and other individuals
19 interested in an assessment career opportunity. The fees collected shall be credited
20 to the assessor certification and training fund.

21 Sec. 20-908. The amount appropriated in part 1 to the department of treasury,
22 home heating assistance program, is to cover the costs, including data processing, of
23 administering federal home heating credits to eligible claimants and to administer the
24 supplemental fuel cost payment program for eligible tax credit and welfare recipients.

25 Sec. 20-909. Revenue from the airport parking tax act, 1987 PA 248, MCL 207.371
26 to 207.383, is appropriated and shall be distributed under section 7a of the airport
27 parking tax act, 1987 PA 248, MCL 207.377a.

1 Sec. 20-910. The disbursement by the department of treasury from the bottle
2 deposit fund to dealers as required by section 3c(2) of 1976 IL 1, MCL 445.573c, is
3 appropriated.

4 Sec. 20-911. (1) There is appropriated an amount sufficient to recognize and pay
5 refundable income tax credits as provided by the management and budget act, 1984 PA
6 431, MCL 18.1101 to 18.1594.

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

9 Sec. 20-912. A plaintiff in a garnishment action involving this state shall pay
10 to the state treasurer 1 of the following:

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

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

17 Sec. 20-913. (1) The department of treasury may contract with private firms to
18 appraise and, if necessary, appeal the assessments of senior citizen cooperative
19 housing units. Payment for this service shall be from savings resulting from the
20 appraisal or appeal process.

21 (2) Of the funds appropriated in part 1 to the department of treasury for the
22 senior citizens' cooperative housing tax exemption program, a portion may be utilized
23 for a program audit of the program. The department of treasury shall forward copies of
24 any audit report completed to the senate and house of representatives standing
25 committees on appropriations subcommittees on general government and to the state
26 budget office. The department of treasury may utilize up to 1% of the funds for
27 program administration and auditing.

1 Sec. 20-914. The department of treasury may provide a \$200.00 annual prize from
2 the Ehlers internship award account in the gifts, bequests, and deposit fund to the
3 runner-up of the Rosenthal prize for interns. The Ehlers internship award account is
4 interest bearing.

5 Sec. 20-915. Pursuant to section 61 of the Michigan campaign finance act, 1976 PA
6 388, MCL 169.261, there is appropriated from the general fund to the state campaign
7 fund an amount equal to the amounts designated for tax year 2015. Except as otherwise
8 provided in this section, the amount appropriated shall not revert to the general fund
9 and shall remain in the state campaign fund. Any amounts remaining in the state
10 campaign fund in excess of \$10,000,000.00 on December 31 shall revert to the general
11 fund.

12 Sec. 20-916. The department of treasury may make available to interested entities
13 otherwise unavailable customized unclaimed property listings of nonconfidential
14 information in its possession. The charge for this information is as follows: 1 to
15 100,000 records at 2.5 cents per record and 100,001 or more records at .5 cents per
16 record. The revenue received from this service shall be deposited to the appropriate
17 revenue account or fund. The department shall submit an annual report on or before
18 June 1 to the state budget director and the senate and house of representatives
19 standing committees on appropriations that states the amount of revenue received from
20 the sale of information.

21 Sec. 20-917. There is appropriated for write-offs and advances an amount equal to
22 total write-offs and advances for departmental programs, but not to exceed current
23 year authorizations that would otherwise lapse to the general fund.

24 Sec. 20-919. (1) From funds appropriated in part 1, the department of treasury
25 may contract with private auditing firms to audit for and collect unclaimed property
26 due this state in accordance with the uniform unclaimed property act, 1995 PA 29, MCL
27 567.221 to 567.265. In addition to the amounts appropriated in part 1 to the

1 department of treasury, there are appropriated amounts necessary to fund auditing and
2 collection costs and fees not to exceed 12% of the collections, or a lesser amount as
3 prescribed by the contract. The appropriation to fund collection costs and fees for
4 the auditing and collection of unclaimed property due this state is from the fund or
5 account to which the revenues being collected are recorded or dedicated.

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

12 Sec. 20-924. (1) In addition to the funds appropriated in part 1, the department
13 of treasury may receive and expend principal residence audit fund revenue for
14 administration of principal residence audits under the general property tax act, 1893
15 PA 206, MCL 211.1 to 211.155.

16 (2) The department of treasury shall submit a report for the immediately
17 preceding fiscal year to the state budget director and the senate and house fiscal
18 agencies not later than December 31 stating the amount of exemptions denied and the
19 revenue received under the program.

20 Sec. 20-926. Unexpended appropriations of the John R. Justice grant program are
21 designated as work project appropriations and shall not lapse at the end of the fiscal
22 year and shall continue to be available for expenditure until the project has been
23 completed. The following is in compliance with section 451a of the management and
24 budget act, 1984 PA 431, MCL 18.1451a:

25 (a) The purpose of the project is to provide student loan forgiveness to
26 qualified public defenders and prosecutors.

27 (b) The project will be accomplished by utilizing state employees or contracts

1 with private vendors, or both.

2 (c) The total estimated cost of the project is \$288,100.00.

3 (d) The tentative completion date is September 30, 2018.

4 Sec. 20-928. The department of treasury may provide receipt, warrant and cash
5 processing, data, collection, investment, fiscal agent, levy and warrant cost
6 assessment, writ of garnishment, and other user services on a contractual basis for
7 other principal executive departments and state agencies. Funds for the services
8 provided are appropriated and shall be expended for salaries and wages, fees,
9 supplies, and equipment necessary to provide the services. Any unobligated balance of
10 the funds received shall revert to the general fund of this state as of September 30.

11 Sec. 20-930. (1) The department of treasury shall provide accounts receivable
12 collections services to other principal executive departments and state agencies under
13 1927 PA 375, MCL 14.131 to 14.134. The department of treasury shall deduct a fee equal
14 to the cost of collections from all receipts except unrestricted general fund
15 collections. Fees shall be credited to a restricted revenue account and appropriated
16 to the department of treasury to pay for the cost of collections. The department of
17 treasury shall maintain accounting records in sufficient detail to enable the
18 respective accounts to be reimbursed periodically for fees deducted that are
19 determined by the department of treasury to be surplus to the actual cost of
20 collections.

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

25 Sec. 20-931. (1) The appropriation in part 1 to the department of treasury for
26 treasury fees shall be assessed against all restricted funds that receive common cash
27 earnings or other investment income. Treasury fees include all costs, including

1 administrative overhead, relating to the investment of each restricted fund. The fee
2 assessed against each restricted fund will be based on the size of the restricted fund
3 (the absolute value of the average daily cash balance plus the market value of
4 investments in the prior fiscal year) and the level of effort necessary to maintain
5 the restricted fund as required by each department. The department of treasury shall
6 provide a report to the state budget director, the senate and house of representatives
7 standing committees on appropriations subcommittees on general government, and the
8 senate and house fiscal agencies by November 30 of each year identifying the fees
9 assessed against each restricted fund and the methodology used for assessment.

10 (2) In addition to the funds appropriated in part 1, the department of treasury
11 may receive and expend investment fees relating to new restricted funding sources that
12 participate in common cash earnings or other investment income during the current
13 fiscal year. When a new restricted fund is created starting on or after October 1,
14 that restricted fund shall be assessed a fee using the same criteria identified in
15 subsection (1).

16 Sec. 20-932. Revenue received under the Michigan education trust act, 1986 PA
17 316, MCL 390.1421 to 390.1442, may be expended by the board of directors of the
18 Michigan education trust for necessary salaries, wages, supplies, contractual
19 services, equipment, worker's compensation insurance premiums, and grants to the civil
20 service commission and state employees' retirement fund.

21 Sec. 20-934. The department of treasury may expend revenues received under the
22 hospital finance authority act, 1969 PA 38, MCL 331.31 to 331.84, the shared credit
23 rating act, 1985 PA 227, MCL 141.1051 to 141.1076, the higher education facilities
24 authority act, 1969 PA 295, MCL 390.921 to 390.934, the Michigan public educational
25 facilities authority, Executive Reorganization Order No. 2002-3, MCL 12.192, the
26 Michigan tobacco settlement finance authority act, 2005 PA 226, MCL 129.261 to
27 129.279, the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774, part 505

1 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.50501
2 to 324.50522, the state housing development authority act of 1966, 1966 PA 346, MCL
3 125.1401 to 125.1499c, and the Michigan finance authority, Executive Reorganization
4 Order No. 2010-2, MCL 12.194, for necessary salaries, wages, supplies, contractual
5 services, equipment, worker's compensation insurance premiums, grants to the civil
6 service commission and state employees' retirement fund, and other expenses as allowed
7 under those acts.

8 Sec. 20-935. The funds appropriated in part 1 for dual enrollment payments for an
9 eligible student enrolled in a state-approved nonpublic school shall be distributed as
10 provided under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to
11 388.524, and the career and technical preparation act, 2000 PA 258, MCL 388.1901 to
12 388.1913, in a form and manner as determined by the department of treasury.

13 Sec. 20-945. The appraisal quality assurance project manager of the department of
14 treasury shall conduct a review of local unit assessment administration practices,
15 procedures, and records, also known as the audit of minimal assessing requirements, in
16 at least 1 assessment jurisdiction per county.

17 Sec. 20-946. Revenue collected in the convention facility development fund is
18 appropriated and shall be distributed under section 8 and section 9 of the state
19 convention facility development act, 1985 PA 106, MCL 207.628 and 207.629.

20 Sec. 20-947. Financial independence teams shall cooperate with the fiscal
21 responsibility section to coordinate and streamline efforts in identifying and
22 addressing fiscal emergencies in school districts and intermediate school districts.

23 Sec. 20-949. (1) From the funds appropriated in part 1, the department of
24 treasury may contract with private agencies to prevent the disbursement of fraudulent
25 tax refunds. In addition to the amounts appropriated in part 1 to the department of
26 treasury, there are appropriated amounts necessary to pay contract costs or fund
27 operations designed to reduce fraudulent income tax refund payments not to exceed

1 \$1,600,000.00 of the refunds identified as potentially fraudulent and for which
2 payment of the refund is denied. The appropriation to fund fraud prevention efforts is
3 from the fund or account to which the revenues being collected are recorded or
4 dedicated.

5 (2) The department of treasury shall submit a report for the immediately
6 preceding fiscal year ending September 30 to the state budget director and the senate
7 and house of representatives standing committees on appropriations not later than
8 November 30 stating the number of refund claims denied due to the fraud prevention
9 operations, the amount of refunds denied, the costs of the fraud prevention
10 operations, and other pertinent information relating to determining whether this
11 authority should be continued.

12 Sec. 20-949b. (1) From the funds appropriated in part 1 for the city income tax
13 administration program, the department of treasury shall administer the city income
14 tax administration program.

15 (2) The department of treasury shall identify specific outcomes and performance
16 measures for this initiative, including, but not limited to, the treasury's ability to
17 track and reduce fraudulent returns by expanding compliance and enforcement services.
18 This will benefit cities in this state by allowing the taxpayer to e-file the city
19 return as part of the state return.

20 Sec. 20-949e. From the funds appropriated in part 1 for the state essential
21 services assessment program, the department of treasury shall administer the state
22 essential services assessment program. The program will provide the department the
23 ability to collect the state essential services assessment which is a phased-in
24 replacement of locally collected personal property taxes on eligible manufacturing
25 personal property.

26 Sec. 20-949f. Revenue from the tobacco products tax act, 1993 PA 327, MCL 205.421
27 to 205.436, related to counties with a 2000 population of more than 2,000,000 is

1 appropriated and shall be distributed under section 12(4)(d) of the tobacco products
2 tax act, 1993 PA 327, MCL 205.432.

3 **REVENUE SHARING**

4 Sec. 20-950. The funds appropriated in part 1 for constitutional revenue sharing
5 shall be distributed by the department of treasury to cities, villages, and townships,
6 as required under section 10 of article IX of the state constitution of 1963. Revenue
7 collected in accordance with section 10 of article IX of the state constitution of
8 1963 in excess of the amount appropriated in part 1 for constitutional revenue sharing
9 is appropriated for distribution to cities, villages, and townships, on a population
10 basis as required under section 10 of article IX of the state constitution of 1963.

11 Sec. 20-951. (1) The funds appropriated in part 1 for the competitive grant
12 assistance program are to be used for assistance grants to cities, villages,
13 townships, counties, authorities, school districts, intermediate school districts,
14 public community colleges, and public universities to offset the costs associated with
15 mergers, interlocal agreements, and cooperative efforts for those cities, villages,
16 townships, counties, authorities, school districts, intermediate school districts,
17 public community colleges, and public universities that elect to combine government
18 operations. For an authority, school district, intermediate school district, public
19 community college, or public university to qualify for grant funding under this
20 section, the authority, school district, intermediate school district, public
21 community college, or public university must combine operations with a city, village,
22 township, or county. The department of treasury shall develop an application process
23 and method of grant distribution.

24 (2) The unexpended funds appropriated in part 1 for the competitive grant
25 assistance program are designated as work project appropriations and any unencumbered
26 or unallotted funds shall not lapse at the end of the fiscal year and shall be

1 available for expenditure for projects under this section until the projects have been
2 completed. The following is in compliance with section 451a of the management and
3 budget act, 1984 PA 431, MCL 18.1451a:

4 (a) The purpose of the projects is to provide incentive-based grants to
5 recipients under this section.

6 (b) The projects will be accomplished by grants to qualified governmental units.

7 (c) The total estimated cost of all projects is \$11,000,000.00.

8 (d) The tentative completion date is September 30, 2021.

9 Sec. 20-952. (1) The funds appropriated in part 1 for city, village, and township
10 revenue sharing are for grants to cities, villages, and townships such that, subject
11 to fulfilling the requirements under subsection (3), each city, village, or township
12 that received a payment under section 950(2) of 2009 PA 128 greater than \$4,500.00 is
13 eligible to receive a maximum of 78.51044% of its total payment received under section
14 950(2) of 2009 PA 128, rounded to the nearest dollar. For purposes of this subsection,
15 any city, village, or township that completely merges with another city, village, or
16 township will be treated as a single entity, such that when determining the eligible
17 payment under section 950(2) of 2009 PA 128 for the combined single entity, the amount
18 each of the merging local units received under section 950(2) of 2009 PA 128 is
19 summed. In addition, any city or village that according to the 2010 federal decennial
20 census is determined to have population in more than 1 county shall be treated as a
21 single entity when determining the eligible payment under section 950(2) of 2009 PA
22 128.

23 (2) The funds appropriated in part 1 for the county incentive program are to be
24 used for grants to counties such that each county is eligible to receive an amount
25 equal to the amount by which the balance in its revenue sharing reserve fund under
26 section 44a of the general property tax act, 1893 PA 206, MCL 211.44a, for the
27 county's most recent fiscal year that ends prior to the January 1 of the state's

1 fiscal year is less than the amount calculated under section 44a(14) of the general
2 property tax act, 1893 PA 206, MCL 211.44a, for the county fiscal year that begins in
3 the state's fiscal year. The amount calculated under this subsection shall be adjusted
4 as necessary to reflect partial county fiscal years and prorated based on the total
5 amount appropriated for distribution to all eligible counties. Except as otherwise
6 provided under this subsection, payments under this subsection will be distributed to
7 an eligible county subject to the county's fulfilling the requirements under
8 subsection (3).

9 (3) For purposes of accountability and transparency, each eligible city, village,
10 township, or county shall certify by December 1, or the first day of a payment month,
11 that it has produced a citizen's guide of its most recent local finances, including a
12 recognition of its unfunded liabilities; a performance dashboard; a debt service
13 report containing a detailed listing of its debt service requirements, including, at a
14 minimum, the issuance date, issuance amount, type of debt instrument, a listing of all
15 revenues pledged to finance debt service by debt instrument, and a listing of the
16 annual payment amounts until maturity; and a projected budget report, including, at a
17 minimum, the current fiscal year and a projection for the immediately following fiscal
18 year. The projected budget report shall include revenues and expenditures and an
19 explanation of the assumptions used for the projections. Each eligible city, village,
20 township, or county shall include in any mailing of general information to its
21 citizens the Internet website address location for its citizen's guide, performance
22 dashboard, debt service report, and projected budget report or the physical location
23 where these documents are available for public viewing in the city, village, township,
24 or county clerk's office. Each city, village, township, and county applying for a
25 payment under this subsection shall submit a copy of the citizen's guide, a copy of
26 the performance dashboard, a copy of the debt service report, and a copy of the
27 projected budget report to the department of treasury. The department of treasury

1 shall develop detailed guidance for a city, village, township, or county to follow to
2 meet the requirements of this subsection. The detailed guidance shall be posted on the
3 department of treasury website and distributed to cities, villages, townships, and
4 counties by October 1.

5 (4) City, village, and township revenue sharing payments and county incentive
6 program payments are subject to the following conditions:

7 (a) The city, village, township, or county shall certify to the department that
8 it has met the required criteria for subsection (3) and submitted the required
9 citizen's guide, performance dashboard, debt service report, and projected budget
10 report as required by subsection (3). A department of treasury review of the citizen's
11 guide, dashboard, or reports is not required in order for a city, village, township,
12 or county to receive a payment under subsection (1) or (2). The department shall
13 develop a certification process and method for cities, villages, townships, and
14 counties to follow.

15 (b) Subject to subdivisions (c), (d), and (e), if a city, village, township, or
16 county meets the requirements of subsection (3), the city, village, township, or
17 county shall receive its full potential payment under this section.

18 (c) Cities, villages, and townships eligible to receive a payment under
19 subsection (1) shall receive 1/6 of their eligible payment on the last business day of
20 October, December, February, April, June, and August. Payments under subsection (1)
21 shall be issued to cities, villages, and townships until the specified due date for
22 subsection (3). After the specified due date for subsection (3), payments shall be
23 made to a city, village, or township only if that city, village, or township has
24 complied with subdivision (a).

25 (d) Payments under subsection (2) shall be issued to counties until the specified
26 due date for subsection (3). After the specified due date for subsection (3), payments
27 shall be made to a county only if that county has complied with subdivision (a).

1 (e) If a city, village, township, or county does not submit the required
2 certification, citizen's guide, performance dashboard, debt service report, and
3 projected budget report by December 1, or the first day of a payment month, the city,
4 village, township, or county shall either defer or forfeit the payment in that payment
5 month. In order to qualify for a deferred payment of any previously forfeited
6 amounts, a city, village, township, or county shall submit the required certification,
7 citizen's guide, performance dashboard, debt service report, and projected budget
8 report by April 1. The deferred payments shall be paid on the last business day of
9 August.

10 (f) Any city, village, township, or county that falsifies certification documents
11 shall forfeit any future city, village, and township revenue sharing payments or
12 county incentive program payments and shall repay to this state all payments it has
13 received under this section.

14 (g) City, village, and township revenue sharing payments and county incentive
15 program payments under this section shall be distributed on the last business day of
16 October, December, February, April, June, and August.

17 (h) Payments distributed under this section may be withheld pursuant to sections
18 17a and 21 of the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL
19 141.917a and 141.921.

20 (5) The unexpended funds appropriated in part 1 for city, village, and township
21 revenue sharing and the county incentive program shall be available for expenditure
22 under the program for financially distressed cities, villages, and townships after the
23 approval of transfers by the legislature pursuant to section 393(2) of the management
24 and budget act, 1984 PA 431, MCL 18.1393.

25 Sec. 20-955. (1) The funds appropriated in part 1 for county revenue sharing
26 shall be distributed by the department of treasury to eligible counties pursuant to
27 the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to

1 141.921.

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

5 Sec. 20-956. (1) The funds appropriated in part 1 for financially distressed
6 cities, villages, and townships shall be granted by the department of treasury to
7 cities, villages, and townships that have 1 or more conditions that indicate probable
8 financial distress, as determined by the department of treasury. A city, village, or
9 township with 1 or more conditions that indicate probable financial distress may apply
10 in a manner determined by the department of treasury for a grant to pay for specific
11 projects or services that move the city, village, or township toward financial
12 stability. Grants are to be used for specific projects or services that move the city,
13 village, or township toward financial stability. The city, village, or township may
14 use, but is not limited to using, the grants under this section to make payments to
15 reduce unfunded accrued liability; to repair or replace critical infrastructure and
16 equipment owned or maintained by the city, village, or township; to reduce debt
17 obligations; or for costs associated with a transition to shared services with another
18 jurisdiction. The department of treasury shall award no more than \$2,000,000.00 to any
19 city, village, or township under this section.

20 (2) The department of treasury shall provide a report to the senate and house of
21 representatives appropriations subcommittees on general government, the senate and
22 house fiscal agencies, and the state budget office by March 31. The report shall
23 include a list by grant recipient of the date each grant was approved, the amount of
24 the grant, and a description of the project or projects that will be paid by the
25 grant.

26 (3) The unexpended funds appropriated in part 1 for financially distressed
27 cities, villages, and townships are designated as a work project appropriation, and

1 any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and
2 shall be available for expenditure for projects under this section until the projects
3 have been completed. The following is in compliance with section 451a of the
4 management and budget act, 1984 PA 431, MCL 18.1451a:

5 (a) The purpose of the project is to provide assistance to financially distressed
6 cities, villages, and townships under this section.

7 (b) The projects will be accomplished by grants to cities, villages, and
8 townships approved by the department of treasury.

9 (c) The total estimated cost of all projects is \$5,000,000.00.

10 (d) The tentative completion date is September 30, 2021.

11 Sec. 20-957. (1) From the increased funds appropriated in part 1 for the
12 competitive grant assistance program, the department shall provide assistance grants
13 to cities, villages, townships, counties, authorities, school districts, intermediate
14 school districts, public community colleges, and public universities that elect to
15 combine government operations.

16 (2) The department shall identify specific outcomes and performance metrics for
17 this initiative, including, but not limited to, the following:

18 (a) Grants awarded.

19 (b) Mergers of two or more governmental units.

20 (c) Consolidations of operations and/or existing services of two or more
21 governmental units.

22 (d) Cooperative efforts between two or more governmental units.

23 **BUREAU OF STATE LOTTERY**

24 Sec. 20-960. In addition to the funds appropriated in part 1 to the bureau of
25 state lottery, there is appropriated from state lottery fund revenues the amount
26 necessary for, and directly related to, implementing and operating lottery games under

1 the McCauley-Traxler-Law-Bowman-McNeely lottery act, 1972 PA 239, MCL 432.1 to 432.47,
2 and activities under the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL
3 432.101 to 432.120, including expenditures for contractually mandated payments for
4 vendor commissions, contractually mandated payments for instant tickets intended for
5 resale, the contractual costs of providing and maintaining the online system
6 communications network, and incentive and bonus payments to lottery retailers.

7 Sec. 20-964. For the bureau of the state lottery, there is appropriated 1% of the
8 lottery's prior fiscal year's gross sales or \$23,000,000.00, whichever is less, for
9 promotion and advertising.

10 CASINO GAMING

11 Sec. 20-971. From the revenue collected by the Michigan gaming control board
12 regarding the total annual assessment of each casino licensee, \$2,000,000.00 is
13 appropriated and shall be deposited in the compulsive gaming prevention fund as
14 described in section 12a(5) of the Michigan gaming control and revenue act, 1996 IL 1,
15 MCL 432.212a.

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

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

22 (3) A county treasurer is authorized to receive and administer funds received for
23 and on behalf of a local revenue sharing board. Funds appropriated in part 1 for local
24 government programs may be used to audit local revenue sharing board funds held by a
25 county treasurer. This section does not limit the ability of local units of government
26 to enter into agreements with federally recognized Indian tribes to provide financial

1 assistance to local units of government or to jointly provide public services.

2 (4) A local revenue sharing board described in subsection (1) shall comply with
3 all applicable provisions of any agreement authorized by the Indian gaming regulatory
4 act, Public Law 100-497, in which the local revenue sharing board is referenced,
5 including, but not limited to, the disbursal of tribal casino payments received under
6 applicable provisions of the tribal-state class III gaming compact in which those
7 funds are received.

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

11 (6) The Michigan gaming control board shall submit a report by September 30 to
12 the senate and house of representatives standing committees on appropriations and the
13 state budget director on the receipts and distributions of revenues by local revenue
14 sharing boards.

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

22 Sec. 20-976. The executive director of the Michigan gaming control board may pay
23 rewards of not more than \$5,000.00 to a person who provides information that results
24 in the arrest and conviction on a felony or misdemeanor charge for a crime that
25 involves the horse racing industry. A reward paid pursuant to this section shall be
26 paid out of the appropriation in part 1 for the racing commission.

27 Sec. 20-977. All appropriations from the Michigan agriculture equine industry

1 development fund, except for the racing commission and laboratory analysis program
2 appropriations, shall be reduced proportionately if revenues to the Michigan
3 agriculture equine industry development fund decline during the fiscal year ending
4 September 30, 2016 to a level lower than the amount appropriated in part 1.

5 Sec. 20-978. The Michigan gaming control board shall use actual expenditure data
6 in determining the actual regulatory costs of conducting racing dates and shall
7 provide that data to the senate and house appropriations subcommittees on agriculture
8 and general government, the state budget office and the senate and house fiscal
9 agencies. The Michigan gaming control board shall not be reimbursed for more than the
10 actual regulatory cost of conducting race dates. In determining actual costs, the
11 Michigan gaming control board shall take into account that each specific breed may
12 require different regulatory mechanisms.

13 Sec. 20-979. In addition to the funds appropriated in part 1, the Michigan gaming
14 control board may receive and expend state lottery fund revenue in an amount not to
15 exceed \$4,000,000.00 for necessary expenses incurred in the licensing and regulation
16 of millionaire parties pursuant to Executive Order No. 2012-4. In accordance with
17 section 8 of the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.108, the
18 amount of necessary expenses shall not exceed the amount of revenue received under
19 that act. The Michigan gaming control board shall provide a report to the senate and
20 house of representatives appropriations subcommittees on general government, the
21 senate and house fiscal agencies, and the state budget office by April 15. The report
22 shall include, but not be limited to, total expenditures related to the licensing and
23 regulating of millionaire parties, steps taken to ensure charities are receiving
24 revenue due to them, progress on promulgating rules to ensure compliance with the
25 Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.120, and any
26 enforcement actions taken.

1 STATE BUILDING AUTHORITY

2 Sec. 20-1100. (1) Subject to section 242 of the management and budget act, 1984
3 PA 431, MCL 18.1242, and upon the approval of the state building authority, the
4 department of treasury may expend from the general fund of the state during the fiscal
5 year an amount to meet the cash flow requirements of those state building authority
6 projects solely for lease to a state agency identified in both part 1 and this
7 section, and for which state building authority bonds or notes have not been issued,
8 and for the sole acquisition by the state building authority of equipment and
9 furnishings for lease to a state agency as permitted by 1964 PA 183, MCL 830.411 to
10 830.425, for which the issuance of bonds or notes is authorized by a legislative
11 appropriation act that is effective for the fiscal year ending September 30, 2016. Any
12 general fund advances for which state building authority bonds have not been issued
13 shall bear an interest cost to the state building authority at a rate not to exceed
14 that earned by the state treasurer's common cash fund during the period in which the
15 advances are outstanding and are repaid to the general fund of the state.

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

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

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

1 costs of final design shall be repaid to the general fund in a manner recommended by
2 the director.

3 Sec. 20-1102. (1) State building authority funding to finance construction or
4 renovation of a facility that collects revenue in excess of money required for the
5 operation of that facility shall not be released to a university or community college
6 unless the institution agrees to reimburse that excess revenue to the state building
7 authority. The excess revenue shall be credited to the general fund to offset rent
8 obligations associated with the retirement of bonds issued for that facility. The
9 auditor general shall annually identify and present an audit of those facilities that
10 are subject to this section. Costs associated with the administration of the audit
11 shall be charged against money recovered pursuant to this section.

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

15 Sec. 20-1103. The state building authority shall provide to the JCOS and senate
16 and house fiscal agencies a report relative to the status of construction projects
17 associated with state building authority bonds as of September 30 of each year, on or
18 before October 15, or not more than 30 days after a refinancing or restructuring bond
19 issue is sold. The report shall include, but is not limited to, the following:

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

22 (b) A list of all projects under construction for which sale of state building
23 authority bonds is pending.

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

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Article 21

MISCELLANEOUS

PART 1

PROVISIONS CONCERNING APPROPRIATIONS

Sec. 21-101. The appropriations in this article are subject to the following provisions concerning appropriations for the fiscal year ending September 30, 2017:

GENERAL SECTIONS

Sec. 21-201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources for fiscal year 2016-2017 is estimated at \$16,863,112,300.00 in the 2016-2017 appropriations acts and total state spending from state sources paid to local units of government for fiscal year 2016-2017 is estimated at \$4,623,757,400.00. The state-local proportion is estimated at 55.4% of total state spending from state resources.

(2) If payments to local units of government and state spending from state sources for fiscal year 2016-2017 are different than the amounts estimated in subsection (1), the state budget director shall report the payments to local units of government and state spending from state sources that were made for fiscal year 2016-2017 to the senate and house of representatives standing committees on appropriations within 30 days after the final book-closing for fiscal year 2016-2017.

Sec. 21-202. The appropriations authorized under this article are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 21-211. (1) Pursuant to section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, which provides for a transfer of state general fund revenue into or out of the countercyclical budget and economic stabilization fund, the calculations required by section 352 of the management and budget act, 1984 PA 431, MCL 18.1352, are determined as follows:

<u>2015</u>	<u>2016</u>	<u>2017</u>
-------------	-------------	-------------

1	Michigan personal income (millions)	\$420,279	\$438,771	\$457,200
2	less: transfer payments	91,444	95,376	99,573
3	Subtotal.....	\$328,835	\$343,395	\$357,627
4	Divided by: Detroit Consumer Price			
5	Index for 12 months ending June 30	2.195	2.204	2.248
6	Equals: real adjusted Michigan			
7	Personal income	\$149,811	\$155,821	\$159,097
8	Percentage change.....	N/A	4.0%	2.1%
9	Growth rate in excess of 2%?.....	N/A	2.0%	0.1%
10	Equals: countercyclical budget and			
11	economic stabilization fund pay-in			
12	calculation for the fiscal year ending			
13	September 30, 2017 (millions)	N/A	\$196.9	10.2
14	Growth rate less than 0%?.....	N/A	NO	NO
15	Equals: countercyclical budget and			
16	economic stabilization fund pay-out			
17	calculation for the fiscal year ending			
18	September 30, 2017 (millions)	N/A	N/A	\$0.0

19 (2) Notwithstanding subsection (1), there is appropriated for the fiscal year
20 ending September 30, 2017, from general fund/general purpose revenue for deposit into
21 the countercyclical budget and economic stabilization fund the sum of \$0.

22 (3) In addition to the appropriation to the countercyclical budget and economic
23 stabilization fund in subsection (2), there is appropriated to the fund for the fiscal
24 year ending September 30, 2017, 25 percent of fiscal year 2016 general fund-general
25 purpose unassigned fund balance recorded as part of the state book closing process for
26 the 2016 fiscal year.

1 REVENUE STATEMENT

2 Sec. 21-301. Pursuant to section 18 of article V of the state constitution of
3 1963, fund balances and estimates are presented in the following statement:

4 BUDGET RECOMMENDATIONS BY OPERATING FUNDS

5 (Amounts in millions)

6 Fiscal Year 2016-2017

		Beginning			
		Available	Estimated	Ending	
	<u>Fund</u>	<u>Balance</u>	<u>Revenue</u>	<u>Balance</u>	
7					
8					
9					
10	OPERATING FUNDS				
11	General fund/general purpose	0110	152.9	9,893.9	14.9
12	General fund/special purpose		875.0	28,609.1	664.2
13	Special Revenue Funds:				
14	Countercyclical budget and				
15	economic stabilization	0111	611.0	17.9	628.9
16	Game and fish protection	0112	3.5	82.9	3.7
17	Michigan employment security act				
18	administration	0113	0.0	42.1	0.0
19	State aeronautics	0114	2.7	17.6	0.0
20	Michigan veterans' benefit trust	0115	0.0	3.7	0.0
21	State trunkline	0116	0.0	1,001.5	0.0
22	Michigan state waterways	0117	8.2	30.8	6.5
23	Blue Water Bridge	0118	18.9	23.6	0.0
24	Michigan transportation	0119	0.0	2,514.9	0.0
25	Comprehensive transportation	0120	3.8	316.7	0.0
26	School aid	0122	47.9	12,527.6	15.4

1	21 st Century Jobs Fund	0383	81.6	75.0	65.9
2	Detroit Public Schools Trust Fund	NEW	0.0	72.0	0.0
3	Game and fish protection trust	0124	0.0	15.9	0.0
4	State park improvement	0125	12.6	57.5	7.9
5	Forest development	0126	12.7	40.9	8.2
6	Michigan natural resources trust	0129	13.4	32.9	30.6
7	Michigan state parks endowment	0130	0.5	40.9	0.5
8	Safety education and training	0131	5.2	9.6	4.5
9	Bottle deposit	0136	5.7	14.9	2.6
10	State construction code	0138	7.2	8.4	7.4
11	Children's trust	0139	1.8	1.2	1.2
12	State casino gaming	0140	1.7	0.3	2.0
13	Michigan nongame fish and wildlife	0143	0.4	0.5	0.3
14	Michigan merit award trust	0154	48.7	28.6	0.0
15	Outdoor recreation legacy	0162	1.1	3.0	1.1
16	Off-road vehicle account	0163	5.7	7.2	5.4
17	Snowmobile account	0164	5.6	11.6	5.5
18	Silicosis dust disease and logging	0870	1.4	0.9	1.2
19	Utility consumer representation	0893	1.6	1.2	1.5
20	TOTALS		\$1,930.8	\$55,504.8	\$1,479.4