

SUBSTITUTE FOR  
SENATE BILL NO. 114

A bill to make, supplement, and adjust appropriations for various state departments and agencies for the fiscal year ending September 30, 2021; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for various state departments and agencies to supplement appropriations for the fiscal year ending September 30, 2021, from the following funds:

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**APPROPRIATION SUMMARY**

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<b>GROSS APPROPRIATION</b>	<b>\$ 727,763,900</b>
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Interdepartmental grant revenues:

1	Total interdepartmental grants and	
2	intradepartmental transfers	0
3	<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$ 727,763,900</b>
4	Federal revenues:	
5	Total federal revenues	672,763,900
6	Special revenue funds:	
7	Total local revenues	0
8	Total private revenues	0
9	Total other state restricted revenues	0
10	<b>State general fund/general purpose</b>	<b>\$ 55,000,000</b>
11	<b>Sec. 102. DEPARTMENT OF HEALTH AND HUMAN</b>	
12	<b>SERVICES</b>	
13	<b>(1) APPROPRIATION SUMMARY</b>	
14	<b>GROSS APPROPRIATION</b>	<b>\$ 445,182,200</b>
15	Interdepartmental grant revenues:	
16	Total interdepartmental grants and	
17	intradepartmental transfers	0
18	<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$ 445,182,200</b>
19	Federal revenues:	
20	Total federal revenues	390,182,200
21	Special revenue funds:	
22	Total local revenues	0
23	Total private revenues	0
24	Total other state restricted revenues	0
25	<b>State general fund/general purpose</b>	<b>\$ 55,000,000</b>
26	<b>(2) ONE-TIME APPROPRIATIONS</b>	
27	COVID-19 direct care worker hazard pay	
28	adjustment	\$ 150,000,000

1	Federal COVID epidemiology and laboratory	
2	capacity	184,942,400
3	Federal COVID immunization and vaccine grant	
4	reserve fund	110,239,800
5	<b>GROSS APPROPRIATION</b>	<b>\$ 445,182,200</b>
6	Appropriated from:	
7	Federal revenues:	
8	Total other federal revenues	390,182,200
9	<b>State general fund/general purpose</b>	<b>\$ 55,000,000</b>
10	<b>Sec. 103. DEPARTMENT OF LABOR AND ECONOMIC</b>	
11	<b>OPPORTUNITY</b>	
12	<b>(1) APPROPRIATION SUMMARY</b>	
13	<b>GROSS APPROPRIATION</b>	<b>\$ 282,581,700</b>
14	Interdepartmental grant revenues:	
15	Total interdepartmental grants and	
16	intradepartmental transfers	0
17	<b>ADJUSTED GROSS APPROPRIATION</b>	<b>\$ 282,581,700</b>
18	Federal revenues:	
19	Total federal revenues	282,581,700
20	Special revenue funds:	
21	Total local revenues	0
22	Total private revenues	0
23	Total other state restricted revenues	0
24	<b>State general fund/general purpose</b>	<b>\$ 0</b>
25	<b>(2) ONE-TIME APPROPRIATIONS</b>	
26	Emergency rental assistance	\$ 220,302,200
27	Emergency rental assistance - administrative	
28	costs	62,279,500

<b>GROSS APPROPRIATION</b>	<b>\$</b>	<b>282,581,700</b>
Appropriated from:		
Federal revenues:		
Total federal revenues		282,581,700
<b>State general fund/general purpose</b>	<b>\$</b>	<b>0</b>

## PART 2

## PROVISIONS CONCERNING APPROPRIATIONS

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year ending September 30, 2021 is \$55,000,000.00 and total state spending from state sources to be paid to local units of government is \$0.00.

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

Sec. 203. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this act, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, inter-transfer funds within this act for the particular department, board, commission, office, or institution.

Sec. 204. It is the intent of the legislature that a hiring freeze is imposed on the state classified civil service. State departments and agencies are prohibited from hiring any new full-

1 time state classified civil service employees and prohibited from  
2 filling any vacant state classified civil service positions. This  
3 hiring freeze does not apply to internal transfers of classified  
4 employees from 1 position to another within a department.

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6 **DEPARTMENT OF HEALTH AND HUMAN SERVICES**

7 Sec. 251. (1) From the funds appropriated in part 1 for COVID-  
8 19 direct care worker hazard pay adjustment, the department of  
9 health and human services shall provide sufficient funding,  
10 including any applicable federal match, to increase the wages paid  
11 to direct care workers described in subsection (2) by \$2.25 per  
12 hour above the rates paid on March 1, 2020 beginning March 1, 2021  
13 through September 30, 2021.

14 (2) The direct care wage increase shall be provided to direct  
15 care workers employed by the department of health and human  
16 services, its contractors, and its subcontractors who received a  
17 \$2.00 per hour state-funded wage increase beginning in April 2020.  
18 The total combined direct care wage increases from the April 2020  
19 direct care wage increase and the wage increase outlined in this  
20 section shall be \$2.00 per hour and shall be in effect from April  
21 1, 2020 to February 28, 2021 and \$2.25 per hour and shall be in  
22 effect from March 1, 2021 through September 30, 2021.

23 (3) From the funds appropriated in part 1 for COVID-19 direct  
24 care worker hazard pay adjustment, a direct care wage increase of  
25 \$2.25 per hour shall be provided to direct care workers employed by  
26 skilled nursing facilities on the effective date of this act,  
27 beginning March 1, 2021 and continuing until September 30, 2021.  
28 This funding shall include all costs incurred by the employer,  
29 including payroll taxes, due to the \$2.25 per hour increase. As

1 used in this subsection, "direct care workers" means a registered  
2 nurse, licensed practical nurse, competency-evaluated nursing  
3 assistant, and respiratory therapist.

4 (4) From the funds appropriated in part 1 for COVID-19 direct  
5 care worker hazard pay adjustment, a direct care wage increase of  
6 \$2.25 per hour shall be provided to direct care workers employed by  
7 area agencies on aging and their contractors for in-home and  
8 respite services on the effective date of this act, beginning March  
9 1, 2021 and continuing until September 30, 2021. This funding shall  
10 include all costs incurred by the employer, including payroll  
11 taxes, due to the \$2.25 per hour increase.

12 (5) From the funds appropriated in part 1 for COVID-19 direct  
13 care worker hazard pay adjustment, a direct care wage increase of  
14 \$2.25 per hour shall be provided to direct care workers employed by  
15 licensed adult foster care homes and licensed homes for the aged  
16 who were not eligible for any COVID-19 direct care worker pay  
17 adjustment under any other subsection of this section. The \$2.25  
18 per hour increase described in this subsection shall begin on March  
19 1, 2021 and continue until September 30, 2021. This funding shall  
20 include all costs incurred by the employer, including payroll  
21 taxes, due to the \$2.25 per hour increase.

22 (6) From the funds appropriated in part 1 for COVID-19 direct  
23 care worker hazard pay adjustment, a direct care wage increase of  
24 \$2.25 per hour shall be provided to direct support employees and  
25 job coaches who work in supported employment arrangements and who  
26 were not eligible for any COVID-19 direct care worker pay  
27 adjustment under any other subsection of this section. The \$2.25  
28 per hour increase described in this subsection shall begin on March  
29 1, 2021 and continue until September 30, 2021. This funding shall

1 include all costs incurred by the employer, including payroll  
2 taxes, due to the \$2.25 per hour increase.

3 (7) From the funds appropriated in part 1 for COVID-19 direct  
4 care worker hazard pay adjustment, a direct care wage increase of  
5 \$2.00 per hour shall be provided to front line workers employed by  
6 child caring institutions. The \$2.00 per hour increase described in  
7 this subsection shall begin on March 1, 2021 and continue until  
8 June 30, 2021. This funding shall include all costs incurred by the  
9 employer, including payroll taxes, due to the \$2.00 per hour  
10 increase. As used in this section, a "child caring institution"  
11 means that term as defined in 1973 PA 116, MCL 722.111 to 722.128.

12 (8) Contractors and subcontractors receiving funding to  
13 support these direct care wage increases shall be required to  
14 provide documentation of the wage increases provided pursuant to  
15 this section to the department of health and human services.

16 (9) Any payment enhancement above the hourly rate in effect on  
17 March 1, 2020 shall be of no effect in determining any employee's  
18 average compensation as provided by any contract or other provision  
19 of law.

20 (10) A direct care worker may elect to not receive the wage  
21 increase provided in this section. The election to not receive the  
22 wage increase in this section must be made either in writing or  
23 electronically. The employer of a direct care worker who has  
24 elected to not receive the wage increase in this section must remit  
25 back to the state any of the funds authorized by this section based  
26 on the number of direct care workers it employs who have elected to  
27 not receive the wage increase authorized by this section.

28 Sec. 252. (1) From the funds appropriated in part 1 for  
29 federal COVID epidemiology and laboratory capacity, the department

1 of health and human services shall allocate \$75,000,000.00 for  
2 grants to eligible school districts, public school academies,  
3 intermediate school districts, and nonpublic schools as provided in  
4 this section, \$20,000,000.00 shall be allocated for Michigan  
5 department of corrections testing, and \$25,000,000.00 shall be  
6 allocated for testing at licensed skilled nursing facilities.

7 (2) From the funds appropriated in subsection (1) for grants  
8 to eligible school districts, public school academies, intermediate  
9 school districts, and nonpublic schools, the department of health  
10 and human services shall work with the department of education to  
11 distribute grants to school districts and public school academies  
12 based on the headcount each of those entities reported to the  
13 center for educational performance and information as of the most  
14 recent headcount data submission.

15 (a) The department of health and human services shall work  
16 with the department of education to notify registered and approved  
17 nonpublic schools of the availability of grant funds for COVID-19  
18 testing, and to set up a grant process to distribute testing funds  
19 to eligible nonpublic schools. The department must notify  
20 registered and approved nonpublic schools within 5 days of  
21 enactment of this legislation that the funds are available and must  
22 open a grant process within 10 days of enactment of this  
23 legislation. Registered and approved nonpublic schools applying for  
24 COVID-19 testing funds must report headcount enrollment to the  
25 department within 5 days of the grant process being open for  
26 applications. An application with enrollment data reported by a  
27 registered and approved nonpublic school shall be approved for  
28 grant funding.

29 (b) The amount of a grant to each eligible district, public



1 school academy, and nonpublic school shall be equal to the product  
2 of the educating entity's headcount multiplied by \$50.00. The  
3 amount of a grant to each eligible intermediate district shall be  
4 equal to the product of the intermediate school district's staff  
5 headcount as reported to the center for educational performance and  
6 information as of the most recent data submission multiplied by  
7 \$50.00.

8 (c) To be eligible to receive funding under this section, a  
9 school district, public school academy, or nonpublic school must  
10 provide at least 20% of all instruction in person. This may be  
11 measured by hours or days but must result in the average of at  
12 least 1 day of instruction per school week being delivered in  
13 person for all students. An intermediate school district is  
14 eligible for funding under this section if the intermediate school  
15 district has an average of all staff working at least 1 day per  
16 week in person at the intermediate school district, at the school  
17 districts that are constituents of the intermediate school  
18 district, or both.

19 (d) The department of health and human services shall work  
20 with the department of education to make payments to eligible  
21 districts, public school academies, intermediate districts, and  
22 nonpublic schools not later than 21 days after enactment of this  
23 legislation.

24 (e) An entity receiving a grant under this section may use the  
25 funds for COVID-19 testing for staff and students including, but  
26 not limited to, teachers, counselors, administrators, support  
27 staff, aides, bus drivers, coaches, cafeteria staff, custodians,  
28 students playing contact sports, and other students as determined  
29 by the entity.

1 (f) If the sum of the grants calculated under subsection (2)  
2 exceeds the appropriation in subsection (1), grants shall be  
3 reduced on an equal dollar basis.

4 Sec. 253. (1) From the funds appropriated in part 1 for  
5 federal COVID immunization and coronavirus vaccine grant reserve  
6 fund, the department of health and human services shall allocate  
7 \$36,746,600.00 to manage the administration of a coronavirus  
8 vaccine to all Michigan residents through financial support to  
9 local health departments and other health care providers.

10 (2) The funds appropriated in part 1 for federal COVID  
11 immunization and coronavirus vaccine grant reserve fund, not  
12 allocated in subsection (1), shall not be expended unless a  
13 legislative transfer request is issued by the state budget office  
14 and the requirements of the legislative transfer process are met  
15 under section 393 of the management and budget act, 1984 PA 431,  
16 MCL. 18.1393.

17 (3) Prior to issuing a legislative transfer request under this  
18 section, the department shall first do both of the following:

19 (a) Demonstrate the funds appropriated in 2020 PA 257 for  
20 coronavirus vaccine strategy have been expended.

21 (b) Provide a report to the house and senate appropriations  
22 committees, the house and senate fiscal agencies, and the state  
23 budget office to illustrate how the requested funds would be  
24 utilized.

25 Sec. 254. (1) The department of health and human services  
26 shall report on a weekly basis to the senate and house  
27 appropriations committees, the senate and house fiscal agencies,  
28 the senate and house policy offices, and the state budget office on  
29 all of the following:

1 (a) The metrics used for calculating vaccine distribution to  
2 local health departments and enrolled providers and an analysis by  
3 county that shows how allocations were calculated.

4 (b) The number of vaccines distributed during the previous  
5 week to each local health department and enrolled provider. The  
6 number of vaccines distributed under this subdivision must be  
7 listed for each local health department and for each enrolled  
8 provider.

9 (c) The estimated number of vaccines to be distributed during  
10 the current week to each local health department and enrolled  
11 provider. The estimated number of vaccines to be distributed under  
12 this subdivision must be listed for each local health department  
13 and for each enrolled provider.

14 (d) The estimated number of vaccines to be distributed next  
15 week to each local health department and enrolled provider. The  
16 estimated number of vaccines to be distributed under this  
17 subdivision must be listed for each local health department and for  
18 each enrolled provider.

19 (e) The number and estimated percentage of individuals  
20 vaccinated, categorized by each vaccination phase.

21 (f) The number and estimated percentage of individuals  
22 residing or working in nursing homes that have been vaccinated.

23 (g) The number and estimated percentage of individuals 65  
24 years of age and older that have been vaccinated.

25 (h) The total amount that has been expended from the funds  
26 appropriated in part 1 for federal COVID immunization and vaccine  
27 distribution and administration. The amount described in this  
28 subdivision shall be broken down by state general funds and federal  
29 funds.

1           (2) The reports required by this section must be made  
2 accessible to the public by placing the reports on an internet  
3 site.

4           Sec. 255. (1) By March 1, 2021, the department of health and  
5 human services shall report to the senate and house appropriations  
6 committees, the senate and house fiscal agencies, the senate and  
7 house policy offices, and the state budget office on the formula,  
8 or other detailed methodology, used to distribute vaccines to each  
9 local health department and each enrolled provider. The report must  
10 also include an example of how the formula, or other detailed  
11 methodology, would distribute a statewide total of 100,000 vaccines  
12 to each local health department and each enrolled provider.

13           (2) Within 1 business day of any changes made by the  
14 department of health and human services to the formula, or other  
15 detailed methodology, used to distribute vaccines to each local  
16 health department and each enrolled provider, the department of  
17 health and human services shall report to the senate and house  
18 appropriations committees, the senate and house fiscal agencies,  
19 the senate and house policy offices, and the state budget office on  
20 the changes made to the formula, or other detailed methodology,  
21 used to distribute vaccines to each local health department and  
22 each enrolled provider, the rationale for the change to the  
23 formula, or other detailed methodology, used to distribute vaccines  
24 to each local health department and each enrolled provider, and an  
25 example of how the revised formula, or other detailed methodology,  
26 would distribute a statewide total of 100,000 vaccines to each  
27 local health department and each enrolled provider.

28           (3) By March 1, 2021, the department of health and human  
29 services shall report to the senate and house appropriations

1 committees, the senate and house fiscal agencies, the senate and  
2 house policy offices, and the state budget office on the advantages  
3 and disadvantages of incorporating a specific minimum, or baseline,  
4 number of vaccines to be distributed on a weekly basis for each  
5 specific local health department and enrolled provider.

6 (4) The reports required by this section must be made  
7 accessible to the public by placing the reports on an internet  
8 site.

9 Sec. 256. No later than 30 days after the enactment of this  
10 act, the department shall expand its COVID-19 vaccination  
11 distribution to include independent pharmacy networks, specifically  
12 those in rural areas, to increase access to COVID-19 vaccination  
13 across this state.

14 Sec. 257. A recipient of a COVID-19 vaccine administered from  
15 the funds appropriated in part 1 for federal COVID immunization and  
16 vaccine grant reserve funds shall be provided with information or  
17 informed if and in what manner the development of the vaccine  
18 utilized aborted fetal tissue or human embryonic stem cell  
19 derivation lines.

20 Sec. 258. In distributing doses of COVID-19 vaccines to  
21 localities, the department of health and human services shall only  
22 use the estimated number of individuals in each eligible priority  
23 group who have not yet been fully vaccinated in each locality. The  
24 department of health and human services shall not use race, gender,  
25 color, national origin, religion, sex, or socioeconomic status as  
26 factors in determining the distribution of COVID-19 vaccines.

27  
28 **DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY**

29 Sec. 301. (1) Funds appropriated in part 1 for emergency

1 rental assistance shall be administered by the terms set forth in  
2 section 501(a) of Division N of the Consolidated Appropriations  
3 Act, 2021, Public Law 116-260, authorizing the United States  
4 Department of Treasury to make payments to certain recipients to be  
5 used to provide emergency rental assistance.

6 (2) The department of labor and economic opportunity shall  
7 collaborate with the department of health and human services, the  
8 judiciary, local community action agencies, local nonprofit  
9 agencies, and legal aid organizations to create a rental and  
10 utility assistance program.

11 (3) The rental assistance program will operate in accordance  
12 with rules and guidance published by the United States Department  
13 of Treasury to serve eligible renter households with rental and  
14 utility assistance to preserve their housing and avoid eviction.

15 (4) The unexpended funds appropriated in part 1 for emergency  
16 rental assistance are designated as a work project appropriation.  
17 Any unencumbered or unallotted funds shall not lapse at the end of  
18 the fiscal year and shall be available for expenditures for  
19 projects under this section until the projects have been completed.  
20 The following is in compliance with section 451a(1) of the  
21 management and budget act, 1984 PA 431, MCL 18.1451a:

22 (a) The purpose of the work project is to create an emergency  
23 rental assistance program, which includes rental and utility  
24 assistance payments, housing stability services, and case  
25 management to eligible renter households impacted by COVID-19.

26 (b) The projects will be accomplished by utilizing state  
27 employees or by contracts.

28 (c) The total estimated cost of the work project is  
29 \$220,302,200.00.

1 (d) The tentative completion date is March 31, 2022.

2 Sec. 302. Funds appropriated in part 1 for emergency rental  
3 assistance - administrative costs shall be administered by the  
4 terms set forth for the administrative costs allowable under  
5 section 501(c)(5) of Division N of the Consolidated Appropriations  
6 Act, 2021, Public Law 116-260, authorizing the United States  
7 Department of Treasury to make payments to certain recipients to be  
8 used to provide emergency rental assistance.