

No. 64
STATE OF MICHIGAN
JOURNAL
OF THE
House of Representatives
101st Legislature
REGULAR SESSION OF 2022

House Chamber, Lansing, Friday, July 1, 2022.

12:01 a.m.

The House was called to order by Associate Speaker Pro Tempore Lightner.

The roll was called by the Clerk of the House of Representatives, who announced that a quorum was present.

Aiyash—present	Damoose—present	LaFave—present	Rendon—present
Albert—present	Eisen—present	LaGrand—present	Rogers—present
Alexander—present	Ellison—present	Lasinski—present	Roth—present
Allor—present	Farrington—present	Liberati—present	Sabo—present
Anthony—present	Filler—present	Lightner—present	Scott—present
Beeler—present	Fink—present	Lilly—present	Shannon—present
Bellino—present	Frederick—present	Maddock—present	Slagh—present
Berman—present	Garza—present	Manoogian—present	Sneller—present
Beson—present	Glanville—present	Marino—present	Sowerby—present
Bezotte—present	Glenn—present	Markkanen—present	Steckloff—present
Bolden—present	Green—present	Martin—present	Steenland—present
Bollin—present	Griffin—present	Meerman—present	Stone—present
Borton—present	Haadsma—present	Mekoski—present	Tate—present
Brabec—present	Hall—present	Morse—present	Thanedar—present
Brann—present	Harris—present	Mueller—present	Tisdell—present
Breen—present	Hauck—present	Neeley—present	VanSingel—present
Brixie—present	Hertel—present	O'Malley—present	VanWoerkom—present
Calley—present	Hoitenga—present	O'Neal—present	Wakeman—present
Cambensy—present	Hood—present	Outman—present	Weiss—present
Camilleri—present	Hope—present	Paquette—present	Wendzel—present
Carra—present	Hornberger—present	Pepper—present	Wentworth—present
Carter, B—present	Howell—present	Peterson—present	Whiteford—present
Carter, T—present	Johnson, C—excused	Pohutsky—present	Whitsett—excused
Cavanagh—present	Johnson, S—present	Posthumus—present	Witwer—present
Cherry—present	Jones—excused	Puri—excused	Yancey—present
Clemente—present	Kahle—present	Rabhi—present	Yaroch—present
Clements—present	Koleszar—present	Reilly—present	Young—present
Coleman—present	Kuppa—present		

e/d/s = entered during session

Rep. Mike Mueller, from the 51st District, offered the following invocation:

“Dear God, We pray for Your protection as one nation under God.

We ask that You surround this country and cover us with Your mighty hand. We pray for unity in our land, that in spite of our differences, we would be willing to stand strong together and live out our days with compassion and grace.

Remind us to live aware, to redeem the time, listen to Your words, and be willing to make a difference in this land. Give us the courage to speak out. Help us not to stay silent but to do all things through Your wisdom and love.

We pray for Your great healing on our land.

In Jesus’ Name, Amen.”

Rep. Frederick moved that Reps. Cynthia Johnson, Jones, Puri and Whitsett be excused from today’s session. The motion prevailed.

Rep. Frederick moved that House Committees be given leave to meet during the balance of today’s session. The motion prevailed.

The Speaker Pro Tempore assumed the Chair.

Motions and Resolutions

Reps. Pohutsky, Brabec, Clemente, Hope, Brixie, Glanville, Rogers, LaGrand, Weiss, Sneller and Rabbi offered the following resolution:

House Resolution No. 329.

A resolution to affirm that *Obergefell v. Hodges* was rightly decided.

Whereas, In 2015, the United States Supreme Court recognized in *Obergefell v. Hodges* that the fundamental right to marry extends to same-sex couples, under the Due Process and Equal Protection Clauses of the Fourteenth Amendment to the United States Constitution. It is one of several essential cases under the substantive due process doctrine, protecting rights that are deeply rooted in our nation’s history and tradition and are implicit in the concept of ordered liberty. The implicit constitutional right to marry, long protected under the Constitution, should continue to extend to same-sex couples; and

Whereas, *Obergefell* correctly decided that the reasons why marriage is a fundamental right apply equally to same-sex and opposite-sex couples. Decisions about marriage are an expression of individual autonomy; they are “among the most intimate that an individual can make” and “shape an individual’s destiny.” Marriage is “a two-person union unlike any other in its importance to the committed individuals.” It “safeguards children and families,” providing both material and emotional benefits such as permanency and stability. And marriage is “a keystone of our social order,” recognized since the earliest days of our republic and historically as the basis for many governmental rights, benefits, and responsibilities. None of these truths apply with less force to same-sex couples than to opposite-sex couples, and thus same-sex couples should be included among those who enjoy the fundamental right to marriage; and

Whereas, Since marriage is a fundamental right, it cannot baselessly be denied to certain classes of people, in violation of the Equal Protection Clause of the Fourteenth Amendment. *Obergefell* correctly concluded that bans on same-sex marriage “are in essence unequal: Same-sex couples are denied all the benefits afforded to opposite-sex couples and are barred from exercising a fundamental right.” Such a ban serves only to stigmatize and perpetuate a history of discrimination, disrespect, and subordination. Same-sex couples cannot be denied the right to marry on the same terms and conditions as opposite-sex couples; and

Whereas, The 2022 decision *Dobbs v. Jackson Women's Health Organization* should not threaten *Obergefell* and the right to same-sex marriage. The majority should be true to its word that this decision "concerns the constitutional right to abortion and no other right. Nothing in this opinion should be understood to cast doubt on precedents that do not concern abortion." Substantive due process doctrine has not been overturned, the right to marriage is still protected as an implied right under the Constitution, and the reasons why marriage is a fundamental right still apply equally to same-sex and opposite-sex couples. The history and importance of marriage are not changed by the *Dobbs* decision, and the right of same-sex couples to equally enjoy the ancient institution of marriage is not changed by this decision; and

Whereas, There are many Michigan families exercising their rights under *Obergefell*. The United States Census Bureau estimates that, as of 2019, there were approximately 12,557 married same-sex households in Michigan. Around 18.9 percent of these married same-sex couples have at least one minor child living with them, so same-sex couples provide homes to many of Michigan's children; and

Whereas, Without *Obergefell*, these Michigan couples and families would lose many important rights. Under Article I, Section 25 of the *Constitution of the State of Michigan of 1963*, marriage is still defined as the union of one man and one woman. *Obergefell* overrides this provision of the state constitution to ensure same-sex couples in Michigan can choose to marry and receive important benefits related to taxation, Social Security benefits, and the right to make medical decisions, as well as intangible benefits in the form of dignity, respect, and equality; now, therefore, be it

Resolved by the House of Representatives, That we affirm that *Obergefell v. Hodges* was rightly decided. The resolution was referred to the Committee on Judiciary.

Reps. Rogers, O'Neal, Morse, Bezotte, Glanville, Beeler, Mueller, Markkanen, Eisen, LaFave, Roth, Sabo, Tate, Haadsma, Steckloff, Scott, Brixie, Cavanagh, Hood, Brabec, Brenda Carter, Coleman, Cambensy, Pepper, Brann, Puri, Tyrone Carter, Clemente, Young, Hertel, Weiss, Neeley, Anthony and Rabbi offered the following resolution:

House Resolution No. 330.

A resolution to urge the United States Food and Drug Administration to facilitate FDA approved research on hyperbaric oxygen therapy for the treatment of Traumatic Brain Injury and Post Traumatic Stress Disorder.

Whereas, Traumatic Brain Injury and Post Traumatic Stress Disorder, the signature wounds of war in Iraq and Afghanistan, affect an estimated 877,450 veterans. Both conditions are significant health issues and can lead to increased suicide rates and opioid use among veterans; and

Whereas, Michigan has a veteran population of 567,919. Of these veterans, it is estimated that 24,201 suffer from Traumatic Brain Injury and Post Traumatic Stress Disorder. Hyperbaric oxygen therapy has been proven safe and effective to treat these conditions; and

Whereas, Hyperbaric oxygen therapy is already approved by the Food and Drug Administration to treat a variety of conditions much like these brain wounds, including non-healing wounds, crush injuries, compartment syndrome, air emboli, burns, severe skin and bone infections, and radiation injury, among others; and

Whereas, Hyperbaric oxygen therapy has shown promising results for veterans. Since 2007, over 750 patients have been successfully treated for these conditions with hyperbaric oxygen therapy in neurological studies and trials, and over 10,000 veterans and citizens have been successfully treated in private clinics to heal brain wounds that the VA and DOD have been unable to heal. In these studies, hyperbaric oxygen therapy was shown to repair brain tissue, improve quality of life of patients, and reduce suicidal ideation, which will then help military families and communities; and

Whereas, It is predicted that treating brain wounds will have a positive economic impact and ensure that our veterans have access to care that addresses the entirety of their needs. Over 109,000 veteran suicides have occurred since September 11, 2001, and the suicide rate has increased for nearly fifteen years; now, therefore, be it

Resolved by the House of Representatives, That we urge the United States Food and Drug Administration to facilitate FDA approved research on hyperbaric oxygen therapy for the treatment of Traumatic Brain Injury and Post Traumatic Stress Disorder; and be it further

Resolved, That copies of this resolution be transmitted to the Commissioner of the United States Food and Drug Administration.

The resolution was referred to the Committee on Health Policy.

Reps. Frederick and Rabbi offered the following concurrent resolution:

House Concurrent Resolution No. 18.

A concurrent resolution prescribing the legislative schedule.

Whereas, Resolved by the House of Representatives (the Senate concurring), That when the House of Representatives adjourns on Friday, July 1, 2022, it stands adjourned until Wednesday, July 20, 2022, at 1:30 p.m.; when it adjourns on Wednesday, July 20, 2022, it stands adjourned until Wednesday, August 17, 2022, at 1:30 p.m.; when it adjourns on Wednesday, August 17, 2022, it stands adjourned until Wednesday, September 7, 2022, at 1:30 p.m. and be it further

Resolved, That when the Senate adjourns on Friday, July 1, 2022, it stands adjourned until Wednesday, July 20, 2022, at 10:00 a.m.; when it adjourns on Wednesday, July 20, 2022, it stands adjourned until Wednesday, August 17, 2022, at 10:00 a.m.; when it adjourns on Wednesday, August 17, 2022, it stands adjourned until Wednesday, September 7, 2022, at 10:00 a.m.

The question being on the adoption of the concurrent resolution,

The concurrent resolution was adopted.

Second Reading of Bills

Senate Bill No. 1012, entitled

A bill to establish a student mental health apprenticeship retention and training (SMART) internship grant program; to prescribe conditions for the administration of the student mental health apprenticeship retention and training (SMART) internship grant program; to prescribe certain powers and duties of certain state officers, agencies, and departments; and to require the promulgation of rules.

The bill was read a second time.

Rep. Frederick moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

Rep. Frederick moved that the bill be placed on its immediate passage.

The motion prevailed, a majority of the members serving voting therefor.

By unanimous consent the House returned to the order of

Third Reading of Bills

Senate Bill No. 1012, entitled

A bill to establish a student mental health apprenticeship retention and training (SMART) internship grant program; to prescribe conditions for the administration of the student mental health apprenticeship retention and training (SMART) internship grant program; to prescribe certain powers and duties of certain state officers, agencies, and departments; and to require the promulgation of rules.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 366

Yeas—95

Aiyash	Coleman	LaGrand	Sabo
Albert	Damoose	Lasinski	Scott
Alexander	Eisen	Liberati	Shannon
Anthony	Ellison	Lightner	Slagh
Bellino	Farrington	Lilly	Sneller
Berman	Filler	Manoogian	Sowerby
Beson	Frederick	Marino	Steckloff
Bezotte	Garza	Markkanen	Steenland
Bolden	Glanville	Martin	Stone
Bollin	Glenn	Meerman	Tate
Borton	Green	Mekoski	Thanedar
Brabec	Griffin	Morse	Tisdell
Brann	Haadsma	Mueller	VanSingel
Breen	Hall	Neeley	VanWoerkom
Brixie	Harris	O'Malley	Wakeman
Calley	Hauck	O'Neal	Weiss

Cambensy	Hertel	Paquette	Wendzel
Camilleri	Hood	Pepper	Wentworth
Carter, B	Hope	Peterson	Whiteford
Carter, T	Howell	Pohutsky	Witwer
Cavanagh	Kahle	Posthumus	Yancey
Cherry	Koleszar	Rabhi	Yaroch
Clemente	Kuppa	Rogers	Young
Clements	LaFave	Roth	

Nays—11

Allor	Fink	Johnson, S	Reilly
Beeler	Hoitenga	Maddock	Rendon
Carra	Hornberger	Outman	

In The Chair: Hornberger

The House agreed to the title of the bill.

Rep. Frederick moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

Second Reading of Bills

Senate Bill No. 579, entitled

A bill to amend 1978 PA 368, entitled “Public health code,” (MCL 333.1101 to 333.25211) by adding section 21528.

Was read a second time, and the question being on the adoption of the proposed substitute (H-1) previously recommended by the Committee on Health Policy,

The substitute (H-1) was adopted, a majority of the members serving voting therefor.

Rep. Frederick moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

Rep. Frederick moved that the bill be placed on its immediate passage.

The motion prevailed, a majority of the members serving voting therefor.

By unanimous consent the House returned to the order of

Third Reading of Bills

Senate Bill No. 579, entitled

A bill to amend 1978 PA 368, entitled “Public health code,” (MCL 333.1101 to 333.25211) by adding section 21528.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 367

Yeas—98

Aiyash	Damoose	LaGrand	Roth
Albert	Eisen	Lasinski	Sabo
Alexander	Ellison	Liberati	Scott
Anthony	Farrington	Lightner	Shannon
Bellino	Filler	Lilly	Slagh

Berman	Fink	Manoogian	Sneller
Beson	Frederick	Marino	Sowerby
Bezotte	Garza	Markkanen	Steckloff
Bolden	Glanville	Martin	Steenland
Bollin	Glenn	Meerman	Stone
Borton	Green	Mekoski	Tate
Brabec	Griffin	Morse	Thanedar
Brann	Haadsma	Mueller	Tisdell
Breen	Hall	Neeley	VanSingel
Brixie	Harris	O'Malley	VanWoerkom
Calley	Hauck	O'Neal	Wakeman
Cambensy	Hertel	Outman	Weiss
Camilleri	Hood	Paquette	Wendzel
Carter, B	Hope	Pepper	Wentworth
Carter, T	Hornberger	Peterson	Whiteford
Cavanagh	Howell	Pohutsky	Witwer
Cherry	Kahle	Posthumus	Yancey
Clemente	Koleszar	Rabhi	Yaroch
Clements	Kuppa	Rogers	Young
Coleman	LaFave		

Nays—8

Allor	Carra	Johnson, S	Reilly
Beeler	Hoitenga	Maddock	Rendon

In The Chair: Hornberger

Pursuant to Joint Rule 20, the full title of the act shall be inserted to read as follows:

“An act to protect and promote the public health; to codify, revise, consolidate, classify, and add to the laws relating to public health; to provide for the prevention and control of diseases and disabilities; to provide for the classification, administration, regulation, financing, and maintenance of personal, environmental, and other health services and activities; to create or continue, and prescribe the powers and duties of, departments, boards, commissions, councils, committees, task forces, and other agencies; to prescribe the powers and duties of governmental entities and officials; to regulate occupations, facilities, and agencies affecting the public health; to regulate health maintenance organizations and certain third party administrators and insurers; to provide for the imposition of a regulatory fee; to provide for the levy of taxes against certain health facilities or agencies; to promote the efficient and economical delivery of health care services, to provide for the appropriate utilization of health care facilities and services, and to provide for the closure of hospitals or consolidation of hospitals or services; to provide for the collection and use of data and information; to provide for the transfer of property; to provide certain immunity from liability; to regulate and prohibit the sale and offering for sale of drug paraphernalia under certain circumstances; to provide for the implementation of federal law; to provide for penalties and remedies; to provide for sanctions for violations of this act and local ordinances; to provide for an appropriation and supplements; to repeal certain acts and parts of acts; to repeal certain parts of this act; and to repeal certain parts of this act on specific dates,”

The House agreed to the full title.

Rep. Frederick moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

Second Reading of Bills

Senate Bill No. 744, entitled

A bill to create the maritime and port facility assistance grant program to award grants to owners of port facilities; to provide the powers and duties of certain state governmental officers and entities; and to create certain funds.

The bill was read a second time.
Rep. Frederick moved that the bill be placed on the order of Third Reading of Bills.
The motion prevailed.
Rep. Frederick moved that the bill be placed on its immediate passage.
The motion prevailed, a majority of the members serving voting therefor.

By unanimous consent the House returned to the order of
Third Reading of Bills

Senate Bill No. 744, entitled

A bill to create the maritime and port facility assistance grant program to award grants to owners of port facilities; to provide the powers and duties of certain state governmental officers and entities; and to create certain funds.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 368

Yeas—94

Aiyash	Damoose	LaGrand	Sabo
Albert	Eisen	Lasinski	Scott
Alexander	Ellison	Liberati	Shannon
Anthony	Filler	Lightner	Slagh
Bellino	Fink	Lilly	Sneller
Berman	Frederick	Manoogian	Sowerby
Beson	Garza	Marino	Steckloff
Bezotte	Glanville	Markkanen	Steenland
Bolden	Glenn	Martin	Stone
Borton	Green	Mekoski	Tate
Brabec	Griffin	Morse	Thanedar
Brann	Haadsma	Mueller	Tisdell
Breen	Hall	Neeley	VanSingel
Brixie	Harris	O'Malley	VanWoerkom
Calley	Hauck	O'Neal	Wakeman
Cambensy	Hertel	Paquette	Weiss
Camilleri	Hood	Pepper	Wendzel
Carter, B	Hope	Peterson	Wentworth
Carter, T	Hornberger	Pohutsky	Whiteford
Cavanagh	Howell	Posthumus	Witwer
Cherry	Kahle	Rendon	Yancey
Clemente	Koleszar	Rogers	Yaroach
Clements	Kuppa	Roth	Young
Coleman	LaFave		

Nays—12

Allor	Carra	Johnson, S	Outman
Beeler	Farrington	Maddock	Rabhi
Bollin	Hoitenga	Meerman	Reilly

In The Chair: Hornberger

The House agreed to the title of the bill.
Rep. Frederick moved that the bill be given immediate effect.
The motion prevailed, 2/3 of the members serving voting therefor.

By unanimous consent the House returned to the order of
Reports of Select Committees

First Conference Report

The Committee of Conference on the matters of difference between the two Houses concerning
House Bill No. 5783, entitled

A bill to make appropriations for the legislature, the executive, the department of attorney general, the department of state, the department of treasury, the department of technology, management, and budget, the department of civil rights, the department of labor and economic opportunity, and certain other state purposes for the fiscal year ending September 30, 2023; to provide for the expenditure of the appropriations; to provide for the disposition of fees and other income received by the state agencies; to declare the effect of this act; and to make, supplement, and adjust appropriations for various state departments and agencies for the fiscal year ending September 30, 2022 and provide for certain conditions on and the expenditure of those appropriations.

Recommends:

First: That the Senate recede from the Substitute of the Senate as passed by the Senate.

Second: That the House and Senate agree to the Substitute of the House as passed by the House, amended to read as follows:

A bill to make, supplement, adjust, and consolidate appropriations for various state departments and agencies, capital outlays, the judicial branch, and the legislative branch for the fiscal years ending September 30, 2022 and September 30, 2023; to provide for certain conditions on appropriations; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

ARTICLE 1

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of agriculture and rural development for the fiscal year ending September 30, 2023, from the following funds:

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	531.0	
GROSS APPROPRIATION	\$	187,715,100
Total interdepartmental grants and intradepartmental transfers		326,700
ADJUSTED GROSS APPROPRIATION	\$	187,388,400
Federal revenues:		
Total federal revenues		19,670,900
Special revenue funds:		
Total local revenues		0
Total private revenues		21,300
Total other state restricted revenues		44,706,400
State general fund/general purpose	\$	122,989,800

Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	31.0	
Unclassified salaries—FTE positions	6.0\$	651,900
Accounting service center		1,048,500
Commissions and boards		23,800
Emergency management—FTEs	8.0	2,943,800
Executive direction—FTEs	23.0	3,288,800
Property management		752,400
GROSS APPROPRIATION	\$	8,709,200
Appropriated from:		
Federal revenues:		
HHS, multiple grants		447,400

	For Fiscal Year Ending Sept. 30, 2023	
Special revenue funds:		
Agriculture licensing and inspection fees	\$	45,400
Dairy and food safety fund		102,700
Feed control fund		8,100
Fertilizer control fund		10,200
Freshwater protection fund		62,400
Gasoline inspection and testing fund		25,600
Industry support funds		57,000
Michigan craft beverage council fund		8,800
Private forestland enhancement fund		16,000
Refined petroleum fund		20,500
Weights and measures regulation fees		5,000
State general fund/general purpose	\$	7,900,100
Sec. 103. INFORMATION AND TECHNOLOGY		
Information technology services and projects	\$	2,337,700
GROSS APPROPRIATION	\$	2,337,700
Appropriated from:		
Interdepartmental grant revenues:		
Special revenue funds:		
Agriculture licensing and inspection fees		91,400
Dairy and food safety fund		74,800
Feed control fund		15,000
Fertilizer control fund		15,000
Freshwater protection fund		15,000
Gasoline inspection and testing fund		32,400
State general fund/general purpose	\$	2,094,100
Sec. 104. FOOD AND DAIRY		
Full-time equated classified positions	139.0	
Food safety and quality assurance—FTEs	103.0\$	18,518,900
Milk safety and quality assurance—FTEs	36.0	5,880,600
GROSS APPROPRIATION	\$	24,399,500
Appropriated from:		
Federal revenues:		
HHS, multiple grants		2,787,100
USDA, multiple grants		137,100
Special revenue funds:		
Consumer and industry food safety education fund		242,500
Dairy and food safety fund		5,484,400
Industry food safety education fund		114,100
Marihuana regulatory fund		350,000
Marihuana regulation fund		350,000
State general fund/general purpose	\$	14,934,300
Sec. 105. ANIMAL INDUSTRY		
Full-time equated classified positions	62.0	
Animal disease prevention and response—FTEs	62.0\$	10,520,900
Indemnification - livestock depredation		15,000
Michigan animal agriculture alliance		3,000,000
GROSS APPROPRIATION	\$	13,535,900
Appropriated from:		
Federal revenues:		
HHS, multiple grants		15,100
USDA, multiple grants		1,067,400

	For Fiscal Year Ending Sept. 30, 2023	
Special revenue funds:		
Agriculture licensing and inspection fees	\$	71,800
Animal welfare fund		150,000
State general fund/general purpose	\$	12,231,600
Sec. 106. PESTICIDE AND PLANT PEST MANAGEMENT		
Full-time equated classified positions	101.0	
Animal feed safety—FTEs	10.0\$	2,116,100
Pesticide and plant pest management—FTEs	91.0	15,606,400
GROSS APPROPRIATION	\$	17,722,500
Appropriated from:		
Federal revenues:		
EPA, multiple grants		578,700
HHS, multiple grants		397,400
USDA, multiple grants		721,100
Special revenue funds:		
Private - slow-the-spread foundation		21,300
Agriculture licensing and inspection fees		4,579,300
Commodity inspection fees		688,600
Feed control fund		1,402,100
Fertilizer control fund		1,347,800
Freshwater protection fund		157,500
Horticulture fund		70,000
Industrial hemp fund		677,200
Industry support funds		228,100
State general fund/general purpose	\$	6,853,400
Sec. 107. ENVIRONMENTAL STEWARDSHIP		
Full-time equated classified positions	66.5	
Agricultural preservation easement grants	\$	1,900,000
Environmental stewardship - MAEAP—FTEs	26.0	11,752,300
Farmland and open space preservation—FTEs	10.0	1,608,700
Intercounty drain—FTEs	6.0	862,600
Local conservation districts		2,000,000
Migrant labor housing—FTEs	9.0	1,357,300
Qualified forest program—FTEs	9.0	8,078,600
Right-to-farm—FTEs	6.5	1,025,600
GROSS APPROPRIATION	\$	28,585,100
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDEGLE, biosolids		94,800
Federal revenues:		
Department of interior		96,300
EPA, multiple grants		564,000
USDA, multiple grants		6,722,300
Special revenue funds:		
Agricultural preservation fund		3,508,700
Freshwater protection fund		8,331,700
Migratory labor housing fund		143,900
Private forestland enhancement fund		1,080,100
State general fund/general purpose	\$	8,043,300
Sec. 108. LABORATORY PROGRAM		
Full-time equated classified positions	108.5	
Central licensing and customer call center—FTEs	13.0\$	1,533,100
Consumer protection program—FTEs	42.0	7,067,100

	For Fiscal Year Ending Sept. 30, 2023	
Laboratory services—FTEs	42.5\$	8,282,800
USDA monitoring—FTEs	11.0	1,704,300
GROSS APPROPRIATION	\$	18,587,300
Appropriated from:		
Interdepartmental grant revenues:		
IDG from LARA (LCC), liquor quality testing fees		231,900
Federal revenues:		
EPA, multiple grants		180,600
HHS, multiple grants		1,568,100
USDA, multiple grants		1,705,500
Special revenue funds:		
Agriculture licensing and inspection fees		353,400
Dairy and food safety fund		526,100
Feed control fund		193,100
Fertilizer control fund		25,100
Freshwater protection fund		48,100
Gasoline inspection and testing fund		1,422,900
Grain dealers fee fund		8,200
Industrial hemp fund		321,300
Migratory labor housing fund		30,100
Refined petroleum fund		3,454,600
Testing fees		356,300
Weights and measures regulation fees		750,200
State general fund/general purpose	\$	7,411,800
Sec. 109. AGRICULTURE DEVELOPMENT		
Full-time equated classified positions	23.0	
Agriculture development—FTEs	13.0\$	4,806,400
Fair food network - double up food bucks		900,000
Food and agriculture investment program		2,472,600
Michigan craft beverage council—FTEs	3.0	926,100
Office of rural development—FTE	1.0	679,800
Producer security/grain dealers—FTEs	5.0	754,000
Rural development fund grant program—FTE	1.0	2,004,800
GROSS APPROPRIATION	\$	12,543,700
Appropriated from:		
Federal revenues:		
USDA, multiple grants		2,682,800
Special revenue funds:		
Agriculture licensing and inspection fees		5,100
Grain dealers fee fund		710,100
Industry support funds		223,600
Michigan craft beverage council fund		896,100
Rural development fund		2,004,800
State general fund/general purpose	\$	6,021,200
Sec. 110. FAIRS AND EXPOSITIONS		
County fairs, shows, and expositions	\$	500,000
Fairs and racing		258,600
Horse racing advisory commission		125,000
Licensed tracks - light horse racing		40,300
Light horse racing - breeders' awards		20,000
Purses and supplements - fairs/licensed tracks		708,300
Standardbred breeders' awards		345,900
Standardbred purses and supplements - licensed tracks		671,800

	For Fiscal Year Ending Sept. 30, 2023
Standardbred sire stakes	\$ 275,000
Thoroughbred breeders' awards	368,600
Thoroughbred sire stakes	378,800
Thoroughbred supplements - licensed tracks	601,900
GROSS APPROPRIATION	\$ 4,294,200
Appropriated from:	
Special revenue funds:	
Agriculture equine industry development fund	3,794,200
State general fund/general purpose	\$ 500,000
Sec. 111. ONE-TIME APPROPRIATIONS	
Animal welfare and veterinary care	\$ 2,000,000
Economic development for food and agriculture	50,000,000
Local conservation districts	1,000,000
Office of rural development	3,000,000
Buy Michigan Campaign	1,000,000
GROSS APPROPRIATION	\$ 57,000,000
Appropriated from:	
Special revenue funds:	
State general fund/general purpose	\$ 57,000,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR

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 2022-2023 is \$167,696,200.00 and state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is \$13,600,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT	
Agriculture preservation easement grants	\$ 1,900,000
Animal welfare and veterinary care	300,000
Environmental stewardship/MAEAP	4,100,000
Local conservation districts	3,000,000
Office of rural development	1,500,000
Qualified forest program	1,400,000
Rural development fund grant program	1,400,000
TOTAL	\$ 13,600,000

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

Sec. 203. As used in part 1 and this part:

- (a) "Department" means the department of agriculture and rural development.
- (b) "Director" means the director of the department.
- (c) "Fiscal agencies" means the Michigan house fiscal agency and the Michigan senate fiscal agency.
- (d) "FTE" means full-time equated.
- (e) "IDG" means interdepartmental grant.
- (f) "MAEAP" means the Michigan agriculture environmental assurance program.
- (g) "MDEGLE" means the Michigan department of environment, Great Lakes, and energy.
- (h) "Subcommittees" means all members of the subcommittees of the house and senate appropriations committees with jurisdiction over the budget for the department.
- (i) "TB" means tuberculosis.
- (j) "USDA" means the United States Department of Agriculture.

Sec. 204. (1) The departments and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement shall include transmission of reports via email to the recipients identified for each reporting requirement, and shall include placement of reports on an internet site.

(2) In fulfilling the reporting requirements of this part, the department shall notify report recipients when reports are posted to the department website.

Sec. 205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to funds appropriated in part 1:

(a) The funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 206. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services or supplies, or both.

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

(a) The dates of each travel occurrence.

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

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

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

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

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

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

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

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

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the subcommittees, respectively, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2022 and September 30, 2023.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2023 is \$11,574,600.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$7,027,300.00. Total agency appropriations for retiree health care legacy costs are estimated at \$4,547,300.00.

Sec. 215. The department shall not take disciplinary action against an employee of the department or departmental agency in the state classified civil service because the employee communicates with a member of the senate or house or a member's staff, unless the communication is prohibited by law and the department or agency taking disciplinary action is exercising its authority as provided by law.

Sec. 216. (1) On a quarterly basis, the department shall report to the senate and house appropriations committees, the senate and house appropriations subcommittees on the department budget, and the senate and house fiscal agencies the following information:

(a) The number of FTEs in pay status by type of staff and civil service classification.

(b) A comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTEs employed by the department at the end of the reporting period.

(2) By March 1 of the current fiscal year and annually thereafter, the department shall report to the senate and house appropriations committees, the senate and house appropriations subcommittees on the department budget, and the senate and house fiscal agencies the following information:

(a) Number of employees that were engaged in remote work in 2022.

(b) Number of employees authorized to work remotely and the actual number of those working remotely in the current reporting period.

(c) Estimated net cost savings achieved by remote work.

(d) Reduced use of office space associated with remote work.

Sec. 217. Appropriations in part 1 shall, to the extent possible by the department, not be expended until all existing work project authorization available for the same purposes is exhausted.

Sec. 218. 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, intertransfer funds within this act for the particular department, board, commission, officer, or institution.

Sec. 219. The department and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 220. The department shall report no later than April 1 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the senate and house appropriations committees, the senate and house subcommittees on agriculture and rural development, the joint committee on administrative rules, and the senate and house fiscal agencies.

Sec. 221. (1) From the funds appropriated in part 1, the department shall do all of the following:

(a) Report to the house and senate appropriations committees, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office any amount of severance pay for a department director, deputy director, or other high-ranking department official not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.

(b) Maintain an internet site that posts any severance pay in excess of 6 weeks of wages, regardless of the position held by the former department employee receiving severance pay.

(c) By February 1, report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the total amount of severance pay remitted to former department employees during the fiscal year ending September 30, 2022 and the total number of former department employees that were remitted severance pay during the fiscal year ending September 30, 2022.

(2) As used in this section, "severance pay" means compensation that is both payable or paid upon the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits.

Sec. 222. (1) Any department, agency, board, commission, or public officer that receives funding under part 1 shall not do any of the following:

(a) Require as a condition of accessing any facility or receiving services that an individual provide proof that he or she has received a COVID-19 vaccine except as provided by federal law or as a condition of receiving federal Medicare or Medicaid funding.

(b) Produce, develop, issue, or require a COVID-19 vaccine passport.

(c) Develop a database or make any existing database publicly available to access an individual's COVID-19 vaccine status by any person, company, or governmental entity.

(d) Require as a condition of employment that an employee or official provide proof that he or she has received a COVID-19 vaccine. This subdivision does not apply to any hospital, congregate care facility, or other medical facility or any hospital, congregate care facility, or other medical facility operated by a local subdivision that receives federal Medicare or Medicaid funding.

(2) A department, agency, board, commission, or public officer may not subject any individual to any negative employment consequence, retaliation, or retribution because of that individual's COVID-19 vaccine status.

(3) Subsection (1) does not prohibit any person, department, agency, board, commission, or public officer from transmitting proof of an individual's COVID-19 vaccine status to any person, company, or governmental entity, so long as the individual provides affirmative consent.

(4) If a department, agency, board, commission, subdivision, or official or public officer is required to establish a vaccine policy due to a federal mandate, it must provide exemptions to any COVID-19 vaccine policy to the following individuals:

(a) An individual for whom a physician certifies that a COVID19 vaccine is or may be detrimental to the individual's health or is not appropriate.

(b) An individual who provides a written statement to the effect that the requirements of the COVID-19 vaccine policy cannot be met because of religious convictions or other consistently held objection to immunization.

(5) As used in this section, "public officer" means a person appointed by the governor or another executive department official or an elected or appointed official of this state or a political subdivision of this state.

Sec. 224. It is the intent of the legislature that departments maximize the efficiency of the state workforce and, where possible, prioritize in-person work. Each executive branch department, agency, board, or commission that receives funding under part 1 must post its in-person, remote, or hybrid work policy on its website.

Sec. 241. When the department activates the incident management team to protect life or property, within 12 hours the department shall notify the senate and house members within whose district the site is located.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

Sec. 301. (1) The department may establish a fee schedule and collect fees for the following work activities and services:

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

(b) Fruit and vegetable inspection and grading services at shipping and termination points and processing plants.

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

(d) Laboratory support test samples for other state and local agencies and public or private organizations.

(2) The department may receive and expend revenue from the fees authorized under subsection (1), subject to appropriation, for the purpose of recovering expenses associated with the work activities and services described in subsection (1). Fee revenue collected by the department under subsection (1) shall not lapse to the state general fund at the end of the fiscal year but shall carry forward for appropriation by the legislature in the subsequent fiscal year.

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

(4) On or before February 1 of each year, the department shall provide a report to the subcommittees, the fiscal agencies, and the state budget office detailing all the fees charged by the department under the authorization provided in this section, including, but not limited to, rates, number of individuals paying each fee, and the revenue generated by each fee in the previous fiscal year.

(5) To the extent possible, the department will work with vendors supplying testing for certification of commercial pesticide applicators, private pesticide applicators, registered pesticide applicators, and approved trainers for use with pesticide applicators to ensure adequate testing capacity, statewide access to testing sites, and cost structures comparable to neighboring states.

Sec. 302. (1) The department may contract with or provide grants to local units of government, institutions of higher education, or nonprofit organizations to support activities authorized by appropriations in part 1. As used in this section, contracts and grants include, but are not limited to, contracts for delivery of

groundwater/freshwater programs, MAEAP technical assistance, forest management, invasive species monitoring, wildlife risk mitigation, grants promoting proper pesticide disposal, and research grants for the purpose of enhancing the agricultural industries in this state.

(2) The department shall provide notice of contracts or grants authorized under this section to the subcommittees, the fiscal agencies, and the state budget office not later than 7 days before the department notifies contract or grant recipients.

FOOD AND DAIRY

Sec. 401. (1) The department shall report on the previous fiscal year's activities of the food and dairy division. The report shall include information on activities and outcomes of the dairy safety and inspection program, the food safety inspection program, the foodborne illness and emergency response program, and the food service program.

(2) The report shall include information on significant foodborne outbreaks and emergencies, including any significant enforcement actions taken related to food safety during the prior calendar year.

(3) The report shall be transmitted to the subcommittees, the fiscal agencies, and the state budget office and posted to the department's website on or before April 1 of each year.

ANIMAL INDUSTRY

Sec. 451. From the funds appropriated in part 1, the department shall pay for all whole herd bovine TB testing costs and individual animal testing costs in the modified accredited zone and buffer counties as referenced in the current memorandum of understanding between the department and the USDA to maintain split-state status requirements. These costs include indemnity and compensation for injury causing death or downer to animals.

Sec. 452. (1) The department shall report on the previous calendar year's activities of the animal industry division. The report shall be transmitted to the subcommittees, the fiscal agencies, and the state budget office and posted to the department's website on or before April 1 of each year.

(2) The department shall include in the report all indemnification payments for livestock depredation made in the previous calendar year and shall include all of the following:

- (a) The reason for the indemnification.
- (b) The amount of the indemnification.
- (c) The person for whom the indemnification was paid.

Sec. 454. The department shall use its resources to collaborate with the USDA to monitor bovine TB, consistent with the current required memorandum of understanding between the department and the USDA.

Sec. 455. From the funds appropriated in part 1 for animal disease prevention and response, \$200,000.00 shall be used to cover costs associated with testing of registered privately owned cervid facilities as follows: for required surveillance testing for chronic wasting disease and for infected herd bovine TB testing.

Sec. 457. (1) On or before October 15 of each year, the department shall provide to the subcommittees, the fiscal agencies, and the state budget office a report on bovine TB status and department activities.

(2) For each fiscal quarter following the report required in subsection (1), the department shall provide an update to the subcommittees, the fiscal agencies, and the state budget office. The quarterly update reports shall identify significant impacts to the program, including new incidence of bovine TB in this state, department activity associated with specific new incidence of bovine TB, any changes in USDA requirements or movement orders, and information and data on wildlife risk mitigation plan implementation in the modified accredited zone; implementation of a movement certificate process; progress toward annual surveillance test requirements; efforts to work with slaughter facilities in this state, as well as those that slaughter a significant number of animals from this state; educational programs and information for this state's livestock community; and any other item the legislature should be aware of that will promote or hinder efforts to achieve bovine TB free status for this state.

Sec. 458. From the funds appropriated in part 1 for Michigan animal agriculture alliance, the department shall work with animal industry representatives and state research universities to continue an animal research grant program.

PESTICIDE AND PLANT PEST MANAGEMENT

Sec. 501. The department shall report on the previous calendar year's activities of the pesticide and plant pest management division. The report shall be transmitted to the subcommittees, the fiscal agencies, and the state budget office and posted to the department's website on or before April 1 of each year.

Sec. 502. From the funds appropriated in part 1 for pesticide and plant pest management, \$1,170,000.00 shall be used for staffing and operational support for education and compliance assistance efforts to ensure uniform application of pesticide regulations.

ENVIRONMENTAL STEWARDSHIP

Sec. 601. The funds appropriated in part 1 for environmental stewardship/MAEAP shall be used to support department agriculture pollution prevention programs, including groundwater and freshwater protection

programs under part 87 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.8701 to 324.8717, and technical assistance in implementing conservation grants available under the federal farm bill of 2018, Public Law 115-334.

Sec. 602. The department shall report on the previous calendar year's activities of the environmental stewardship division. The report shall be transmitted to the subcommittees, the fiscal agencies, and the state budget office and posted to the department's website on or before April 1 of each year.

Sec. 603. In addition to the report required under section 602, by April 1, the department shall prepare a report to be posted on the department's website and provided to the relevant house and senate standing committees and appropriations subcommittees as well as to the fiscal agencies and state budget office. The report shall contain the following information for agriculture nutrient best management voluntary practices program: number and location of acres enrolled in nutrient management or other best management practices; number of acres enrolled that were not previously verified under the MAEAP; summary of practices implemented and available incentive programs; starting and ending balances of the program; summary of outreach and training efforts; and testing results.

Sec. 604. The department may receive and expend federal revenues up to a total of \$1,000,000.00 in excess of the federal revenue appropriated in section 107 of part 1 for environmental stewardship and MAEAP activities. The department shall notify the subcommittees, the fiscal agencies, and the state budget office prior to expending federal revenues authorized under this section.

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

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

Sec. 609. (1) The appropriations in part 1 for local conservation districts shall be distributed in equal amounts to local conservation districts in this state that were in operation as of April 15, 2021.

(2) On or before March 1, 2023, the department shall report on the previous calendar year's activities of local conservation districts. The report shall include descriptions of local conservation district activities and funding, including uses of appropriations made in part 1. In preparing this report, the department shall coordinate with representatives of local conservation districts. The report shall be transmitted to the subcommittees, the fiscal agencies, and the state budget office and posted to the department's website.

Sec. 610. From the funds appropriated in part 1, the department shall maintain coordination with the department of treasury to improve the timely processing and issuance of tax credits under section 36109 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.36109, for the Michigan's farmland and open space preservation program under parts 361 and 362 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.36101 to 324.3116 and 324.36201 to 324.36207. This includes, but is not limited to:

- (a) Timely review of mailed applications and paperwork.
- (b) Timely and proactive communications to applicants on the status of their application.
- (c) A clear and understood timeline for the issuance of any tax credits.

LABORATORY PROGRAM

Sec. 651. The department shall report on the previous calendar year's activities of the laboratory division. The report shall be transmitted to the subcommittees, the fiscal agencies, and the state budget office and posted to the department's website on or before April 1 of each year.

AGRICULTURE DEVELOPMENT

Sec. 701. (1) From the funds appropriated in part 1 for the food and agriculture investment program, the department shall establish and administer a food and agriculture investment program.

(2) The food and agriculture investment program shall expand the Michigan food and agriculture sector, grow Michigan exports, promote the development of value-added agricultural production, food hubs, food incubators, and community-based processing facilities with a focus on new and expanding protein processors, and the expansion of farm markets and urban agriculture, including promotion of hoop houses, and increase food processing activities within this state by accelerating projects and infrastructure development that support growth in the food and agriculture processing industry.

(3) In addition to the funds appropriated in part 1, the department may receive and expend funds received from outside sources for the food and agriculture investment program.

(4) Before the allocation of funding, all projects shall receive approval from the Michigan commission of agriculture and rural development, except for projects selected through a competitive process by a joint evaluation committee selected by the director and consisting of representatives that have agriculture, business, and economic development expertise. Projects funded through the food and agriculture investment

program will be required to have a grant agreement that outlines milestones and activities that must be met in order to receive a disbursement of funds. Projects must also identify measurable project outcomes.

(5) The department shall include in the agriculture development annual report a report on the food and agriculture investment program for the previous fiscal year that includes a listing of the grantees, award amounts, match funding, project locations, and project outcomes.

(6) The food and agriculture investment program shall be administered by the department and provide support for food and agriculture projects that will enable growth in the industry and this state's economy.

(7) The unexpended funds appropriated in part 1 for the food and agriculture investment program are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to promote and expand the Michigan food and agriculture sector, grow Michigan exports, and increase food processing activities within the state.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The estimated cost of this project is identified in the appropriation line item.

(d) The tentative completion date for the work project is September 30, 2025.

(8) The department may expend money from the funds appropriated in part 1 for the food and agriculture investment program, including all of the following activities:

(a) Grants.

(b) Loans or loan guarantees.

(c) Infrastructure development.

(d) Other economic assistance.

(e) Program administration.

(f) Export assistance.

(9) The department shall expend no more than 5% from the funds appropriated in part 1 for the food and agriculture investment program for administrative purposes.

Sec. 702. The department shall work with the rural development fund board to establish a process and criteria for funding projects as well as establishing metrics and measurable outcomes for the program. Funds appropriated from the rural development fund shall be used in accordance with the provisions of the rural development fund act, 2012 PA 411, MCL 286.941 to 286.947.

Sec. 702a. The office of rural development shall act to encourage and enable appropriate community advancements and improvements, including, but not limited to, housing, infrastructure, education, workforce development, and other needs uniquely present in rural areas of this state that will assist in expansion of rural agriculture development.

Sec. 703. (1) From the funds appropriated in part 1 for fair food network – double up food bucks, the department shall work with the fair food network to ensure that at least 80% of the funds allocated to the double up food bucks program are directly used for the payments to participating vendors.

(2) The department shall work with the department of health and human services to do all of the following:

(a) Notify recipients of food assistance program benefits that food assistance program benefits can be accessed at many farmer's markets in this state with bridge cards.

(b) Notify recipients of food assistance program benefits about the double up food bucks program that is administered by the fair food network. Food assistance program recipients shall receive information about the double up food bucks program, including information that explains that when program recipients spend up to \$20.00 at participating farmer's markets and grocery stores, the recipient can receive an additional \$20.00 to buy Michigan produce.

(3) The department shall work with the fair food network to expand access to the double up food bucks program in each of the state's counties with grocery stores or farmer's markets that meet the program's eligibility requirements.

(4) On or before June 1, 2023, the department shall submit a report on activities and outcomes of the double up food bucks program to the subcommittees and the fiscal agencies. The report shall contain all of the following:

(a) Counties in this state with participating double up food bucks vendors, the number of vendors by county, and the name and location of vendors, as of May 1, 2022.

(b) Counties in this state with participating double up food bucks vendors, the number of vendors by county, and the name of location of vendors, as of May 1, 2023. The report shall highlight counties and vendors added to the program since May 1, 2022.

(c) Number of individuals participating in the program, by county.

Sec. 706. (1) The department shall report on the previous calendar year's activities of the agriculture development division. The report shall be transmitted to the subcommittees, the fiscal agencies, and the state budget office and posted to the department's website on or before April 1 of each year.

(2) The report shall include the following information on any grants awarded during the prior fiscal year:

- (a) The name of the grantee.
- (b) The amount of the grant.
- (c) The purpose of the grant, including measurable outcomes.
- (d) Additional state, federal, private, or local funds contributed to the grant project.
- (e) The completion date of grant-funded activities.

(3) The report shall include the following information on the Michigan craft beverage council established under section 303 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1303:

- (a) Council activities and accomplishments for the previous fiscal year.
- (b) Council expenditures for the previous fiscal year by category of administration, industry support, research and education grants, and promotion and consumer education.
- (c) Grants awarded during the previous fiscal year and the results of research grant projects completed during the previous fiscal year.

Sec. 707. Unexpended industry support fund revenues at the end of the fiscal year may be carried forward into the industry support fund in the succeeding fiscal year and shall not lapse to the general fund.

FAIRS AND EXPOSITIONS

Sec. 801. All appropriations from the agriculture equine industry development fund shall be spent on equine-related purposes. No funds from the agriculture equine industry development fund shall be expended for nonequine-related purposes without prior approval of the legislature.

Sec. 802. From the funds appropriated in part 1 from agriculture equine industry development funds, available revenue shall be allocated in the following priority order:

- (a) To support all administrative, contractual, and regulatory costs incurred by the department and the Michigan gaming control board.
- (b) Up to \$495,000.00 shall be allocated to the purses and supplements – fairs/licensed tracks line item.
- (c) Any remaining funds collected through September 30, 2022, after the obligations in subdivisions (a) and (b) have been met, shall be prorated equally among the supplements, breeders' awards, and sire stakes awards to eligible race meeting licensees in accordance with section 20 of the horse racing law of 1995, 1995 PA 279, MCL 431.320.

Sec. 805. (1) The department shall establish and administer a county fairs, shows, and expositions grant program. The program shall have the following objectives:

- (a) Assist in the promotion of building improvements or other capital improvements at county fairgrounds of this state.
- (b) Provide financial support, promotion, prizes, and premiums of equine, livestock, and other agricultural commodity expositions in this state.
- (2) The department shall award grants on a competitive basis to county fairs or other organizations from the funds appropriated in part 1 for county fairs, shows, and expositions grants. Grantees will be required to provide a 50% cash match with grant awards and identify measurable project outcomes. A county fair organization that received a county fair capital improvement grant in the prior fiscal year shall not receive a grant from the appropriation in part 1.
- (3) From the amount appropriated in part 1 for county fairs, shows, and expositions, up to \$25,000.00 shall be expended for the purpose of financial support, promotion, prizes, and premiums of equine, livestock, and other agricultural commodity expositions in this state, and festivals.
- (4) All fairs receiving grants under this section shall provide a report to the department on the financial impact resulting from the capital improvement project on both fair and nonfair events. These reports are due for 3 years immediately following the completion of the capital improvement project.
- (5) The department shall identify criteria, evaluate applications, and provide recommendations to the director for final approval of grant awards.
- (6) The department may expend money from the funds appropriated in part 1 for the county fairs, shows, and expositions for administering the program.

(7) The unexpended portion of the appropriation in part 1 for county fairs, shows, and expositions grants is considered a work project appropriation in accordance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a. The following apply to the project:

- (a) The purpose of the project is to support building improvements or other capital improvements at county fairgrounds of this state.
- (b) All grants will be distributed in accordance with this section and the grant guidelines published prior to the request for proposals.
- (c) The estimated cost of the project is identified in the appropriation line item.
- (d) The tentative completion date for the work project is September 30, 2025.

(8) The department shall provide a year-end report on the county fairs, shows, and expositions grants no later than December 1, 2023 to the subcommittees, the fiscal agencies, and the state budget director that includes a listing of the grantees, award amounts, match funding, project outcomes, and department costs of grant administration.

ONE-TIME APPROPRIATIONS

Sec. 900. (1) From the funds appropriated in part 1 for the office of rural development, the department shall establish a grant program to support community activities, including, but not limited to, enhancing or elevating broadband, housing, infrastructure, education, workforce development and address other needs uniquely experienced in rural areas of Michigan.

(2) From the funds appropriated in part 1, the department may increase capacity by a total of 3.0 FTE positions (limited term) to administer the program.

(3) The unexpended funds appropriated in part 1 for the office of rural development are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is for supporting rural communities.
(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The estimated cost of this project is \$3,000,000.00.
(d) The tentative completion date for the work project is September 30, 2027.

Sec. 901. (1) From the funds appropriated in part 1 for economic development for food and agriculture, the department shall establish a grant program to support the food supply chain from Michigan farms and improve food safety and security in this state.

(2) From the funds appropriated in part 1, the department may increase capacity by a total of 8.0 FTE positions (limited term) to administer the program.

(3) The unexpended funds appropriated in part 1 for economic development for food and agriculture are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, 29 MCL 18.1451a:

(a) The purpose of the project is for stabilizing and accelerating the food supply chain while significantly increasing food security and reducing environmental risk in Michigan.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The estimated cost of this project is \$50,000,000.00.
(d) The tentative completion date for the work project is September 30, 2027.

(4) From the funds appropriated in part 1 for economic development for food and agriculture, \$12,000,000.00 shall be allocated to the Eastern Market.

Sec. 902. The unexpended funds appropriated in part 1 for animal welfare and veterinary care are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, 29 MCL 18.1451a:

(a) The purpose of the project is provide veterinary services and resources to animal care facilities.
(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The estimated cost of this project is \$2,000,000.00.
(d) The tentative completion date for the work project is September 30, 2027.

ARTICLE 2
DEPARTMENT OF CORRECTIONS
PART 1
LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of corrections for the fiscal year ending September 30, 2023, from the following funds:

DEPARTMENT OF CORRECTIONS

<u>APPROPRIATION SUMMARY</u>	
Full-time equated unclassified positions	16.0
Full-time equated classified positions	13,498.4
GROSS APPROPRIATION	\$ 2,125,068,000

		For Fiscal Year Ending Sept. 30, 2023
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers	\$	0
ADJUSTED GROSS APPROPRIATION	\$	2,125,068,000
Federal revenues:		
Total federal revenues		5,148,400
Special revenue funds:		
Total local revenues		9,879,500
Total private revenues		0
Total other state restricted revenues		29,831,800
State general fund/general purpose	\$	2,080,208,300
Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions	16.0	
Full-time equated classified positions	355.0	
Unclassified salaries—FTEs	16.0	\$ 2,142,100
Administrative hearings officers		3,478,000
Budget and operations administration—FTEs	266.0	38,091,600
Compensatory buyout and union leave bank		100
County jail reimbursement program		14,814,600
Employee wellness programming—FTEs	6.0	2,021,400
Equipment and special maintenance		1,559,700
Executive direction—FTEs	22.0	4,667,700
Judicial data warehouse user fees		50,600
New custody staff training		21,616,300
Prison industries operations—FTEs	61.0	10,230,300
Property management		2,479,200
Prosecutorial and detainer expenses		4,801,000
Worker's compensation		12,991,700
GROSS APPROPRIATION	\$	118,944,300
Appropriated from:		
Federal revenues:		
DOJ, prison rape elimination act grant		674,700
Special revenue funds:		
Correctional industries revolving fund		10,230,300
Correctional industries revolving fund 110		721,600
Jail reimbursement program fund		5,900,000
State general fund/general purpose	\$	101,417,700
Sec. 103. OFFENDER SUCCESS ADMINISTRATION		
Full-time equated classified positions	342.9	
Community corrections comprehensive plans and services		\$ 13,198,100
Education/skilled trades/career readiness programs—FTEs	264.9	39,100,400
Enhanced food technology program—FTEs	11.0	1,640,000
Goodwill Flip the Script		1,250,000
Offender success community partners		14,500,000
Offender success federal grants		751,000
Offender success programming		16,122,800
Offender success services—FTEs	67.0	17,545,600
Public safety initiative		4,000,000
Residential probation diversions		16,575,500
GROSS APPROPRIATION	\$	124,683,400
Appropriated from:		
Federal revenues:		
DOJ, prisoner reintegration		751,000
Federal education funding		1,599,400
State general fund/general purpose	\$	122,333,000

For Fiscal Year
Ending Sept. 30,
2023

Sec. 104. FIELD OPERATIONS ADMINISTRATION

Full-time equated classified positions	1,880.5	
Criminal justice reinvestment		\$ 3,748,400
Field operations—FTEs	1,849.5	227,464,600
Parole board operations—FTEs	31.0	3,942,800
Parole/probation services		940,000
Residential alternative to prison program		1,500,000
GROSS APPROPRIATION		\$ 237,595,800
Appropriated from:		
Special revenue funds:		
Community tether program reimbursement		275,000
Reentry center offender reimbursements		10,000
Supervision fees		6,630,500
Supervision fees set-aside		940,000
State general fund/general purpose		\$ 229,740,300

Sec. 105. CORRECTIONAL FACILITIES ADMINISTRATION

Full-time equated classified positions	660.0	
Central records—FTEs	43.0	\$ 4,904,400
Correctional facilities administration—FTEs	37.0	6,702,400
Housing inmates in federal institutions		511,000
Inmate housing fund		100
Inmate legal services		290,900
Leased beds and alternatives to leased beds		100
Prison food service—FTEs	336.0	74,415,900
Prison store operations—FTEs	33.0	3,472,500
Transportation—FTEs	211.0	31,555,800
GROSS APPROPRIATION		\$ 121,853,100
Appropriated from:		
Federal revenues:		
DOJ-BOP, federal prisoner reimbursement		411,000
SSA-SSI, incentive payment		272,000
Special revenue funds:		
Correctional industries revolving fund 110		670,800
Resident stores		3,472,500
State general fund/general purpose		\$ 117,026,800

Sec. 106. HEALTH CARE

Full-time equated classified positions	1,469.3	
Clinical complexes—FTEs	1,033.3	\$ 154,703,900
Health care administration—FTEs	18.0	3,660,100
Healthy Michigan plan administration—FTEs	12.0	1,019,000
Hepatitis C treatment		8,810,700
Interdepartmental grant to health and human services, eligibility specialists		120,200
Mental health and substance use disorder treatment services—FTEs	406.0	52,914,000
Prisoner health care services		94,793,600
Vaccination program		691,200
GROSS APPROPRIATION		\$ 316,712,700
Appropriated from:		
Federal revenues:		
Federal revenues and reimbursements		405,500
Special revenue funds:		
Prisoner health care co-payments		257,200
State general fund/general purpose		\$ 316,050,000

For Fiscal Year
Ending Sept. 30,
2023

Sec. 107. CORRECTIONAL FACILITIES

Full-time equated classified positions	8,790.7	
Alger Correctional Facility - Munising—FTEs	259.0	\$ 32,785,600
Baraga Correctional Facility - Baraga—FTEs	295.8	39,038,000
Bellamy Creek Correctional Facility - Ionia—FTEs	392.2	47,952,000
Carson City Correctional Facility - Carson City—FTEs	421.4	52,521,700
Central Michigan Correctional Facility - St. Louis—FTEs	386.6	49,518,200
Charles E. Egeler Correctional Facility - Jackson—FTEs	386.6	49,282,900
Chippewa Correctional Facility - Kincheloe—FTEs	443.6	55,403,800
Cooper Street Correctional Facility - Jackson—FTEs	254.6	31,773,300
Detroit Detention Center—FTEs	75.8	9,604,500
Earnest C. Brooks Correctional Facility - Muskegon—FTEs	248.2	32,733,100
G. Robert Cotton Correctional Facility - Jackson—FTEs	396.0	48,836,300
Gus Harrison Correctional Facility - Adrian—FTEs	443.6	54,123,800
Ionia Correctional Facility - Ionia—FTEs	288.3	36,863,100
Kinross Correctional Facility - Kincheloe—FTEs	258.6	35,253,100
Lakeland Correctional Facility - Coldwater—FTEs	275.4	35,548,100
Macomb Correctional Facility - New Haven—FTEs	313.3	40,421,100
Marquette Branch Prison - Marquette—FTEs	319.7	40,821,000
Michigan Reformatory - Ionia—FTEs	310.1	38,104,200
Muskegon Correctional Facility - Muskegon—FTEs	208.0	28,472,700
Newberry Correctional Facility - Newberry—FTEs	199.1	26,335,100
Oaks Correctional Facility - Eastlake—FTEs	289.4	37,750,800
Parnall Correctional Facility - Jackson—FTEs	266.1	31,673,400
Richard A. Handlon Correctional Facility - Ionia—FTEs	258.0	33,662,700
Saginaw Correctional Facility - Freeland—FTEs	276.9	35,767,400
Special Alternative Incarceration Program - Jackson—FTEs	26.2	5,206,400
St. Louis Correctional Facility - St. Louis—FTEs	306.6	40,700,000
Thumb Correctional Facility - Lapeer—FTEs	283.6	36,432,500
Womens Huron Valley Correctional Complex - Ypsilanti—FTEs	505.1	63,863,000
Woodland Correctional Facility - Whitmore Lake—FTEs	296.9	39,396,200
Northern region administration and support—FTEs	43.0	4,582,900
Southern region administration and support—FTEs	63.0	19,368,300
GROSS APPROPRIATION		\$ 1,133,795,200

Appropriated from:

Federal revenues:

DOJ, state criminal assistance program 1,034,800

Special revenue funds:

Local funds 9,604,500

State restricted fees, revenues and reimbursements

102,100

State general fund/general purpose

\$ 1,123,053,800

Sec. 108. INFORMATION TECHNOLOGY

Information technology services and projects	\$ 31,383,500
GROSS APPROPRIATION	\$ 31,383,500

Appropriated from:

Special revenue funds:

Correctional industries revolving fund 110 182,000

Supervision fees set-aside 714,800

State general fund/general purpose

\$ 30,486,700

Sec. 109. ONE-TIME APPROPRIATIONS

Body scanners	\$ 4,500,000
Chance for Life	500,000
COVID-19 suspended intake payments	1,000,000

	For Fiscal Year Ending Sept. 30, 2023
Electronic prisoner/staff communications	\$ 15,000,000
Gender reassignment legal defense	100,000
Goodwill Flip the Script	750,000
Improvements to staff areas in correctional facilities	2,500,000
<i>John Does v MDOC</i> settlement agreement	15,000,000
Officer uniforms	500,000
Page alert system	1,000,000
Prosperity region 8 pilot program	500,000
Savings from reduced populations	(3,750,000)
Vocational village expansion	2,500,000
GROSS APPROPRIATION	\$ 40,100,000
Appropriated from:	
State general fund/general purpose	\$ 40,100,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2022-2023 is \$2,110,040,100.00 and state spending from state sources to be paid to local units of government is \$125,615,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF CORRECTIONS	
Community corrections comprehensive plans and services	\$ 13,198,100
County jail reimbursement program	14,814,600
COVID-19 suspended intake payments	1,000,000
Field Operations	69,726,100
Leased beds and alternatives to leased beds	100
Prosecutorial and detainer expenses	4,801,000
Public safety initiative	4,000,000
Residential alternative to prison program	1,500,000
Residential probation diversions	16,575,500
TOTAL	\$ 125,615,400

Sec. 202. The appropriations authorized 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. As used in this part and part 1:

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

(b) “Department” or “MDOC” means the Michigan department of corrections.

(c) “DOJ” means the United States Department of Justice.

(d) “DOJ-BOP” means the DOJ Bureau of Prisons.

(e) “Evidence-based” means a decision-making process that integrates the best available research, clinician expertise, and client characteristics.

(f) “Federally-qualified health center” means that term as defined in section 1396d(l)(2)(B) of the social security act, 42 USC 1396d.

(g) “FTE” means full-time equated.

(h) “Goal” means the intended or projected result of a comprehensive corrections plan or community corrections program to reduce repeat offending, criminogenic and high-risk behaviors, prison commitment rates, the length of stay in a jail, or to improve the utilization of a jail.

(i) “Jail” means a facility operated by a local unit of government for the physical detention and correction of persons charged with or convicted of criminal offenses.

(j) “OCC” means the office of community corrections.

(k) “Offender success” means that an offender has, with the support of the community, intervention of the field agent, and benefit of any participation in programs and treatment, made an adjustment while at liberty in the community such that he or she has not been sentenced to or returned to prison for the conviction of a new crime or the revocation of probation or parole.

(l) "Recidivism" means that term as defined in section 1 of 2017 PA 5, MCL 798.31.

(m) "Serious emotional disturbance" means that term as defined in section 100d(2) of the mental health code, 1974 PA 258, MCL 330.1100d.

(n) "Serious mental illness" means that term as defined in section 100d(3) of the mental health code, 1974 PA 258, MCL 330.1100d.

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

(p) "SSA-SSI" means SSA supplemental security income.

Sec. 204. The department shall use the internet to fulfill the reporting requirements of this part. This requirement shall include transmission of reports via email to the recipients identified for each reporting requirement and it shall include placement of reports on an internet site.

Sec. 205. Except as otherwise provided in this part, all reports required under this part shall be submitted to the senate and house appropriations subcommittees on corrections, the senate and house fiscal agencies, the legislative corrections ombudsman, and the state budget office.

Sec. 206. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply:

(a) Funds appropriated in part 1 must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 207. The department shall not take disciplinary action against an employee of the department in the state classified civil service, or a prisoner, for communicating with a member of the legislature or his or her staff, unless the communication is prohibited by law and the department is exercising its authority as provided by law.

Sec. 208. The department shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house appropriations committees and to report recipients required in section 205 of this part. The report shall include the following information:

(a) The dates of each travel occurrence.

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

Sec. 209. Funds appropriated in part 1 shall not be used by the department to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

Sec. 210. Not later than November 30, the state budget office shall prepare and transmit a report that provides estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees and the senate and house fiscal agencies.

Sec. 211. In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$2,500,000.00 for federal contingency authorization. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 212. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 213. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the chairpersons of the senate and house appropriations committees, the chairpersons of the senate and house appropriations subcommittees on corrections, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the prior 2 fiscal years.

Sec. 214. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 215. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2023 are estimated at \$270,855,400.00. From this amount, total department appropriations for pension-related legacy costs are estimated at \$164,444,700.00. Total department appropriations for retiree health care legacy costs are estimated at \$106,410,700.00.

Sec. 216. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 217. (1) On a quarterly basis, the department shall report on the number of full-time equated positions in pay status by civil service classification, including the number of full-time equated positions in pay status by civil service classification for each correctional facility. This report must include the following:

(a) A comparison by line item of the number of full-time equated positions authorized from funds appropriated in part 1 to the actual number of full-time equated positions employed by the department at the end of the reporting period.

(b) A detailed accounting of all vacant positions that exist within the department.

(c) A detailed accounting of all correction officer positions at each correctional facility, including positions that are filled and vacant positions, by facility.

(d) A detailed accounting of all vacant positions that are health-care-related.

(e) A detailed accounting of vacant positions that are being held open for temporarily nonactive employees.

(2) By March 1, the department shall report the following information:

(a) Number of employees that were engaged in remote work in 2022.

(b) Number of employees authorized to work remotely and the actual number of those working remotely in the current reporting period.

(c) Estimated net cost savings achieved by remote work.

(d) Reduced use of office space associated with remote work.

(3) As used in this section, "vacant position" means any position that has not been filled at any time during the past 12 calendar months.

Sec. 218. It is the intent of the legislature that the department maximize the efficiency of the state workforce, and, where possible, prioritize in-person work. The department must post its in-person, remote, or hybrid work policy on its website.

Sec. 219. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this article, 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 article for the particular department, board, commission, officer, or institution.

Sec. 220. The department may charge fees and collect revenues in excess of appropriations in part 1 not to exceed the cost of offender services and programming, employee meals, parolee loans, academic/vocational services, custody escorts, compassionate visits, union steward activities, and public works programs and services provided to local units of government or private nonprofit organizations. The revenues and fees collected are appropriated for all expenses associated with these services and activities.

Sec. 221. The department shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 222. The department shall report no later than April 1 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the senate and house appropriations committees, to the joint committee on administrative rules, and to report recipients required in section 205 of this part.

Sec. 223. (1) From the funds appropriated in part 1, the department shall do the following:

(a) Report to the senate and house appropriations committees and to report recipients required in section 205 of this part any amounts of severance pay for a department director, deputy director, or other high-ranking department official not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.

(b) Maintain an internet site that posts any severance pay in excess of 6 weeks of wages, regardless of the position held by the former department employee receiving severance pay.

(c) By February 1, report on the total amount of severance pay remitted to former department employees during the fiscal year ending September 30, 2022 and the total number of former department employees that were remitted severance pay during the fiscal year ending September 30, 2022.

(2) As used in this section, “severance pay” means compensation that is both payable or paid upon the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits.

Sec. 224. (1) Any department, agency, board, commission, or public officer that receives funding under part 1 shall not:

(a) Require as a condition of accessing any facility or receiving services that an individual provide proof that he or she has received a COVID-19 vaccine except as provided by federal law or as a condition of receiving federal Medicare or Medicaid funding.

(b) Produce, develop, issue, or require a COVID-19 vaccine passport.

(c) Develop a database or make any existing database publicly available to access an individual’s COVID-19 vaccine status by any person, company, or governmental entity.

(d) Require as a condition of employment that an employee or official provide proof that he or she has received a COVID-19 vaccine. This subdivision does not apply to any hospital, congregate care facility, or other medical facility or any hospital, congregate care facility, or other medical facility operated by a local subdivision that receives federal Medicare or Medicaid funding.

(2) A department, agency, board, commission, or public officer may not subject any individual to any negative employment consequence, retaliation, or retribution because of that individual’s COVID-19 vaccine status.

(3) Subsection (1) does not prohibit any person, department, agency, board, commission, or public officer from transmitting proof of an individual’s COVID-19 vaccine status to any person, company, or governmental entity, so long as the individual provides affirmative consent.

(4) If a department, agency, board, commission, subdivision, or official or public officer is required to establish a vaccine policy due to a federal mandate, it must provide exemptions to any COVID-19 vaccine policy to the following individuals:

(a) An individual for whom a physician certifies that a COVID-19 vaccine is or may be detrimental to the individual’s health or is not appropriate.

(b) An individual who provides a written statement to the effect that the requirements of the COVID-19 vaccine policy cannot be met because of religious convictions or other consistently held objection to immunization.

(5) As used in this section, “public officer” means a person appointed by the governor or another executive department official or an elected or appointed official of this state or a political subdivision of this state.

Sec. 225. Appropriations in part 1 shall, to the extent possible by the department, not be expended until all existing work project authorization available for the same purposes is exhausted.

Sec. 226. It is the intent of the legislature that the department establish and maintain a management-to-staff ratio of not more than 1 supervisor for each 8 employees at the department’s central office in Lansing and at both the northern and southern region administration offices.

Sec. 227. The department shall provide the state court administrative office data sufficient to administer the swift and sure sanctions program.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

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

Sec. 302. From the funds appropriated in part 1, the department shall submit a report by March 1 on the department’s staff retention strategies. The report must include, but not be limited to, the following:

(a) The department’s strategies on how to improve employee engagement, how to improve employee wellness, and how to offer additional training and professional development for employees, including metrics the department is using to measure success of employee wellness programming.

(b) Mechanisms by which the department receives employee feedback in areas under subdivision (a) and how the department considers suggestions made by employees.

(c) Steps the department has taken, and future plans and goals the department has for retention and improving employee wellness.

Sec. 303. From the funds appropriated in part 1, the department shall submit a report by March 1 on the number of employee departures. The report must include the number of corrections officers that departed from employment at a state correctional facility in the immediately preceding fiscal year and the number of years they worked for the department. The report shall include a chart that shows the normal distribution of employee departures in these positions based on years of service. Years of service shall be grouped into the

following ranges: 1 to 3 years, 3 to 5 years, 5 to 10 years, 10 to 15 years, 15 to 20 years, and 20 and more years. The department shall review all reasons for employee departures and summarize in the report the primary reasons for departure for each of the ranges of years of service based on the available responses. The report shall include a section that shows the distinction between recruits who are in-training at the academy that depart employment, recruits who are in-training at a facility that depart employment, and employees who have been on the job that depart employment.

Sec. 304. From the funds appropriated in part 1, the department shall maintain a staff savings initiative program in conjunction with the EPIC program for employees to submit suggestions for efficiencies for the department. The department shall consider each suggestion in a timely manner. By March 1, the department shall report on process improvements that were implemented based on suggestions that were recommended for implementation from the staff savings initiative and EPIC programs. An employee whose suggestion is implemented by the department shall receive noncompensatory recognition for their efforts.

Sec. 305. From the funds appropriated in part 1 for prosecutorial and detainer expenses, the department shall reimburse counties for housing and custody of parole violators and offenders being returned by the department from community placement who are available for return to institutional status and for prisoners who volunteer for placement in a county jail.

Sec. 306. The department shall provide fiduciary oversight of funds received under the local corrections officers training act, 2003 PA 125, MCL 791.531 to 791.546.

Sec. 307. From the funds appropriated in part 1, the department shall issue a biannual report for all vendor contracts. The report shall cover service contracts with a value of \$500,000.00 or more and include all of the following:

- (a) The original start date and the current expiration date of each contract.
- (b) The number, if any, of contract compliance monitoring site visits completed by the department for each vendor.
- (c) The number and amount of fines, if any, for service-level agreement noncompliance for each vendor broken down by area of noncompliance.

Sec. 308. From the funds appropriated in part 1, the department shall ensure the prisoner telephone system provider establishes a new per-minute telephone charge effective October 1, 2022. The change in telephone rates must reflect the complete elimination of the telephone contract as a revenue source for the program and special equipment fund. The department shall negotiate the lowest per-minute rate while meeting its ongoing operational needs and should consider the progress in achieving this goal prior to any decision to extend the term of the contract. The department shall provide notice within 15 days of any change in the per-minute cost of telephone calls, including the reduction required under this section.

Sec. 309. From the funds appropriated in part 1, the department shall provide for the training of all custody staff in effective and safe ways of handling prisoners with mental illness and referring prisoners to mental health treatment programs. Mental health awareness training shall be incorporated into the training of new custody staff.

Sec. 310. From the funds appropriated in part 1, the department shall issue a report for all correctional facilities by January 1 setting forth the following information for each facility: its name, street address, and date of construction; its current maintenance costs; any maintenance planned; its current utility costs; its expected future capital improvement costs; the current unspent balance of any authorized capital outlay projects, including the original authorized amount; and its expected future useful life.

Sec. 311. (1) From the funds appropriated in part 1, the department shall provide a strategic plan update report that details the progress being made in achieving the strategic plan of the department. The report shall be submitted by March 1 and shall contain updates on relevant strategic plan objectives, as well as key statistics and information about the department's efforts to decrease the overall recidivism rate and promote offender success by ensuring readiness to reenter society.

(2) Reports and studies related to the effectiveness of departmental programming created as part of a strategic plan objective shall be provided within 30 days of being received by or completed by the department.

Sec. 312. From the funds appropriated in part 1, the department shall provide a report on the Michigan state industries program by December 1. The report shall include, but not be limited to, the locations of the programs, the total number of participants at each location, a description of job duties and typical inmate schedules, the products that are produced, and how the program provides marketable skills that lead to employable outcomes after release from a department facility.

Sec. 313. (1) Funds appropriated in part 1 for employee wellness programming shall be used for post-traumatic stress outreach, treating mental health issues, peer support programs, and providing mental health programming for all department staff, including former employees.

(2) By December 15, the department shall submit a report on programs the department has established, the level of employee involvement, and expenditures made by the department for employee wellness programming.

Sec. 314. (1) From the funds appropriated in part 1, the department shall work to hire and train new corrections officers to address attrition of corrections officers and to decrease overtime costs. The department shall submit quarterly reports on new employee schools. The reports must include the following information for the immediately preceding fiscal quarter, and as much of the information as possible for the current and next fiscal year.

(a) The number of new employee schools that took place and the location of each.

(b) The number of recruits that started in each employee school.

(c) The number of recruits that graduated from each employee school and continued employment with the department.

(2) The report must outline the department's strategy to achieve a 5% or lower target corrections officer vacancy rate, must include reasons for not meeting the rate, and must explain challenges facing the department when trying to meet the rate.

Sec. 315. From the funds appropriated in part 1, the department shall submit a quarterly report on the number of overtime hours worked by all custody staff, by facility. The report shall include for each facility, the number of mandatory overtime hours worked, the number of voluntary overtime hours worked, the reasons for overtime hours worked, and the average number of overtime hours worked by active employees.

Sec. 316. From the funds appropriated in part 1, the department may establish agreements and exchange offender data with local, state, and federal agencies, law enforcement, community service and treatment providers, and research partners in order to improve offender success, reduce recidivism risk, and enhance public safety. This data sharing may include, but is not limited to, efforts to support the following:

(a) Providing continuing access to behavioral health, physical health, and medication needs through community-based providers.

(b) Establishing assistance program eligibility and participation.

(c) Collaborating with community service providers for continued care and access to services for offenders.

(d) Providing ongoing cognitive and behavioral treatment programming in the community.

(e) Providing substance abuse testing and referrals for counseling services and treatment.

(f) Providing vocational skill training, job placement support, and monitoring employment attainment.

(g) Determining educational attainment and needs.

(h) Establishing accurate offender identification, criminal histories, and monitoring new criminal activity.

(i) Measuring and evaluating treatment programs and services in support of evidence-based practices.

Sec. 317. From the funds appropriated in part 1, the department shall submit a status report on the corrections officer training academy on January 30 and June 30 to the joint capital outlay subcommittee and to recipients required in section 205 of this part. The report shall include, but not be limited to, the following:

(a) History of appropriations for the project, including appropriations made specifically for the project and appropriations made from other operating line items to support project expenditures.

(b) Anticipated costs of the project, by phase.

(c) Actual expenditures made for the project by line item, fund source, fiscal year, and phase of the project, starting with initial expenditures.

(d) Any other information the department considers necessary.

Sec. 318. From the funds appropriated in part 1, the department shall submit a report by April 1 on changes to existing programs that offer professional development and training opportunities for all levels of custody supervisors and first line managers. The report must include an overview of any changes to existing departmental programs, as well as a review of programs available in other organizations and states that serve similar purposes that may be adopted in part or in full to enhance departmental training.

Sec. 319. From the funds appropriated in part 1, the department shall submit 3-year and 5-year prison population projection updates concurrent with submission of the executive budget recommendation, including explanations of the methodology and assumptions used in developing the projection updates.

Sec. 320. From the funds appropriated in part 1, the department shall place the statistical report from the immediately preceding calendar year on an internet site by June 30. The statistical report shall include, but not be limited to, the information as provided in the 2004 statistical report.

Sec. 321. From the funds appropriated in part 1, the department shall measure the reincarceration recidivism rates of offenders based on available data.

Sec. 322. (1) The department shall administer a county jail reimbursement program from the funds appropriated in part 1 for the purpose of reimbursing counties for housing in jails certain felons who otherwise would have been sentenced to prison.

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

(a) The felon's sentencing guidelines recommended range upper limit is more than 18 months, the felon's sentencing guidelines recommended range lower limit is 12 months or less, the felon's prior record variable

score is 35 or more points, and the felon's sentence is not for commission of a crime in crime class G or crime class H or a nonperson crime in crime class F under chapter XVII of the code of criminal procedure, 1927 PA 175, MCL 777.1 to 777.69.

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

(c) The felon was sentenced to jail for a felony committed while the felon was on parole and under the jurisdiction of the parole board and for which the sentencing guidelines recommended range for the minimum sentence has an upper limit of more than 18 months.

(3) State reimbursement under this section shall be \$65.00 per diem per diverted offender for offenders with a presumptive prison guideline score, \$55.00 per diem per diverted offender for offenders with a straddle cell guideline for a group 1 crime, and \$40.00 per diem per diverted offender for offenders with a straddle cell guideline for a group 2 crime. Reimbursements shall be paid for sentences up to a 1-year total.

(4) As used in this section:

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

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

(c) "In the custody of the sheriff" means that the convicted felon has been sentenced to the county jail and is either housed in a county jail, is in custody but is being housed at a hospital or medical facility for a medical or mental health purpose, or has been released from jail and is being monitored through the use of the sheriff's electronic monitoring system.

(5) County jail reimbursement program expenditures shall not exceed the amount appropriated in part 1 for the county jail reimbursement program. Payments to counties under the county jail reimbursement program shall be made in the order in which properly documented requests for reimbursements are received. A request shall be considered to be properly documented if it meets departmental requirements for documentation. By October 15, the department shall distribute the documentation requirements to all counties.

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

(7) Not later than February 1, the department shall report all of the following information:

(a) The number of inmates sentenced to the custody of the sheriff and eligible for the county jail reimbursement program.

(b) The total amount paid to counties under the county jail reimbursement program.

(c) The total number of days inmates were in the custody of the sheriff and eligible for the county jail reimbursement program.

(d) The number of inmates sentenced to the custody of the sheriff under each of the 3 categories: presumptive prison, group 1 crime, and group 2 crime in subsection (3).

(e) The total amount paid to counties under each of the 3 categories: presumptive prison, group 1 crime, and group 2 crime in subsection (3).

(f) The total number of days inmates were in the custody of the sheriff under each of the 3 categories: presumptive prison, group 1 crime, and group 2 crime in subsection (3).

(g) The estimated cost of housing inmates sentenced to the custody of the sheriff and eligible for the county jail reimbursement program as inmates of a state prison.

Sec. 323. (1) From the funds appropriated in part 1, the department shall provide monthly email reports on prisoner populations by security levels by facility, prison facility capacities, and parolee and probationer populations.

(2) The department shall provide monthly email reports that include information on end-of-month prisoner populations in county jails, the net operating capacity according to the most recent certification report, identified by date, the number of beds in currently closed housing units by facility, and end-of-month data, year-to-date data, and comparisons to the prior year for the following:

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

(b) Parole populations.

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

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

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

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

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

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

(3) If the department knows it will not meet the reporting requirements under this section, the department shall immediately issue a report stating that fact and listing the reasons for not meeting the reporting requirements.

Sec. 324. From the funds appropriated in part 1 for new custody staff training, the department shall target training at hiring a minimum of 800 corrections officers to address higher than normal attrition of correction officers and to decrease overtime costs.

OFFENDER SUCCESS ADMINISTRATION

Sec. 401. (1) From the funds appropriated in part 1, the department shall provide a report on offender success expenditures and allocations. At a minimum, the report shall include all the following and be submitted by March 1:

(a) Details on prior-year expenditures, including amounts spent on each project funded, itemized by service provided and service provider.

(b) Allocations and planned expenditures for each project funded and for each project to be funded, itemized by service to be provided and service provider.

(2) The department may accept cash or in-kind donations to supplement funds for prison education training, supplies, and materials necessary to complete the academic and jobs skills related programs. All funds received are appropriated and may be expended by the department.

Sec. 402. From the funds appropriated in part 1, the department shall partner with nonprofit faith-based, business and professional, civic, and community organizations for the purpose of providing offender success services. Offender success services include, but are not limited to, counseling, providing information on housing and job placement, and money management assistance.

Sec. 403. From the funds appropriated in part 1 for offender success services, the department, when reasonably possible, shall ensure that inmates have potential employer matches in the communities to which they will return prior to each inmate's initial parole hearing.

Sec. 404. (1) From the funds appropriated in part 1, the department shall design services for offender success and vocational education programs, collaborating with the department of labor and economic opportunity and local entities to the extent deemed necessary by the director. The department shall ensure the program provides relevant professional development opportunities to prisoners who are high quality, demand driven, locally receptive, and responsive to the needs of communities where the prisoners are expected to reside after their release from correctional facilities.

(2) By March 1, the department shall provide a report detailing the results of the workforce development program.

Sec. 405. (1) Funds awarded for residential probation diversions in part 1 shall provide for a per diem reimbursement of not more than \$65.00.

(2) Pursuant to an approved comprehensive plan, allowable uses of community corrections comprehensive plans and services funds shall include reimbursing counties for transportation, treatment costs, and housing drunk drivers during a period of assessment for treatment and case planning. Reimbursements for housing during the assessment process shall be at the rate of \$43.50 per day per offender, up to a maximum of 5 days per offender.

Sec. 406. (1) From the funds appropriated in part 1, the department shall submit the following information for each county and counties consolidated for community corrections comprehensive plans:

(a) Approved technical assistance grants and community corrections comprehensive plans including each program and level of funding, the utilization level of each program, and profile information of enrolled offenders.

(b) If federal funds are made available, the number of participants funded, the number served, the number successfully completing the program, and a summary of the program activity.

(c) Status of the community corrections information system and the jail population information system.

(d) Data on residential services, including participant data, participant sentencing guideline scores, program expenditures, average length of stay, and bed utilization data.

(e) Offender disposition data by sentencing guideline range, by disposition type, by prior record variable score, by number and percent statewide and by county, current year, and comparisons to the previous 3 years.

(f) Data on the use of funding made available under the drunk driver jail reduction and community treatment program.

(2) The report required under subsection (1) shall include the total funding allocated, program expenditures, required program data, and year-to-date totals.

Sec. 407. (1) From the funds appropriated in part 1 for public safety initiative, the law enforcement agency receiving funding under part 1 shall submit quarterly expenditure reports including a detailed listing of expenditures made, the purpose for which the expenditures were made, the amounts of expenditures by purpose, specific services provided, and the number of individuals served. The reports must be submitted to the senate and house of representatives appropriations subcommittees on corrections, the senate and house fiscal agencies, the department of corrections, and the state budget office.

(2) If the law enforcement agency receiving funding under part 1 does not submit all quarterly reports for fiscal year 2022 by September 30, 2022, the law enforcement agency shall not receive any funding appropriated in part 1 until all reports are submitted.

(3) If requested by the senate and house of representatives appropriations subcommittees on corrections, the law enforcement agency receiving funding under part 1 shall appear before the subcommittees to discuss the expenditure report required under subsection (1). The subcommittees will work with the law enforcement agency to determine when the meeting will occur.

Sec. 408. From the funds appropriated in part 1, the department shall establish and maintain policies and procedures that assist prisoners with obtaining a birth certificate, duplicate Social Security card, if eligible, DD Form 214 or other military documentation, state identification card, and operator's license prior to parole or discharge.

Sec. 409. From the funds appropriated in part 1 for offender success administration, the department shall collaborate with the Michigan Restaurant and Lodging Association for job placement for individuals on probation and parole.

Sec. 410. From the funds appropriated in part 1 for the enhanced food technology program, the department shall maintain an enhanced food technology program that provides on-the-job training in prison kitchens that will lead to prisoners earning food service training credentials recognized by the restaurant industry.

Sec. 411. (1) From the funds appropriated in part 1 for offender success programming, the department shall establish medication-assisted treatment offender success pilot programs to provide prerelease treatment and postrelease referral for opioid addicted offenders, as well as alcohol-addicted offenders who voluntarily participate in the medication-assisted treatment offender success pilot programs. The department shall collaborate with residential and nonresidential substance abuse treatment providers and with community-based clinics to provide postrelease assessment and treatment. The programs shall employ a multifaceted approach to treatment, including various forms of medication-assisted treatment approved by the Food and Drug Administration for the treatment of opioid use disorder or alcohol use disorder, counseling, and postrelease referral to community-based providers. The department shall consider the use of long-acting injectable formulations, when clinically appropriate, of FDA-approved medication-assisted treatment for alcohol and opioid use disorder when developing an offender's release plan.

(2) The department shall submit a report by December 1 on the number of offenders who received an injectable treatment for alcohol use disorder and the number that received an injectable treatment for opioid use disorder prior to release, the number of offenders that subsequently received treatment in the community for a duration of at least 3 months, and the number of offenders who received injections and were subsequently returned to prison during the prior fiscal year.

Sec. 412. From the funds appropriated in part 1, the department shall ensure that any inmate with a diagnosed mental illness is referred to a local mental health care provider that is able and willing to treat the inmate upon parole or discharge. The department shall ensure that the provider is informed of the inmate's current treatment plan including any medications that are currently prescribed to the inmate.

Sec. 413. (1) Funds appropriated in part 1 for Goodwill Flip the Script shall be distributed to a Michigan-chartered 501(c)(3) nonprofit corporation operating in a county with greater than 1,500,000 people for administration and expansion of a program that serves a population of individuals aged 16 to 39. The program shall target those who are entering the criminal justice system for the first or second time and shall assist those individuals through the following program types:

- (a) Alternative sentencing programs in partnership with a local district or circuit court.
- (b) Educational recovery for special adult populations with high rates of illiteracy.
- (c) Career development and continuing education for women.

(2) The program selected shall report by March 30 on program performance measurements, the number of individuals diverted from incarceration, the number of individuals served, and outcomes of participants who complete the program.

Sec. 414. From the funds appropriated in part 1, the department shall report by March 1 on academic and vocational programs, including, but not limited to, all of the following:

- (a) The number of instructors and the number of instructor vacancies, by program and facility.
- (b) The number of prisoners enrolled in each program, the number of prisoners completing each program, the number of prisoners who do not complete each program and are not subsequently reenrolled, and the reason for not completing the program, the number of prisoners transferred to another facility while enrolled in a program and not subsequently reenrolled, the number of prisoners enrolled who are repeating the program, and the number of prisoners on waiting lists for each program, all itemized by facility.
- (c) The steps the department has undertaken to improve programs, track records, accommodate transfers and prisoners with health care needs, and reduce waiting lists.
- (d) The number of prisoners paroled without a high school diploma and the number of prisoners paroled without a high school equivalency.
- (e) An explanation of the value and purpose of each program, for example, to improve employability, reduce recidivism, reduce prisoner idleness, or some combination of these and other factors.
- (f) An identification of program outcomes for each academic and vocational program.
- (g) The number of prisoners not paroled at their earliest release date due to lack of a high school equivalency and the reason those prisoners have not obtained a high school equivalency.

Sec. 415. From the funds appropriated in part 1, priority may be given to funding reentry or rehabilitation programs that have been demonstrated to reduce prison violence and recidivism, including faith-based initiatives.

FIELD OPERATIONS ADMINISTRATION

Sec. 501. (1) Funds appropriated in part 1 for criminal justice reinvestment shall be used only to fund data collection and evidence-based programs designed to reduce recidivism among probationers and parolees.

(2) Of the funds appropriated in part 1 for criminal justice reinvestment, at least \$600,000.00 shall be allocated to an organization that has received a United States Department of Labor training to work 2-adult reentry grant to provide county jail inmates with programming and services to prepare them to get and keep jobs. Examples of eligible programs and services include, but are not limited to: adult education, tutoring, manufacturing skills training, participation in a simulated work environment, mentoring, cognitive therapy groups, life skills classes, substance abuse recovery groups, fatherhood programs, classes in understanding the legal system, family literacy, health and wellness, finance management, employer presentations, and classes on job retention. Programming and support services should begin before release and continue after release from the county jail. To be eligible for funding, an organization must show at least 2 years' worth of data that demonstrate program success.

(3) The department shall report on programs described under this section by March 30. The report shall include the reincarceration recidivism rate of program participants, the employment rate of participants who complete the program, and the cost of the program per participant.

Sec. 502. From the funds appropriated in part 1, the department shall prepare individual reports by March 1 for the residential reentry program, the electronic monitoring program, and the special alternative to incarceration program. Each program's report shall include information on all of the following:

- (a) Monthly new participants by type of offender. Residential reentry program participants shall be categorized by reason for placement. For technical rule violators, the report shall sort offenders by length of time since release from prison, by the most recent violation, and by the number of violations occurring since release from prison.
- (b) Monthly participant unsuccessful terminations, including cause.
- (c) Number of successful terminations.
- (d) End month population by facility/program.
- (e) Average length of placement.
- (f) Return to prison statistics.
- (g) Description of each program location or locations, capacity, and staffing.
- (h) Sentencing guideline scores and actual sentence statistics for participants, if applicable.
- (i) Comparison with prior year statistics.
- (j) Analysis of the impact on prison admissions and jail utilization and the cost effectiveness of the program.

Sec. 503. (1) From the funds appropriated in part 1, the department shall review and revise as necessary policy proposals that provide alternatives to prison for offenders being sentenced to prison as a result of technical probation violations and technical parole violations. To the extent the department has insufficient policies or resources to affect the continued increase in prison commitments among these offender populations, the department shall explore other policy options to allow for program alternatives, including department or OCC-funded programs, local level programs, and programs available through private agencies that may be used as prison alternatives for these offenders.

(2) By April 1, the department shall provide a report on the number of all parolees returned to prison and probationers sentenced to prison for either a technical violation or new sentence during the preceding fiscal year. The report shall include the following information for probationers, for parolees after their first parole, and for parolees who have been paroled more than once:

(a) The numbers of parole and probation violators returned to or sent to prison for a new crime with a comparison of original versus new offenses by major offense type: assaultive, nonassaultive, drug, and sex.

(b) The numbers of parole and probation violators returned to or sent to prison for a technical violation and the type of violation, including, but not limited to, zero gun tolerance and substance abuse violations. For parole technical rule violators, the report shall list violations by type, by length of time since release from prison, by the most recent violation, and by the number of violations occurring since release from prison.

(c) The educational history of those offenders, including how many had a high school equivalency or high school diploma prior to incarceration in prison, how many received a high school equivalency while in prison, and how many received a vocational certificate while in prison.

(d) The number of offenders who participated in the reentry program versus the number of those who did not.

(e) The unduplicated number of offenders who participated in substance abuse treatment programs, mental health treatment programs, or both, while in prison, itemized by diagnosis.

Sec. 504. From the funds appropriated in part 1, the department shall submit a report detailing the number of prisoners who have received life imprisonment sentences with the possibility of parole and who are currently eligible for parole by April 30.

Sec. 505. From the funds appropriated in part 1 for the residential alternative to prison program, the department shall provide vocational, educational, and cognitive programming in a secure environment to enhance existing alternative sentencing options, increase employment readiness and successful placement rates, and reduce new criminal behavior for the west Michigan probation violator population. The department shall measure and set the following metric goals:

(a) 85% of participants successfully complete the program.

(b) Of the participants that complete the program, 75% will earn a nationally recognized credential for career and vocational programs.

(c) Of the participants that complete the program, 100% will earn a certificate of completion for cognitive programming.

(d) The prison commitment rate for probation violators will be reduced by 5% within the impacted geographical area after the first year of program operation.

Sec. 506. From the funds appropriated in part 1, the department shall issue quarterly reports for the previous 4 quarters detailing outcomes of prisoners who have been reviewed for parole. The report shall include all of the following:

(a) How many prisoners in each quarter were reviewed.

(b) How many prisoners were granted parole.

(c) How many prisoners were denied parole.

(d) How many parole decisions were deferred.

(e) The distribution of the total number of prisoners reviewed during that quarter grouped by whether the prisoner had been interviewed for the first, second, third, fourth, fifth, sixth, or more than sixth time.

(f) The number of paroles granted, denied, or deferred for each of the parole guideline scores of low, average, and high.

(g) The reason for denying or deferring parole.

HEALTH CARE

Sec. 601. By April 1, the department shall provide reports on the following:

(a) Physical and mental health care, pharmaceutical services, and durable medical equipment for prisoners. Reports must detail current and prior fiscal year expenditures itemized by vendor, allocations, status of payments from contractors to vendors, and projected year-end expenditures from accounts. Reports must include a breakdown of all payments to the integrated care provider and to other providers itemized by physical health care, mental health care, pharmaceutical services, and durable medical equipment expenditures.

(b) Pharmaceutical prescribing practices, including a detailed accounting of expenditures on antipsychotic medications, and any changes that have been made to the prescription drug formularies.

(c) A status report on efforts to develop measurable data and outcomes for physical and mental health care within the prisoner population.

Sec. 602. (1) From the funds appropriated in part 1, the department shall assure that all prisoners, upon any health care treatment funded from appropriations in part 1, are given the opportunity to sign a release of information form designating a family member or other individual to whom the department shall release records information regarding a prisoner. A release of information form signed by a prisoner shall remain in effect for 1 year, and the prisoner may elect to withdraw or amend the release form at any time.

(2) The department shall assure that any such signed release forms follow a prisoner upon transfer to another department facility or to the supervision of a parole officer.

(3) The form shall be placed online, on a public website managed by the department.

Sec. 603. From the funds appropriated in part 1, the department shall provide a report by April 1 on prisoner health care utilization that includes the number of inpatient hospital days, outpatient visits, emergency room visits, and prisoners receiving off-site inpatient medical care in the fiscal year, by facility.

Sec. 604. (1) Funds appropriated in part 1 for Hepatitis C treatment shall be used only to purchase specialty medication for Hepatitis C treatment in the prison population. In addition to the above appropriation, any rebates received from the medications used shall be used only to purchase specialty medication for Hepatitis C treatment. By February 15, the department shall issue a report for the prior fiscal year showing the total amount spent on specialty medication for the treatment of Hepatitis C, the number of prisoners who were treated, the amount of any rebates that were received from the purchase of specialty medication, and what outstanding rebates are expected to be received.

(2) The report must include the Hepatitis C status of all incoming prisoners and the number of prisoners who are reinfected while incarcerated and require retreatment for Hepatitis C. The report must also include the number of those treated and released and then retreated upon reincarceration.

Sec. 605. (1) From the funds appropriated in part 1, the department shall provide the department of health and human services with a monthly list of prisoners newly committed to the department of corrections. The department and the department of health and human services shall enter into an interagency agreement under which the department of health and human services provides the department of corrections with monthly lists of newly committed prisoners who are eligible for Medicaid benefits in order to maintain the process by which Medicaid benefits are suspended rather than terminated. The department shall assist prisoners who may be eligible for Medicaid benefits after release from prison with the Medicaid enrollment process prior to release from prison.

(2) The department shall provide quarterly updates on the utilization of Medicaid benefits for prisoners.

Sec. 606. By March 1, the department shall report on the number of prisoners who received medication assisted therapies, the length of time on therapies, and the number of prisoners who have discontinued treatment while incarcerated.

CORRECTIONAL FACILITIES AND ADMINISTRATION

Sec. 701. (1) From the funds appropriated in part 1, the department shall report on the department's plans to eliminate programming for prisoners. The report shall be provided at least 30 days prior to program elimination.

(2) As used in this section, "programming for prisoners" means a department core program or career and technical education program funded in part 1.

Sec. 702. From the funds appropriated in part 1 for prison food service, the department shall report by January 15 on the following:

(a) Average per-meal cost for prisoner food service. Per-meal cost shall include all costs directly related to the provision of food for the prisoner population, and shall include, but not be limited to, actual food costs, total compensation for all food service workers, including benefits and legacy costs, and inspection and compliance costs for food service.

(b) Food service-related contracts, including goods or services to be provided and the vendor.

(c) Major sanitation violations.

Sec. 703. From the funds appropriated in part 1, the department shall calculate the cost per prisoner per day for each security custody level. This calculation shall include all actual direct and indirect costs for the previous fiscal year. To calculate the cost per prisoner per day, the department shall divide the prisoner-related costs by the total number of prisoner days for each custody level and correctional facility. For multilevel facilities, costs that cannot be accurately allocated to each custody level can be included in the calculation on a per-prisoner basis for each facility. A report summarizing these calculations shall be submitted not later than January 15. Prisoner-related costs included in the cost per prisoner per day calculation shall include all expenditures for the following, from all fund sources:

(a) New custody staff training.

(b) Prison industries operations.

(c) Education/skilled trades/career readiness programs.

(d) Enhanced food technology program.

(e) Offender success programming.

(f) Central records.

(g) Correctional facilities administration.

(h) Housing inmates in federal institutions.

(i) Inmate legal services.

(j) Leased beds and alternatives to leased beds.

- (k) Prison food service.
- (l) Prison store operations.
- (m) Transportation.
- (n) Health care.
- (o) Correctional facilities.
- (p) Northern and southern region administration and support.

Sec. 704. Any local unit of government or private nonprofit organization that contracts with the department for public works services shall be responsible for financing the entire cost of such an agreement.

Sec. 705. The department shall allow the Michigan Braille transcribing fund program to operate at designated locations. The department shall continue to encourage the Michigan Braille transcribing fund program to produce high-quality materials for use by the visually impaired.

Sec. 706. (1) From the funds appropriated in part 1, the department shall report as follows:

- (a) Within 72 hours of occurrence, any critical incident occurring at a correctional facility.
- (b) By March 1, the number of critical incidents occurring each month at each facility during the immediately preceding calendar year, categorized by type and severity of each incident.
- (2) As used in this section, "critical incident" includes a prisoner assault on staff that results in a serious physical injury to staff, an escape or attempted escape, a prisoner disturbance that causes facility operation concerns, and an unexpected death of a prisoner.

Sec. 707. From the funds appropriated in part 1, the department shall report by March 1 on the ratio of correctional officers to prisoners for each correctional institution, the ratio of shift command staff to line custody staff, and the ratio of noncustody institutional staff to prisoners for each correctional facility.

Sec. 708. (1) From the funds appropriated in part 1, the department shall focus on providing required programming to prisoners who are past their earliest release date because of not having received the required programming. Programming includes, but is not limited to, violence prevention programming, assaultive offender programming, sexual offender programming, substance abuse treatment programming, thinking for a change programming, and any other programming that is required as a condition of parole.

(2) It is the intent of the legislature that any prisoner required to complete a violence prevention program, sexual offender program, or other program as a condition of parole shall be placed on a waiting list for the appropriate programming upon entrance to prison and transferred to a facility where that program is available in order to accomplish timely completion of that program prior to the expiration of his or her minimum sentence and eligibility for parole. To the extent feasible, the department shall consistently provide prisoner programming with the goal of having prisoners complete recommended cognitive programming as early as possible during the prisoner's sentence to impact the prisoner's behavior while incarcerated. Nothing in this section should be deemed to make parole denial appealable in court.

(3) The department shall submit a quarterly report detailing enrollment in sex offender programming, assaultive offender programming, violent offender programming, and thinking for a change programming. At a minimum, the report shall include the following:

- (a) A full accounting, from the date of entrance to prison, of the number of individuals who are required to complete the programming, but have not yet done so.
- (b) The number of individuals who have reached their earliest release date, but who have not completed required programming.
- (c) A plan of action for addressing any waiting lists or backlogs for programming that may exist.

Sec. 709. If a female prisoner in a facility funded from appropriations in part 1 consents to a visitor being present, the department shall allow that 1 person to be present during the prisoner's labor and delivery. The person allowed to accompany the prisoner must be an immediate family member, legal guardian, spouse, or domestic partner. The department is authorized to deny access to a visitor if the department has a safety concern with that visitor's access. The department is authorized to conduct a criminal background check on a visitor.

Sec. 710. From the funds appropriated in part 1, the department shall evaluate all prisoners at intake for substance abuse disorders, serious developmental disorders, serious mental illness, and other mental health disorders. Prisoners with serious mental illness or serious developmental disorders shall not be removed from the general population as a punitive response to behavior caused by their serious mental illness or serious developmental disorder. Due to persistent high violence risk or severe disruptive behavior that is unresponsive to treatment, prisoners with serious mental illness or serious developmental disorders may be placed in secure residential housing programs that will facilitate access to institutional programming and ongoing mental health services funded from appropriations in part 1. A prisoner with serious mental illness or serious developmental disorder who is confined in these specialized housing programs shall be evaluated or monitored by a medical professional at a frequency of not less than every 12 hours.

Sec. 711. From the funds appropriated in part 1, the department shall report by March 1 on the annual number of prisoners during the prior fiscal year in administrative segregation and, of those, the number who at any time during the current or prior prison term were diagnosed with serious mental illness or have a developmental disorder and the number of days each of the prisoners with serious mental illness or a developmental disorder have been confined to administrative segregation.

Sec. 712. From the funds appropriated in part 1, the department shall do all of the following:

(a) Ensure that any inmate care and control staff in contact with prisoners less than 18 years of age are adequately trained with regard to the developmental and mental health needs of prisoners less than 18 years of age. By April 1, the department shall report on the training curriculum used and the number and types of staff receiving annual training under that curriculum.

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

(c) Implement a specialized offender success program that recognizes the needs of prisoners less than 18 years old for supervised offender success.

Sec. 713. From the funds appropriated in part 1, the department shall submit a report by April 1 on the number of youth in prison. The report shall include, but not be limited to, the following information:

(a) The total number of inmates under age 18 who are not on Holmes youthful trainee act status.

(b) The total number of inmates under age 18 who are on Holmes youthful trainee act status.

(c) The total number of inmates aged 18 to 23 who are on Holmes youthful trainee act status.

Sec. 714. (1) Any lease, rental, contract, or other legal agreement that includes a provision allowing a private person or entity to use state-owned facilities or other property to conduct a for-profit business enterprise shall require the lessee to pay fair market value for the use of the state-owned property.

(2) The lease, rental, contract, or other legal agreement shall also require the party using the property to make a payment in lieu of taxes to the local jurisdictions that would otherwise receive property tax revenue, as if the property were not owned by the state.

Sec. 715. The department shall ensure that any contract, funded from appropriations in part 1, with a public or private party to operate a facility to house state prisoners includes a provision to allow access by both the office of the legislative auditor general and the office of the legislative corrections ombudsman to the facility and to appropriate records and documents related to the operation of the facility. These access rights for both offices shall be the same for the contracted facility as for a general state-operated correctional facility.

Sec. 716. From the funds appropriated in part 1, the department shall submit a report by May 1 on the actual and projected savings achieved by closing correctional facilities. Savings amounts shall be itemized by facility. Information required by this section shall start with the closure of the Pugsley Correctional Facility, which closed in September of 2016, and shall continue for each facility closed thereafter.

Sec. 717. When the department is planning to close a correctional facility, the department shall fully consider the potential economic impact of the prison closure on the community where the facility is located. The department, when weighing all factors related to the closure of a facility, shall also consider the impact on the local community where the facility to be closed is located.

Sec. 718. From the funds appropriated in part 1, the department shall report on the department's plans to close, consolidate, or relocate any correctional facility in the state. The report shall be provided at least 30 days prior to effective date of closure, consolidation, or relocation.

Sec. 719. The department shall consult with the legislature and other appropriate state agencies to develop a framework to provide investment in communities that have formerly operational state correctional facilities that have been closed. This framework shall include plans to ensure that vacant state correctional facilities do not become a nuisance or danger to the community.

Sec. 720. From the funds appropriated in part 1, the department shall make an information packet for the families of incoming prisoners available on the department's website. The information packet shall be reviewed by February 1 and updated as necessary. The packet shall provide information on topics including, but not limited to: how to put money into prisoner accounts, how to make telephone calls or create Jpay

email accounts, how to visit in person, proper procedures for filing complaints or grievances, the rights of prisoners to physical and mental health care, how to utilize the offender tracking information system (OTIS), truth-in-sentencing and how it applies to minimum sentences, the parole process, and guidance on the importance of the role of families in the reentry process. The department may partner with external advocacy groups and actual families of prisoners in the packet-writing process to ensure that the information is useful and complete.

Sec. 721. The department may accept in-kind services and equipment donations to facilitate the addition of a cable network that provides programming that will address the religious needs of incarcerated individuals. This network may be a cable television network that presently reaches the majority of households in the United States. A bilingual channel affiliated with this network may also be added to department programming to assist the religious needs of Spanish-speaking inmates. The addition of these channels shall be at no additional cost to this state.

ONE-TIME APPROPRIATIONS

Sec. 801. (1) Funds appropriated in part 1 for Chance for Life shall be used to contract with an organization that provides prison-based rehabilitation programming, including educational, life skills, and behavioral modification programs. The organization shall enter into a performance-based contract with the department that allows for payment based on the number of prisoners and parolees served according to the agreed upon program rules, as well as program outcomes.

(2) The objective of programming shall be to offer a progressive transformational program to individuals while they are in prison in an effort to prepare them for a successful transition back into the community. The department shall select an organization that meets all of the following to provide the programming under this section:

(a) Has the purpose to increase community safety by reducing recidivism through providing evidence-based mentoring, employment soft skills training, job placement assistance, critical thinking skills, mediation, and conflict resolution training.

(b) Has experience offering programs to male and female prison populations in correctional facilities in this state.

(c) Has experience with and offers programming that includes the family in the reentry process using the family group decision-making for reintegration model, which focuses on 7 factors as a basis for successful family reintegration.

(d) Has experience with and offers programming that utilizes techniques to address post-prison adjustment disorders.

(3) The unexpended funds appropriated in part 1 for Chance for Life are designated as a work project appropriation. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure until the project has been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to contract with an organization that provides prison-based rehabilitation programming, including educational, life skills, and behavioral modification programs.

(b) The project will be accomplished by utilizing state employees or contracts.

(c) The estimated cost of the project is \$500,000.00.

(d) The tentative completion date for the project is September 30, 2027.

Sec. 802. (1) Funds appropriated in part 1 for COVID-19 suspended intake payments shall be used by the department to reimburse counties for housing in jails felons who are temporarily being held in jail due to the closure of intake by the department. For a county to be eligible to receive reimbursement payments, the felon must be sentenced to a term of imprisonment with the department, but the department has declined to receive the felon at intake because the department has closed intake to all counties as part of its COVID-19 control plan. The county shall not be eligible for reimbursement under this section if the department has declined to receive the prisoner at intake from that specific county because the county lacks appropriate COVID-19 safeguards or is experiencing a COVID-19 outbreak within its jail operations. A county shall not receive reimbursement payments under the county jail reimbursement program for the prisoners and days reimbursed under this section.

(2) The per diem reimbursement rate shall be \$80.00 per day. The aggregate reimbursements made under this section shall not exceed \$1,000,000.00.

(3) Reimbursement payments to counties under this section shall be made in the order in which properly documented requests for reimbursements are received. A request shall be considered to be properly documented if it meets department of corrections requirements for documentation.

Sec. 803. Funds appropriated in part 1 for improvements to staff areas in correctional facilities shall be used by the department to make upgrades to staff common areas, including staff break rooms, staff restrooms, and staff exercise rooms. Upgrades may include, but are not limited to, replacement of flooring, furniture, equipment, and fixtures.

Sec. 804. (1) From the funds appropriated in part 1, the department shall continue a program to provide care management to parolees postrelease, which may include the development of a prerelease mental health discharge plan for parolees in prosperity region 8.

(2) The program under subsection (1) must continue for at least 1 year with the goal of serving a minimum of 75 parolees. The program must include, but is not limited to, case management and assessments, registration and use by community providers, the tracking of interactions between the care team members and parolees, and the ability for parolees to provide feedback.

Sec. 805. From the funds appropriated in part 1 for gender reassignment legal defense, \$100,000.00 must be used by the department for legal defense related to the prohibition on using state funding for gender reassignment surgeries or therapies while individuals are under the jurisdiction of the department of corrections.

ARTICLE 3
DEPARTMENT OF EDUCATION
PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of education for the fiscal year ending September 30, 2023, from the following funds:

DEPARTMENT OF EDUCATION		
APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	621.5	
GROSS APPROPRIATION	\$	420,581,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	\$	420,581,000
Federal revenues:		
Total federal revenues		302,950,800
Special revenue funds:		
Total local revenues		5,878,600
Total private revenues		2,240,400
Total other state restricted revenues		9,919,700
State general fund/general purpose	\$	99,591,500

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

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	11.0	
Unclassified salaries—FTE positions	6.0\$	1,078,900
Education commission of the states		120,800
State board of education, per diem payments		24,400
State board/superintendent operations—FTEs	11.0	2,483,700
GROSS APPROPRIATION	\$	3,707,800
Appropriated from:		
Federal revenues:		
Federal revenues		296,700
Special revenue funds:		
Private foundations		28,100
Certification fees		820,600
State general fund/general purpose	\$	2,562,400

Sec. 103. DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated classified positions	47.6	
Central support operations—FTEs	38.6\$	6,161,400
Federal and private grants		3,000,000
Grant and contract operations—FTEs	9.0	2,786,200
Property management		3,755,900
Terminal leave payments		353,300
Training and orientation workshops		150,000
Worker's compensation		33,900
GROSS APPROPRIATION	\$	16,240,700

	For Fiscal Year Ending Sept. 30, 2023	
Appropriated from:		
Federal revenues:		
Federal indirect revenues	\$	3,002,500
Federal revenues		6,270,900
Special revenue funds:		
Private foundations		1,000,000
Certification fees		592,100
Teacher testing fees		4,700
Training and orientation workshop fees		150,000
State general fund/general purpose	\$	5,220,500
Sec. 104. INFORMATION TECHNOLOGY		
Information technology services and projects	\$	4,938,300
GROSS APPROPRIATION	\$	4,938,300
Appropriated from:		
Federal revenues:		
Federal indirect revenues		1,951,000
Federal revenues		640,200
Special revenue funds:		
Certification fees		932,900
State general fund/general purpose	\$	1,414,200
Sec. 105. SPECIAL EDUCATION SERVICES		
Full-time equated classified positions	47.0	
Special education operations—FTEs	47.0\$	9,431,900
GROSS APPROPRIATION	\$	9,431,900
Appropriated from:		
Federal revenues:		
Federal revenues		8,837,800
Special revenue funds:		
Private foundations		111,300
Certification fees		47,500
State general fund/general purpose	\$	435,300
Sec. 106. MICHIGAN SCHOOLS FOR THE DEAF AND BLIND		
Full-time equated classified positions	82.0	
ASL literacy resource	\$	1,000,000
Camp Tuhsmehta—FTE	1.0	501,000
Low incidence outreach program		1,000,000
Michigan schools for the deaf and blind operations—FTEs	81.0	16,680,700
Private gifts - blind		200,000
Private gifts - deaf		150,000
GROSS APPROPRIATION	\$	19,531,700
Appropriated from:		
Federal revenues:		
Federal revenues		7,596,000
Special revenue funds:		
Local cost sharing (schools for deaf/blind)		5,878,600
Gifts, bequests, and donations		851,000
Low incidence outreach fund		1,000,000
Student insurance revenue		206,100
State general fund/general purpose	\$	4,000,000
Sec. 107. EDUCATOR EXCELLENCE		
Full-time equated classified positions	53.0	
Educator excellence operations—FTEs	52.0\$	10,388,900
Educator recruitment and preparation programs—FTE	1.0	1,670,000

	For Fiscal Year Ending Sept. 30, 2023	
Teacher license renewals	\$	280,000
GROSS APPROPRIATION	\$	12,338,900
Federal revenues:		
Federal revenues		3,168,400
Special revenue funds:		
Certification fees		4,165,900
Teacher testing fees		201,500
State general fund/general purpose	\$	4,803,100
Sec. 108. MICHIGAN OFFICE OF GREAT START		
Full-time equated classified positions	71.0	
Child development and care contracted services	\$	12,400,000
Child development and care external support		31,178,300
Child development and care public assistance		199,080,000
Head Start collaboration office—FTE	1.0	322,900
Office of great start operations—FTEs	70.0	14,263,200
T.E.A.C.H. Early Childhood Michigan scholarship program		5,000,000
GROSS APPROPRIATION	\$	262,244,400
Appropriated from:		
Federal revenues:		
Federal revenues		220,388,300
Special revenue funds:		
Private foundations		250,000
Certification fees		64,600
State general fund/general purpose	\$	41,541,500
Sec. 109. SYSTEMS, EVALUATION, AND TECHNOLOGY		
Full-time equated classified positions	10.0	
Office of systems, evaluation, and technology operations—FTEs	10.0\$	2,023,900
GROSS APPROPRIATION	\$	2,023,900
Appropriated from:		
Federal revenues:		
Federal indirect revenues		142,000
Federal revenues		1,001,300
Special revenue funds:		
Certification fees		10,700
State general fund/general purpose	\$	869,900
Sec. 110. STRATEGIC PLANNING AND IMPLEMENTATION		
Full-time equated classified positions	6.0	
Strategic planning and implementation operations—FTEs	6.0\$	1,105,200
GROSS APPROPRIATION	\$	1,105,200
Appropriated from:		
Federal revenues:		
Federal revenues		570,400
State general fund/general purpose	\$	534,800
Sec. 111. ADMINISTRATIVE LAW SERVICES		
Full-time equated classified positions	2.0	
Administrative law operations—FTEs	2.0\$	1,439,900
GROSS APPROPRIATION	\$	1,439,900
Appropriated from:		
Federal revenues:		
Federal revenues		585,100
Special revenue funds:		
Certification fees		749,000
State general fund/general purpose	\$	105,800

	For Fiscal Year Ending Sept. 30, 2023	
Sec. 112. ACCOUNTABILITY SERVICES		
Full-time equated classified positions	63.6	
Accountability services operations—FTEs	63.6\$	14,770,200
GROSS APPROPRIATION	\$	14,770,200
Appropriated from:		
Federal revenues:		
Federal revenues		12,851,000
State general fund/general purpose	\$	1,919,200
Sec. 113. SCHOOL SUPPORT SERVICES		
Full-time equated classified positions	75.6	
Adolescent and school health	\$	328,100
School support services operations—FTEs	75.6	14,333,400
GROSS APPROPRIATION	\$	14,661,500
Appropriated from:		
Federal revenues:		
Federal revenues		12,872,300
Special revenue funds:		
Commodity distribution fees		71,700
State general fund/general purpose	\$	1,717,500
Sec. 114. EDUCATIONAL SUPPORTS		
Full-time equated classified positions	82.7	
Educational supports operations—FTEs	82.7\$	17,139,300
Michigan core curriculum		750,000
GROSS APPROPRIATION	\$	17,889,300
Appropriated from:		
Federal revenues:		
Federal revenues		12,976,100
Special revenue funds:		
Certification fees		602,400
State general fund/general purpose	\$	4,310,800
Sec. 115. CAREER AND TECHNICAL EDUCATION		
Full-time equated classified positions	24.0	
Career and technical education operations—FTEs	24.0\$	5,454,700
GROSS APPROPRIATION	\$	5,454,700
Appropriated from:		
Federal revenues:		
Federal revenues		4,062,200
State general fund/general purpose	\$	1,392,500
Sec. 116. LIBRARY OF MICHIGAN		
Full-time equated classified positions	33.0	
Library of Michigan operations—FTEs	31.0\$	5,032,000
Library pilot program		800,000
Library services and technology program—FTE	1.0	5,624,100
Michigan eLibrary—FTE	1.0	1,732,200
Renaissance zone reimbursements		2,200,000
State aid to libraries		15,567,700
GROSS APPROPRIATION	\$	30,956,000
Appropriated from:		
Federal revenues:		
Federal revenues		5,624,100
Special revenue funds:		
Library fees		300,000
State general fund/general purpose	\$	25,031,900

For Fiscal Year
Ending Sept. 30,
2023

Sec. 117. PARTNERSHIP DISTRICT SUPPORT

Full-time equated classified positions	13.0	
Partnership district support operations—FTEs	13.0\$	3,596,600
GROSS APPROPRIATION	\$	3,596,600
Appropriated from:		
Federal revenues:		
Federal revenues		114,500
State general fund/general purpose	\$	3,482,100

Sec. 118. ONE-TIME APPROPRIATIONS

Michigan's poet laureate	\$	100,000
School board member training		150,000
GROSS APPROPRIATION	\$	250,000
Appropriated from:		
State general fund/general purpose	\$	250,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2022-2023

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 2022-2023 is \$109,511,200.00 and state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is \$18,717,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF EDUCATION

Library pilot program	800,000
Renaissance zone reimbursements	2,200,000
School board member training	150,000
State aid to libraries	15,567,700
TOTAL	\$ 18,717,700

Sec. 202. The appropriations authorized 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. As used in this part and part 1:

- (a) "Department" means the Michigan department of education.
- (b) "DHHS" means the Michigan department of health and human services.
- (c) "District" means a local school district as that term is defined in section 6 of the revised school code, 1976 PA 451, MCL 380.6, or a public school academy as that term is defined in section 5 of the revised school code, 1976 PA 451, MCL 380.5.
- (d) "FTE" means full-time equated.
- (e) "HHS" means the United States Department of Health and Human Services.

Sec. 204. The departments and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement shall include transmission of reports via email to the recipients identified for each reporting requirement, or it shall include placement of reports on an internet site.

Sec. 205. Except as otherwise provided in this part, all reports required under this part shall be submitted to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office.

Sec. 206. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261:

(a) Funds appropriated in part 1 must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) In addition, preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 207. From the funds appropriated in part 1, to the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the state superintendent of public instruction shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform

contracts to provide services or supplies, or both. The state superintendent of public instruction shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 208. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, the departments and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house appropriations committees, the house and senate fiscal agencies, and the state budget director. The report must include the following information:

(a) The dates of each travel occurrence.

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

Sec. 209. Funds appropriated in part 1 shall not be used by the department to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

Sec. 210. Not later than December 31, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairpersons of the senate and house appropriations committees and the senate and house fiscal agencies.

Sec. 211. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$5,000,000.00 for federal contingency authorization. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$400,000.00 for state restricted contingency authorization. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

Sec. 212. The department and agencies receiving appropriations in part 1 shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 213. As a condition of receiving funds in part 1, within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the senate and house appropriations chairs, the chairs of the senate and house appropriations subcommittees responsible for the department budget, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2022 and September 30, 2023.

Sec. 214. From the funds appropriated in part 1, the department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 215. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2023 are estimated at \$13,385,100.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$8,126,500.00. Total agency appropriations for retiree health care legacy costs are estimated at \$5,258,600.00.

Sec. 216. From the funds appropriated in part 1, the department shall provide through the internet the state board of education agenda and all supporting documents, and shall notify the state budget director and the senate and house fiscal agencies that the agenda and supporting documents are available on the internet, at the time the agenda and supporting documents are provided to state board of education members.

Sec. 217. (1) On a quarterly basis, the department shall report to the senate and house appropriations committees, the senate and house appropriations subcommittees on the department budget, and the senate and house fiscal agencies the following information:

(a) The number of FTEs in pay status by type of staff and civil service classification.

(b) A comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTEs employed by the department at the end of the reporting period.

(2) By March 1 of the current fiscal year, the department shall report to the senate and house appropriations committees, the senate and house appropriations subcommittees on the department budget, and the senate and house fiscal agencies the following information:

(a) Number of employees that were engaged in remote work in 2023.

(b) Number of employees authorized to work remotely and the actual number of those working remotely in the current reporting period.

(c) Estimated net cost savings achieved by remote work.

(d) Reduced use of office space associated with remote work.

Sec. 218. From the funds appropriated in part 1, the department may assist the DHHS, other departments, intermediate school districts, and local school districts to secure reimbursement for eligible services provided in Michigan schools from the federal Medicaid program. The department may submit reports of direct expenses related to this effort to the DHHS for reimbursement.

Sec. 219. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this article, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, intertransfer funds within this article for the particular department, board, commission, officer, or institution.

Sec. 220. From the funds appropriated in part 1, the department shall post on its website a link to the federal Institute of Education Sciences' What Works Clearinghouse. The department also shall work to disseminate knowledge about the What Works Clearinghouse to districts and intermediate school districts so that it may be used to improve reading proficiency for pupils in grades K to 3.

Sec. 221. From the funds appropriated in part 1, the department shall report no later than April 1 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the senate and house appropriations committees, the senate and house subcommittees responsible for the department budget, the joint committee on administrative rules, and the senate and house fiscal agencies.

Sec. 222. Funds appropriated in part 1 shall not be used by the department or departmental agency to take disciplinary action against an employee of the department or departmental agency in the state classified civil service because the employee communicates with a member of the legislature or his or her staff, unless the communication is prohibited by law and the department or departmental agency taking disciplinary action is exercising its authority as provided by law.

Sec. 223. The department and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 224. Appropriations in part 1 shall, to the extent possible by the department, not be expended until all existing work project authorization available for the same purposes is exhausted.

Sec. 225. (1) From the funds appropriated in part 1, the department shall do all of the following:

(a) Report to the house and senate appropriations committees, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office any amounts of severance pay for the department director, deputy director, or other high-ranking department officials not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.

(b) Maintain an internet site that posts any severance pay in excess of 6 weeks of wages, regardless of the position held by the former department employee receiving severance pay.

(c) By February 1, report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the total amount of severance pay remitted to former department employees during the fiscal year ending September 30, 2022 and the total number of former department employees that were remitted severance pay during the fiscal year ending September 30, 2022.

(2) As used in this section, “severance pay” means compensation that is both payable or paid upon the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits.

Sec. 226. From the funds appropriated in part 1, the department shall coordinate with the other departments to streamline state services and resources, reduce duplication, and increase efficiency. This includes, but is not limited to, working with the department of treasury to coordinate with the financial independence team and overseeing deficit districts and working with the DHHS and department of licensing and regulatory affairs to coordinate with early childhood programs and overseeing child care providers.

Sec. 227. (1) Any department, agency, board, commission, or public officer that receives funding under part 1 shall not:

(a) Require as a condition of accessing any facility or receiving services that an individual provide proof that he or she has received a COVID-19 vaccine except as provided by federal law or as a condition of receiving federal Medicare or Medicaid funding.

(b) Produce, develop, issue, or require a COVID-19 vaccine passport.

(c) Develop a database or make any existing database publicly available to access an individual’s COVID-19 vaccine status by any person, company, or governmental entity.

(d) Require as a condition of employment that an employee or official provide proof that he or she has received a COVID-19 vaccine. This subdivision does not apply to any hospital, congregate care facility, or other medical facility or any hospital, congregate care facility, or other medical facility operated by a local subdivision that receives federal Medicare or Medicaid funding.

(2) A department, agency, board, commission, or public officer may not subject any individual to any negative employment consequence, retaliation, or retribution because of that individual’s COVID-19 vaccine status.

(3) Subsection (1) does not prohibit any person, department, agency, board, commission, or public officer from transmitting proof of an individual’s COVID-19 vaccine status to any person, company, or governmental entity, so long as the individual provides affirmative consent.

(4) If a department, agency, board, commission, subdivision, or official or public officer is required to establish a vaccine policy due to a federal mandate, it must provide exemptions to any COVID-19 vaccine policy to the following individuals:

(a) An individual for whom a physician certifies that a COVID-19 vaccine is or may be detrimental to the individual’s health or is not appropriate.

(b) An individual who provides a written statement to the effect that the requirements of the COVID-19 vaccine policy cannot be met because of religious convictions or other consistently held objection to immunization.

(5) As used in this section, “public officer” means a person appointed by the governor or another executive department official or an elected or appointed official of this state or a political subdivision of this state.

Sec. 228. (1) As a condition of receiving appropriations in part 1, in collaboration with the DHHS, the department shall promote and support initiatives in schools and other educational organizations that include, but are not limited to, training for educators, teachers, and other personnel in school settings for all of the following:

(a) Utilization of trauma-informed practices.

(b) Age-appropriate education and information on human trafficking.

(c) Age-appropriate education and information on sexual abuse prevention.

(2) Upon request by the department, the department of state police and the department of attorney general shall consult in the promotion and support of initiatives in schools and other educational organizations under subsection (1).

Sec. 229. As a condition of receiving funds appropriated in part 1, the department shall not submit federal accountability plans or request amendments to federal accountability plans until after notification of the content to both the house and senate appropriations committees, house and senate fiscal agencies, and the state budget director.

Sec. 230. From the funds appropriated in part 1, the department shall compile a report that identifies any new mandates required of nonpublic schools or the lack of any new mandates for nonpublic schools. In compiling the report, the department may consult with relevant statewide education associations in Michigan. The report compiled by the department shall indicate the type of mandate, including, but not limited to, student health, student or building safety, accountability, and educational requirements, and shall indicate whether a school has to report on the specified mandates. The report required under this section shall be completed by April 1, 2023 and transmitted to the state budget director, the house and senate appropriations subcommittees responsible for the department, and the senate and house fiscal agencies not later than April 15, 2023.

Sec. 231. It is the intent of the legislature that departments maximize the efficiency of the state workforce and, where possible, prioritize in-person work. Each executive branch department, agency, board, or commission that receives funding under part 1 must post its in-person, remote, or hybrid work policy on its website.

Sec. 232. From the funds appropriated in part 1, the department shall ensure that the most recently issued report of regional in-demand occupations issued by the department of technology, management, and budget is distributed in electronic or paper form to all high schools in each school district, intermediate school district, and public school academy.

Sec. 235. (1) From the funds appropriated in part 1, the department shall administer a survey that allows teachers, paraprofessionals, and administrators to provide feedback on their interactions with the department.

(2) The department shall administer the survey required in subsection (1) with a focus on the following interactions:

(a) Any transaction that occurs through the Michigan Online Educator Certification System.

(b) Professional development that is offered or coordinated by the department.

(3) The survey required under subsection (1) must include, but is not limited to, the following:

(a) Information on a survey recipient's viewpoint of the department and rating of their interactions under subsection (2).

(b) The recipient's insight on the department's effectiveness in achieving goals within Michigan's Top 10 Strategic Education Plan.

(4) The department shall prepare a report of the survey required under subsection (1), including a summary of the survey results, and shall submit that report to the senate and house appropriations committees by June 1, 2023. It is the intent of the legislature that the usefulness of this report in decision making, and need to maintain reporting requirements, shall be assessed in the fiscal year 2025-2026.

STATE BOARD OF EDUCATION/OFFICE OF THE SUPERINTENDENT

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

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

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

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

SPECIAL EDUCATION SERVICES

Sec. 350. From the funds in part 1 for special education operations, the department shall use \$100,000.00 to design and distribute to all parents and legal guardians of a student with a disability information about federal and state mandates regarding the rights and protections of students with disabilities, including, but not limited to, individualized education programs to ensure that parents and legal guardians are fully informed about laws, rules, procedural safeguards, problem-solving options, and any other information the department determines is necessary so that parents and legal guardians may be able to provide meaningful input in collaboration with districts to develop and implement an individualized education program.

MICHIGAN SCHOOLS FOR THE DEAF AND BLIND

Sec. 401. From the funds appropriated in part 1, the employees at the Michigan Schools for the Deaf and Blind who work on a school-year basis are considered annual employees for purposes of service credits, retirement, and insurance benefits.

Sec. 402. For each student enrolled at the Michigan Schools for the Deaf and Blind, the department shall assess the intermediate school district of residence 100% of the cost of operating the student's instructional program. The amount shall exclude room and board related costs and the cost of weekend transportation between the school and the student's home.

Sec. 406. (1) From the funds appropriated in part 1, the Michigan Schools for the Deaf and Blind may promote its residential program as a possible appropriate option for children who are deaf or hard of hearing or who are blind or visually impaired. The Michigan Schools for the Deaf and Blind shall distribute information detailing its services to all intermediate school districts in this state.

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

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

Sec. 407. Revenue received by the Michigan Schools for the Deaf and Blind from gifts, bequests, and donations that is unexpended at the end of the state fiscal year may be carried over to the succeeding fiscal year and shall not revert to the general fund.

Sec. 408. (1) The funds appropriated in part 1 for the low incidence outreach fund are appropriated from money collected by the Michigan Schools for the Deaf and Blind and the low incidence outreach program for providing qualified services and may be used for any expenses necessary to provide the qualified services. Any money that is unexpended at the end of the current fiscal year may be carried forward into the succeeding fiscal year.

(2) As used in this section, “qualified services” means document reproduction and services; conducting conferences, workshops, and training classes; and providing specialized equipment, facilities, and software.

Sec. 409. When conducting a due process hearing resulting from a parent’s appeal of his or her child’s individualized education program team’s decision on the child’s educational placement, a state administrative law judge shall consider designating the Michigan School for the Deaf as 1 of the options for the least restrictive environment under federal law for the parent’s child who is deaf, deafblind, or hard of hearing.

Sec. 410. From the funds appropriated in part 1 for ASL literacy resources, the department shall expend the funds to comply with all requirements in House Bill No. 5777 of the 101st Legislature. Funds appropriated in part 1 for ASL literacy resources must not be spent or otherwise distributed unless House Bill No. 5777 of the 101st Legislature is enacted into law.

EDUCATOR EXCELLENCE

Sec. 501. From the funds appropriated in part 1 for educator excellence, the department shall maintain certificate revocation/felony conviction files of educational personnel.

Sec. 502. The funds appropriated in part 1 for teacher license renewals shall be used to implement a program to waive fees or associated costs for former teachers whose teaching licenses have expired.

Sec. 503. From the funds appropriated in part 1, the department shall, upon request, consult with the Michigan Virtual Learning Research Institute and external stakeholders in connection with the department’s implementation and administration of professional development training described in section 35a of the state school aid act of 1979, 1979 PA 94, MCL 388.1635a, including, but not limited to, the online training of educators of pupils in grades K to 3 described in that section.

Sec. 504. From the funds appropriated in part 1 for educator recruitment and preparation programs, the department shall award \$1,000,000.00 to districts for educator preparation program tuition, program fees, testing fees, and substitute permit costs for any individual employed in grades pre-k to 12 working toward certification or an additional endorsement, and for program costs associated with hands-on learning experiences for students in grades 6 to 12 interested in the field of education, with supervision and mentoring from educators who are champions of, and committed to, the success of the profession.

Sec. 505. From the funds appropriated in part 1 for educator recruitment and preparation programs, not less than \$190,000.00 and not fewer than 1.0 FTE position is allocated for educator recruitment and preparation programs. These amounts are in addition to any funding and FTEs utilized for this purpose in the fiscal year ending September 30, 2023.

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

Sec. 507. From the funds appropriated in part 1, the department shall adopt a teacher certification test that ensures that all newly certified elementary teachers have the skills to deliver evidence-based literacy instruction grounded in the science of reading. The department may use teacher certification or teacher testing fee revenue to the extent allowable under law to implement this section, or may pass along increased testing fees to teachers as allowable and appropriate.

SCHOOL SUPPORT SERVICES

Sec. 601. From the funds appropriated in part 1 for adolescent and school health, there is appropriated \$328,100.00 to replace federal funding reductions from the HHS - Centers for Disease Control and Prevention to the department and section 39a(2)(a) of the state school aid act of 1979, 1979 PA 94, MCL 388.1639a.

EDUCATIONAL SUPPORTS

Sec. 701. (1) From the funds appropriated in part 1 for educational supports, the department shall produce a report detailing the progress made by districts with grades K to 12 receiving at-risk funding under section 31a of the state school aid act of 1979, 1979 PA 94, MCL 388.1631a, in implementing multitiered systems of supports in the prior school fiscal year for grades K to 12, and in providing reading intervention services described in section 1280f of the revised school code, 1976 PA 451, MCL 380.1280f, for pupils in grades K to 12.

(2) The report described in subsection (1) shall include, at a minimum:

(a) A description of the training, coaching, and technical assistance offered by the department to districts to support the implementation of effective multitiered systems of supports and reading intervention programs.

(b) A list of districts determined by the department to have successfully implemented multitiered systems of supports and reading intervention programs.

(c) A list of best practices that the department has identified that may be used by districts to implement multitiered systems of supports and reading intervention programs.

(d) Other information the department determines would be useful to understanding the status of districts’ implementation of effective multitiered systems of supports and reading intervention programs.

(3) The department shall provide the report described in subsection (1) to the state budget director, the house and senate subcommittees that oversee the department and school aid budgets, and the house and senate fiscal agencies by September 30, 2023.

Sec. 702. From the funds appropriated in part 1, there is appropriated an amount not less than \$1,000,000.00 for implementation costs associated with programs for early childhood literacy funded under section 35a of the state school aid act of 1979, 1979 PA 94, MCL 388.1635a.

Sec. 703. From the funds appropriated in part 1 for Michigan core curriculum, in collaboration with the confederation of Michigan tribal education department, the department shall design, implement, and evaluate professional learning and optional curriculum modules for the purpose of learning Michigan Indigenous tribal history including the history of Indian boarding schools in Michigan as described in the Michigan core curriculum standards for grades 8 to 12.

LIBRARY OF MICHIGAN

Sec. 801. (1) The funds appropriated in part 1 for library fees are appropriated from money collected by the library of Michigan for providing qualified services and may be used for any expenses necessary to provide the qualified services. Any money that is unexpended at the end of the current fiscal year may be carried forward into the succeeding fiscal year.

(2) As used in this section, “qualified services” means document reproduction and services; conducting conferences, workshops, and training classes; and providing specialized equipment, facilities, and software.

Sec. 802. (1) From the funds appropriated in part 1 for school library pilot program, the department shall award library pilot program grants to school districts headquartered in 4 counties. The grants shall be used to contract for the administration of libraries of a school district by a librarian with a public librarian certificate issued by the library of Michigan. A grant to a school district may not exceed \$10,000.00 per library facility. A district must employ a certified school media specialist to be eligible for this grant. The 4 counties that are eligible for school districts to receive grants shall include:

(a) One county with a population between 600,000 and 700,000 according to the most recent federal decennial census.

(b) One county with a population between 10,500 and 11,000 according to the most recent federal decennial census.

(c) One county with a population between 400,000 and 500,000 according to the most recent federal decennial census.

(d) One county with a population between 154,000 and 154,500 according to the most recent federal decennial census.

(2) The department may contract with the Michigan library association for assistance in administering the pilot program provided for in subsection (1).

(3) A librarian providing contractual services under the pilot program provided for in subsection (1) may not provide library or educational services to a pupil unless the librarian has a valid Michigan teaching certificate with a library of science endorsement.

Sec. 804. (1) The funds appropriated in part 1 for renaissance zone reimbursements shall be used to reimburse public libraries under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in 2022. The allocations shall be made not later than 60 days after the department of treasury certifies to the department and to the state budget director that the department of treasury has received all necessary information to properly determine the amounts due to each eligible recipient.

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

MICHIGAN OFFICE OF GREAT START

Sec. 1002. (1) From the funds appropriated in part 1 for child development and care public assistance, the provider reimbursement rates for child care centers, group home providers, registered family homes, and licensed exempt providers are increased by 10% from the provider rates established in section 1020 of article 3 of 2021 PA 87, rounded to the nearest \$0.05.

(2) Rate increases funded under subsection (1) are effective the first full biweekly pay period of fiscal year 2022-2023.

(3) The department shall ensure that the final child development and care provider reimbursement rates are published on the department and Great Start to Quality webpages.

Sec. 1003. (1) From the funds appropriated in part 1 for child development and care contracted service, the department shall provide the house and senate appropriations subcommittees on the department budget with an annual report on all funding appropriated to contracts for the early childhood comprehensive systems planning by this state during the previous fiscal year. The report is due by February 15 and must contain at least the following information:

(a) Total funding appropriated to contracts for the early childhood comprehensive systems planning by the state during the previous fiscal year.

- (b) The amount of funding for each grant awarded.
- (c) The grant recipients.
- (d) The activities funded by each grant.
- (e) An analysis of each grant recipient's success in addressing the development of a comprehensive system of early childhood services and supports.

(2) All department contracts for early childhood comprehensive systems planning shall be bid out through a statewide request-for-proposal process.

Sec. 1004. From the funds appropriated in part 1 for the T.E.A.C.H. Early Childhood Michigan Scholarship Program, the department shall ensure that \$5,000,000.00 is appropriated to the T.E.A.C.H. Early Childhood Michigan Scholarship Program. The program shall give preference to the following providers:

- (a) Providers that currently have a great start to quality star rating or are in the process to receive a star rating.
- (b) Providers that are seeking to increase their great start to quality star rating and are only restricted from receiving the increased rating because they lack employees with the proper education level.

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

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

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

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

- (d) The number of providers that have improved their quality rating since the start of the current fiscal year compared to the same time period in the preceding fiscal year, reported as the number of providers in each regional prosperity zone.

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

- (2) The progress reports shall be sent to the state budget director, the house and senate subcommittees that oversee the department, and the house and senate fiscal agencies by April 1, 2023 and September 30, 2023.

Sec. 1008. From the amount appropriated in part 1 for office of great start operations, the department shall ensure efficient service provisions to coordinate services provided to families for home visits, reduce duplication of state services and spending, and increase efficiencies including the home visits funded under section 32p of the state school aid act of 1979, 1979 PA 94, MCL 388.1632p, and work with the DHHS as necessary.

Sec. 1009. (1) Except as otherwise provided in this section, from the funds appropriated in part 1 for child development and care public assistance, the income entrance eligibility threshold for the child development and care program is set to not more than 200% of the federal poverty guidelines.

(2) If the average number of children under the total paid children column, as reported by the DHHS child development and care program Table 41 from the published DHHS Green Book, is more than 45,000 children for 3 consecutive months, then the department shall do both of the following:

- (a) As determined by the department, create a waiting list for new children entering the child development and care program.

- (b) Begin the administrative process to decrease the income entrance eligibility threshold to not less than 160% of the federal poverty guidelines for the following month.

Sec. 1010. As a condition of receiving funds in part 1, within 10 days of the receipt of changes to the federal child care and development program, the department shall notify the house and senate chairpersons of the appropriations subcommittees responsible for the department budget, the house and senate fiscal agencies, and the state budget director. The notification shall include, but is not limited to:

- (a) Changes to the federal matching award amount, including the amount of state resources necessary to draw down the total matching award.

- (b) Changes to the amount of child care and development block grant that is awarded to this state.

- (c) Any significant changes to the federal requirements on the child development and care program, indicating any new requirements that would require the appropriation of additional dollars.

Sec. 1011. From the funds appropriated in part 1 for child development and care public assistance, the department shall implement a biweekly block reimbursement rate schedule through the following block segments:

- (a) The block segment for a biweekly block reimbursement rate schedule for child care centers, group homes, and registered family homes, for paid part-time hours between 1 to 30 hours, shall be reimbursed as 30 hours.

- (b) The block segment for a biweekly block reimbursement rate schedule for child care centers, group homes, and registered family homes, for paid part-time hours between 31 to 60 hours, shall be reimbursed as 60 hours, part-time rate.

(c) The block segment for a biweekly block reimbursement rate schedule for child care centers, group homes, and registered family homes, for paid full-time plus hours between 61 to 90 hours, shall be reimbursed as 90 hours, full-time rate.

(d) The block segment for a biweekly block reimbursement rate schedule for license exempt providers shall be reimbursed at their current hourly reimbursement rates.

Sec. 1012. From the funds appropriated in part 1, \$1,500,000.00 shall be for the department to work in collaboration with DHHS to continue the network of infant and early childhood mental health consultation, which provides mental health consultation to child care providers.

Sec. 1013. (1) From the funds appropriated in part 1, the department shall create a status report on the various child care enhancements appropriated in fiscal year 2021-2022 that shall include, but is not limited to, the following:

(a) The amount expended from the ARP - child care entitlement, ARP - child care stabilization fund, ARP - child care stimulus, child care award, and CRRSA - child care stimulus in fiscal year 2021-2022.

(b) The amount expended for each child care enhancement program funded in sections 1012, 1022, 1023, 1024, 1025, 1026, 1027, and 1028 of article 3 of 2021 PA 87 in fiscal year 2021-2022.

(c) The number of providers that received a child care stabilization grant and the total amount of the grants received by provider type for each round of grants issued under section 1022 of article 3 of 2021 PA 87.

(d) The number of child care employees that received a salary enhancement under section 1024 of article 3 of 2021 PA 87.

(e) The number of providers that received assistance and the type of assistance received from the technical and financial support program created in section 1023 of article 3 of 2021 PA 87 in fiscal year 2021-2022.

(f) The number of infant and toddler slots that have been contracted under section 1027 of article 3 of 2021 PA 87 in fiscal year 2021-2022.

(g) The number of additional cases and the number of children enrolled in child development and care above 160% of the federal poverty guidelines and the total cost for those cases, per month, in fiscal year 2021-2022.

(2) The report required under this section shall be completed and transmitted to the state budget director, the house and senate appropriations subcommittees responsible for the department of education, and the senate and house fiscal agencies not later than November 1, 2022.

ONE-TIME APPROPRIATIONS

Sec. 1100. (1) From the funds appropriated in part 1 for school board member training, the department shall approve 1 or more training programs for school board members that include courses of instruction for school board members in 1 or more of the following topic areas:

(a) Conflicts of interest, including, but not limited to, the application of section 1203 of the revised school code, 1976 PA 451, MCL 380.1203.

(b) Labor relations, including, but not limited to, in a school board's role in collective bargaining agreements in 1947 PA 336, MCL 423.201 to 423.217, and in other laws related to employment.

(c) Education law, including, but not limited to, the revised school code, 1976 PA 451, MCL 380.1 to 380.1852, the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1896, the open meetings act, 1976 PA 267, MCL 15.261 to 15.275, and 1937 (Ex Sess) PA 4, MCL 38.71 to 38.191, dealing with teacher tenure.

(d) School finance, including, but not limited to, the creation and management of school district budgets.

(e) Board governance, including, but not limited to, roles and responsibilities, parliamentary procedure, and best practices.

(2) Upon completion of an eligible training program, a school board member may apply for reimbursement for the cost of the eligible training program through the board member's local district, up to \$100.00 per course. The department may determine the form and manner of the application to reimburse the district for the cost.

(3) The department must create a process for the provider of a course in a topic listed in subsection (1) to apply to the department to have the course approved and be eligible for a school board member to be reimbursed for completing that course as provided under subsection (2).

(4) As used in this section:

(a) "Eligible training program" means a training program that is approved under subsection (1).

(b) "School board member" means a member of the board of a school district or intermediate school district or a member of the board of directors of a public school academy in this state.

Sec. 1101. From the funds appropriated in part 1 for Michigan's poet laureate, there is \$100,000.00 appropriated for support of the Michigan poet laureate program to promote poetry, the spoken word, and literary arts across this state.

ARTICLE 4
DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY
PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of environment, Great Lakes, and energy for the fiscal year ending September 30, 2023, from the following funds:

DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY		
APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	1,510.0	
GROSS APPROPRIATION	\$	728,654,300
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		3,406,400
ADJUSTED GROSS APPROPRIATION	\$	725,247,900
Federal revenues:		
Total federal revenues		287,641,700
Special revenue funds:		
Total local revenues		0
Total private revenues		1,415,500
Total other state restricted revenues		337,354,900
State general fund/general purpose	\$	98,835,800
Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	105.0	
Unclassified salaries—FTEs	6.0\$	900,700
Accounting service center		1,463,500
Administrative hearings officers		926,600
Environmental investigations—FTEs	12.0	2,013,700
Environmental support—FTEs	56.0	8,786,800
Environmental support projects		6,000,000
Executive direction—FTEs	20.0	3,465,300
Facilities management		1,000,000
Financial support—FTEs	13.0	2,735,800
Grants and records management—FTEs	4.0	935,400
Michigan geological survey		3,000,000
Property management		8,573,500
GROSS APPROPRIATION	\$	39,801,300
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of state police		84,000
IDG from state transportation department		119,700
Federal revenues:		
Federal funds		767,000
Special revenue funds:		
Private funds		750,400
Air emissions fees		952,300
Aquatic nuisance control fund		86,100
Campground fund		29,000
Cleanup and redevelopment fund		2,120,500
Electronic waste recycling fund		42,400
Environmental education fund		196,400
Environmental pollution prevention fund		570,200
Fees and collections		24,400
Financial instruments		8,639,300
Great Lakes protection fund		554,200
Groundwater discharge permit fees		136,500

	For Fiscal Year Ending Sept. 30, 2023	
Infrastructure construction fund	\$	5,400
Laboratory services fees		562,500
Land and water permit fees		218,300
Medical waste emergency response fund		42,400
Metallic mining surveillance fee revenue		11,000
Mineral well regulatory fee revenue		11,000
Nonferrous metallic mineral surveillance		49,200
NPDES fees		396,400
Oil and gas regulatory fund		806,800
Orphan well fund		95,100
Public swimming pool fund		58,800
Public utility assessments		736,300
Public water supply fees		417,800
Refined petroleum fund		3,416,900
Renew Michigan fund		2,985,100
Sand extraction fee revenue		10,900
Scrap tire regulatory fund		229,200
Septage waste program fund		47,900
Settlement funds		1,000,000
Sewage sludge land application fees		78,400
Soil erosion and sedimentation control training fund		13,500
Solid waste management fund - staff account		1,099,900
Stormwater permit fees		198,700
Strategic water quality initiatives fund		111,100
Underground storage tank cleanup fund		264,500
Wastewater operator training fees		49,300
Water pollution control revolving fund		58,500
Water use reporting fees		23,100
State general fund/general purpose	\$	11,730,900
Sec. 103. WATER RESOURCES DIVISION		
Full-time equated classified positions	388.0	
Aquatic nuisance control program—FTEs	6.0	\$ 982,200
Coastal management grants—FTEs	7.0	2,534,800
Expedited water/wastewater permits—FTE	1.0	52,400
Federal - Great Lakes remedial action plan grants		583,800
Federal - nonpoint source water pollution grants		4,083,300
Fish contaminant monitoring		316,100
Great Lakes restoration initiative—FTEs	9.0	11,239,900
Groundwater discharge permit program—FTEs	22.0	3,419,600
Land and water interface permit programs—FTEs	119.0	18,285,200
Nonpoint source pollution prevention and control project program		2,000,000
NPDES nonstormwater program—FTEs	105.0	16,748,400
Program direction and project assistance—FTEs	27.0	3,325,300
Sewage sludge land application program—FTEs	7.0	903,400
Stormwater activities—FTEs	27.5	5,832,100
Surface water—FTEs	52.5	9,009,100
Technology advancements for water monitoring		500,000
Water quality protection grants		100,000
Water withdrawal assessment program—FTEs	5.0	863,800
Watershed council grants		600,000
Wetlands program		1,021,200
GROSS APPROPRIATION	\$	82,400,600

	For Fiscal Year Ending Sept. 30, 2023	
Appropriated from:		
Interdepartmental grant revenues:		
IDG from state transportation department	\$	1,363,900
Federal revenues:		
Federal funds		34,607,700
Special revenue funds:		
Aquatic nuisance control fund		982,200
Clean Michigan initiative fund - clean water fund		2,617,100
Clean Michigan initiative fund - nonpoint source		2,000,000
Environmental response fund		590,000
Groundwater discharge permit fees		1,521,100
Infrastructure construction fund		52,400
Land and water permit fees		2,445,100
NPDES fees		4,384,500
Refined petroleum fund		456,000
Sewage sludge land application fees		905,200
Soil erosion and sedimentation control training fund		142,300
Stormwater permit fees		2,291,300
Wastewater operator training fees		311,400
Water pollution control revolving fund		151,600
Water quality protection fund		100,000
Water use reporting fees		262,200
State general fund/general purpose	\$	27,216,600
Sec. 104. AIR QUALITY DIVISION		
Full-time equated classified positions	202.0	
Air quality programs—FTEs	202.0\$	35,486,600
GROSS APPROPRIATION	\$	35,486,600
Appropriated from:		
Federal revenues:		
Federal funds		7,663,900
Special revenue funds:		
Air emissions fees		10,701,200
Fees and collections		213,400
Oil and gas regulatory fund		147,600
Public utility assessments		150,000
Refined petroleum fund		3,841,000
State general fund/general purpose	\$	12,769,500
Sec. 105. REMEDIATION AND REDEVELOPMENT DIVISION		
Full-time equated classified positions	327.0	
Brownfield grants	\$	1,100,000
Contaminated site investigations, cleanup and revitalization—FTEs	146.0	21,944,100
Emergency cleanup actions		2,000,000
Environmental cleanup and redevelopment program		27,600,000
Environmental cleanup support		1,000,000
Federal cleanup project management—FTEs	40.0	7,387,100
Laboratory services—FTEs	42.0	8,535,700
Refined petroleum product cleanup program—FTEs	99.0	35,386,000
Superfund cleanup		11,000,000
GROSS APPROPRIATION	\$	115,952,900
Appropriated from:		
Federal revenues:		
Federal funds		16,616,200

	For Fiscal Year Ending Sept. 30, 2023	
Special revenue funds:		
Brownfield development fund	\$	1,100,000
Cleanup and redevelopment fund		54,722,700
Environmental response fund		1,442,100
Laboratory services fees		8,208,000
Public water supply fees		327,700
Refined petroleum fund		33,241,600
State general fund/general purpose	\$	294,600
Sec. 106. UNDERGROUND STORAGE TANK AUTHORITY		
Full-time equated classified positions	8.0	
Underground storage tank cleanup program—FTEs	8.0\$	20,098,000
GROSS APPROPRIATION	\$	20,098,000
Appropriated from:		
Special revenue funds:		
Underground storage tank cleanup fund		20,098,000
State general fund/general purpose	\$	0
Sec. 107. RENEWING MICHIGAN'S ENVIRONMENT		
Full-time equated classified positions	131.0	
Information management—FTEs	20.0\$	5,652,200
Renewing Michigan's environment program—FTEs	111.0	70,255,200
GROSS APPROPRIATION	\$	75,907,400
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of state police		6,100
IDG from state transportation department		6,100
Federal revenues:		
Federal funds		5,800
Special revenue funds:		
Private funds		1,100
Air emissions fees		63,200
Aquatic nuisance control fund		4,200
Campground fund		1,100
Cleanup and redevelopment fund		137,700
Electronic waste recycling fund		1,100
Environmental education fund		200
Environmental pollution prevention fund		35,300
Fees and collections		1,100
Financial instruments		242,700
Great Lakes protection fund		1,100
Groundwater discharge permit fees		10,300
Laboratory services fees		35,300
Land and water permit fees		13,700
Medical waste emergency response fund		1,100
Nonferrous metallic mineral surveillance		2,700
NPDES fees		24,000
Oil and gas regulatory fund		50,400
Orphan well fund		6,100
Public swimming pool fund		1,200
Public utility assessments		1,100
Public water supply fees		25,800
Refined petroleum fund		217,100
Renew Michigan fund		70,438,300
Scrap tire regulatory fund		13,700

	For Fiscal Year Ending Sept. 30, 2023
Septage waste program fund	\$ 1,100
Sewage sludge land application fees	4,200
Soil erosion and sedimentation control training fund	200
Solid waste management fund - staff account	69,100
Stormwater permit fees	11,800
Strategic water quality initiatives fund	6,100
Underground storage tank cleanup fund	15,400
Wastewater operator training fees	2,700
Water pollution control revolving fund	2,700
Water use reporting fees	1,100
State general fund/general purpose	\$ 4,445,400
Sec. 108. INFORMATION TECHNOLOGY	
Information technology services and projects	\$ 9,239,200
GROSS APPROPRIATION	\$ 9,239,200
Appropriated from:	
Interdepartmental grant revenues:	
IDG from department of state police	24,300
IDG from state transportation department	35,000
Federal revenues:	
Federal funds	1,799,600
Special revenue funds:	
Private funds	14,500
Air emissions fees	277,400
Aquatic nuisance control fund	25,100
Campground fund	8,400
Cleanup and redevelopment fund	621,800
Electronic waste recycling fund	12,200
Environmental education fund	4,600
Environmental pollution prevention fund	158,800
Fees and collections	6,100
Financial instruments	1,098,500
Great Lakes protection fund	13,700
Groundwater discharge permit fees	39,500
Infrastructure construction fund	1,500
Laboratory services fees	164,900
Land and water permit fees	63,100
Medical waste emergency response fund	12,200
Metallic mining surveillance fee revenue	3,000
Mineral well regulatory fee revenue	3,000
Nonferrous metallic mineral surveillance	14,500
NPDES fees	116,200
Oil and gas regulatory fund	234,000
Orphan well fund	28,100
Public swimming pool fund	16,700
Public utility assessments	12,200
Public water supply fees	123,100
Refined petroleum fund	1,009,300
Renew Michigan fund	876,300
Sand extraction fee revenue	3,000
Scrap tire regulatory fund	66,900
Septage waste program fund	13,700
Sewage sludge land application fees	22,800
Soil erosion and sedimentation control training fund	3,800

	For Fiscal Year Ending Sept. 30, 2023	
Solid waste management fund - staff account	\$	323,700
Stormwater permit fees		58,500
Strategic water quality initiatives fund		32,700
Underground storage tank cleanup fund		77,500
Wastewater operator training fees		14,500
Water pollution control revolving fund		18,400
Water use reporting fees		6,900
State general fund/general purpose	\$	1,779,200
Sec. 109. DRINKING WATER AND ENVIRONMENTAL HEALTH		
Full-time equated classified positions	142.0	
Drinking water—FTEs	99.0\$	15,385,100
Drinking water program grants		830,000
Environmental health—FTEs	42.0	15,396,800
Lead line replacement—FTE	1.0	196,600
Noncommunity water grants		1,905,700
Septage waste compliance grants		125,000
GROSS APPROPRIATION	\$	33,839,200
Appropriated from:		
Federal revenues:		
Federal funds		13,652,100
Special revenue funds:		
Campground fund		311,300
Fees and collections		34,500
Public swimming pool fund		641,800
Public water supply fees		4,393,500
Refined petroleum fund		761,100
Septage waste program fund		601,200
Wastewater operator training fees		264,800
State general fund/general purpose	\$	13,178,900
Sec. 110. MATERIALS MANAGEMENT DIVISION		
Full-time equated classified positions	129.0	
Energy efficiency revolving fund	\$	7,200,000
Environmental sustainability and stewardship—FTEs	11.0	22,048,900
Hazardous waste management program—FTEs	45.0	6,248,100
Low-level radioactive waste authority—FTEs	2.0	248,300
Medical waste program—FTEs	2.0	325,700
Pollution prevention—FTEs	7.0	2,330,800
Radiological protection program—FTEs	12.0	2,035,900
Recycling initiative—FTEs	3.0	1,046,400
Scrap tire grants		3,500,000
Scrap tire regulatory program—FTEs	10.0	1,388,600
Solid waste management program—FTEs	37.0	6,771,400
GROSS APPROPRIATION	\$	53,144,100
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of state police		1,544,200
Federal revenues:		
Federal funds		7,204,800
Infrastructure investment and jobs act fund		23,000,000
Special revenue funds:		
Private funds		649,500
Cleanup and redevelopment fund		1,046,400
Coal ash care fund		262,300

	For Fiscal Year Ending Sept. 30, 2023	
Community pollution prevention fund	\$	250,000
Electronic waste recycling fund		325,200
Energy efficiency and renewable energy revolving loan fund		250,100
Environmental pollution prevention fund		4,063,300
Medical waste emergency response fund		325,700
Public utility assessments		1,796,400
Retired engineers technical assistance program fund		491,200
Scrap tire regulatory fund		4,888,600
Small business pollution prevention revolving loan fund		134,400
Solid waste management fund - staff account		6,183,900
Technologically enhanced naturally occurring radioactive material		453,100
State general fund/general purpose	\$	275,000
Sec. 111. OIL, GAS, AND MINERALS DIVISION		
Full-time equated classified positions	59.0	
Oil, gas, and mineral services—FTEs	59.0\$	42,838,800
GROSS APPROPRIATION	\$	42,838,800
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of licensing and regulatory affairs		223,100
Federal revenues:		
Federal funds		153,100
Infrastructure investment and jobs act fund		31,000,000
Special revenue funds:		
Metallic mining surveillance fee revenue		92,500
Mineral well regulatory fee revenue		214,000
Native copper mine fund		50,000
Nonferrous metallic mineral surveillance		376,900
Oil and gas regulatory fund		3,803,400
Orphan well fund		2,341,700
Sand extraction fee revenue		88,400
State general fund/general purpose	\$	4,495,700
Sec. 112. WATER INFRASTRUCTURE		
Full-time equated classified positions	19.0	
Municipal assistance—FTEs	19.0\$	5,125,300
Water state revolving funds		120,000,000
GROSS APPROPRIATION	\$	125,125,300
Appropriated from:		
Federal revenues:		
Federal funds		103,171,500
Special revenue funds:		
Revolving loan revenue bonds		15,000,000
Strategic water quality initiatives fund		1,226,600
Water pollution control revolving fund		727,200
State general fund/general purpose	\$	5,000,000
Sec. 113. ONE-TIME APPROPRIATIONS		
ARP - community technical, managerial, and financial support for lead line replacement	\$	48,000,000
Buffalo reef		10,000,000
Contaminated site cleanup		10,000,000
Cooperative lakes monitoring program		150,000
Disposal of firefighting foam containing PFAS		500,000
Grants and records management		2,000,000
Private well testing		5,000,000

	For Fiscal Year Ending Sept. 30, 2023
Refined petroleum product cleanup program	\$ 19,170,900
GROSS APPROPRIATION	\$ 94,820,900
Appropriated from:	
Federal revenues:	
Coronavirus state fiscal recovery fund	48,000,000
Special revenue funds:	
Cleanup and redevelopment fund	10,000,000
Refined petroleum fund	19,170,900
State general fund/general purpose	\$ 17,650,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2022-2023

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 the fiscal year ending September 30, 2023 is \$436,190,700.00 and state spending from state sources to be paid to local units of government for the fiscal year ending September 30, 2023 is \$35,716,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY	
Brownfield grants	\$ 1,000,000
Drinking water and environmental health	400,000
Emergency cleanup actions	116,000
Environmental sustainability and stewardship	100,000
Medical waste program	70,000
Noncommunity water grants	2,000,000
Pollution prevention	200,000
Private well testing	5,000,000
Refined petroleum product cleanup program	5,000,000
Renewing Michigan's environment program	20,000,000
Scrap tire grants	1,000,000
Septage waste compliance grants	130,000
Surface water	200,000
Technology advancements for water monitoring	500,000
TOTAL	\$ 35,716,000

Sec. 202. The appropriations authorized 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. As used in this part and part 1:

- (a) "Department" means the department of environment, Great Lakes, and energy.
- (b) "Director" means the director of the department.
- (c) "FTE" means full-time equated.
- (d) "IDG" means interdepartmental grant.
- (e) "NPDES" means the national pollutant discharge elimination system.

Sec. 204. The department shall use the internet to fulfill the reporting requirements of this part. This requirement shall include transmission of reports via email to the recipients identified for each reporting requirement, and it shall include placement of reports on an internet site.

Sec. 206. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply:

- (a) The funds appropriated in part 1 must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.
- (b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.
- (c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 207. The department shall not take disciplinary action against an employee of the department or departmental agency in the state classified civil service because the employee communicates with a member of the senate or house or a member's staff, unless the communication is prohibited by law and the department or agency taking disciplinary action is exercising its authority as provided by law.

Sec. 208. The department shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The report shall be submitted to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget director. The report shall include the following information:

(a) The dates of each travel occurrence.

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

Sec. 209. Funds appropriated in part 1 shall not be used by a principal executive department, state agency, or authority to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

Sec. 210. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report shall summarize the projected year-end general fund/general purpose appropriation lapses by major departmental program or program areas. The report shall be transmitted to the chairs of the senate and house appropriations committees and the senate and house fiscal agencies.

Sec. 211. In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$3,000,000.00 for state restricted contingency authorization. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 212. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 213. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the chairpersons of the senate and house appropriations committees, the chairpersons of the senate and house appropriations subcommittees on natural resources and environment, Great Lakes, and energy, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the prior 2 fiscal years.

Sec. 214. The department shall maintain, on a publicly accessible website, a department scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's performance.

Sec. 215. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2023 are estimated at \$34,914,100.00. From this amount, total department appropriations for pension-related legacy costs are estimated at \$21,197,400.00. Total agency appropriations for retiree health care legacy costs are estimated at \$13,716,700.00.

Sec. 216. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 217. (1) On a quarterly basis, the department shall report to the senate and house appropriations committees, the senate and house appropriations subcommittees on natural resources and environment, Great Lakes, and energy, and the senate and house fiscal agencies the following information:

(a) The number of FTEs in pay status by type of staff and civil service classification.

(b) A comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTEs employed by the department at the end of the reporting period.

(2) By March 1 of the current fiscal year and semiannually thereafter, the department shall report to the senate and house appropriations committees, the senate and house appropriations subcommittees on natural resources and environment, Great Lakes, and energy, and the senate and house fiscal agencies the following information:

(a) Number of employees that were engaged in remote work in 2022.

(b) Number of employees authorized to work remotely and the actual number of those working remotely in the current reporting period.

(c) Estimated net cost savings achieved by remote work.

(d) Reduced use of office space associated with remote work.

Sec. 218. It is the intent of the legislature that departments maximize the efficiency of the state workforce and, where possible, prioritize in-person work. Each executive branch department, agency, board, or commission that receives funding under part 1 must post its in-person, remote, or hybrid work policy on its website.

Sec. 219. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this article, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, intertransfer funds within this article for the particular department, board, commission, officer, or institution.

Sec. 220. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 221. The department shall report no later than April 1 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the senate and house appropriations committees, the senate and house subcommittees on natural resources and environment, Great Lakes, and energy, the joint committee on administrative rules, and the senate and house fiscal agencies.

Sec. 222. (1) From the funds appropriated in part 1, the department shall do all of the following:

(a) Report to the house and senate appropriations committees, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office any amount of severance pay for a department director, deputy director, or other high-ranking department official not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.

(b) Maintain an internet site that posts any severance pay in excess of 6 weeks of wages, regardless of the position held by the former department employee receiving severance pay.

(c) By February 1, report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the total amount of severance pay remitted to former department employees during the fiscal year ending September 30, 2022 and the total number of former department employees that were remitted severance pay during the fiscal year ending September 30, 2022.

(2) As used in this section, "severance pay" means compensation that is both payable or paid upon the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits.

Sec. 223. (1) Any department, agency, board, commission, or public officer that receives funding under part 1 shall not:

(a) Require as a condition of accessing any facility or receiving services that an individual provide proof that he or she has received a COVID-19 vaccine except as provided by federal law or as a condition of receiving federal Medicare or Medicaid funding.

(b) Produce, develop, issue, or require a COVID-19 vaccine passport.

(c) Develop a database or make any existing database publicly available to access an individual's COVID-19 vaccine status by any person, company, or governmental entity.

(d) Require as a condition of employment that an employee or official provide proof that he or she has received a COVID-19 vaccine. This subdivision does not apply to any hospital, congregate care facility, or other medical facility or any hospital, congregate care facility, or other medical facility operated by a local subdivision that receives federal Medicare or Medicaid funding.

(2) A department, agency, board, commission, or public officer may not subject any individual to any negative employment consequence, retaliation, or retribution because of that individual's COVID-19 vaccine status.

(3) Subsection (1) does not prohibit any person, department, agency, board, commission, or public officer from transmitting proof of an individual's COVID-19 vaccine status to any person, company, or governmental entity, so long as the individual provides affirmative consent.

(4) If a department, agency, board, commission, subdivision, or official or public officer is required to establish a vaccine policy due to a federal mandate, it must provide exemptions to any COVID-19 vaccine policy to the following individuals:

(a) An individual for whom a physician certifies that a COVID-19 vaccine is or may be detrimental to the individual's health or is not appropriate.

(b) An individual who provides a written statement to the effect that the requirements of the COVID-19 vaccine policy cannot be met because of religious convictions or other consistently held objection to immunization.

(5) As used in this section, "public officer" means a person appointed by the governor or another executive department official or an elected or appointed official of this state or a political subdivision of this state.

Sec. 224. Appropriations in part 1 shall, to the extent possible by the department, not be expended until all existing work project authorization available for the same purposes is exhausted.

Sec. 225. (1) The department may expend amounts remaining from the current and prior fiscal year appropriations to meet funding needs of the environmental cleanup and redevelopment program, contaminated site cleanup, the renew Michigan program, the refined petroleum product cleanup program, brownfield grants and loans, waterfront grants, and the environmental bond site reclamation program.

(2) Unexpended and unencumbered amounts remaining from appropriations from the clean Michigan initiative fund - response activities contained in 2011 PA 63, 2013 PA 59, 2014 PA 252, 2015 PA 84, 2016 PA 268, and 2017 PA 107, are appropriated for expenditure.

(3) Unexpended and unencumbered amounts remaining from appropriations from the refined petroleum fund activities contained in 2013 PA 59, 2014 PA 252, 2015 PA 84, 2016 PA 268, 2017 PA 107, 2018 PA 207, 2019 PA 57, 2020 PA 166, and 2021 PA 87, are appropriated for expenditure.

(4) Unexpended and unencumbered amounts remaining from the appropriations from the strategic water quality initiatives fund contained in 2011 PA 50, 2011 PA 63, 2012 PA 200, 2013 PA 59, 2014 PA 252, 2015 PA 84, 2016 PA 268, 2017 PA 107, and 2018 PA 207, are appropriated for expenditure.

(5) For the strategic water quality initiatives fund, funds not yet disbursed are appropriated for expenditure for the same program under sections 5201, 5202, and 5204e of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5201, 324.5202, and 324.5204e.

(6) Unexpended and unencumbered amounts remaining from the appropriations from the renew Michigan fund contained in 2018 PA 207, 2019 PA 57, 2020 PA 166, and 2021 PA 87, are appropriated for expenditure.

(7) Unexpended and unencumbered amounts remaining from the appropriations from the general fund contained in 2021 PA 87 are appropriated for expenditure.

Sec. 226. Revenues remaining in the settlements fund at the end of the fiscal year shall carry forward into the succeeding fiscal year.

Sec. 227. (1) Funds appropriated in part 1 shall not be used by the department to promulgate a rule that will apply to a small business and that will have a disproportionate economic impact on small businesses because of the size of those businesses if the department fails to reduce the disproportionate economic impact of the rule on small businesses as provided under section 40 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.240.

(2) As used in this section:

(a) "Rule" means that term as defined under section 7 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.207.

(b) "Small business" means that term as defined under section 7a of the administrative procedures act of 1969, 1969 PA 306, MCL 24.207a.

Sec. 235. (1) Each quarter, the department shall prepare a report that contains information pertaining to all remediation and redevelopment efforts funded from part 1.

(2) The report must contain the following information:

(a) List of sites where work is planned to occur, including the county for each site.

(b) The type of site, whether refined petroleum cleanup, nonrefined petroleum cleanup, brownfield, or a combination of types.

(c) A brief description of how the issue will be addressed, including whether contractors will be utilized.

(d) The estimated date for project completion.

(e) The amount and funding source or sources allocated to the site.

(3) The report shall be submitted to the house and senate subcommittees on the environment, Great Lakes, and energy and the state budget director.

Sec. 236. The department shall provide a report detailing the expenditure of departmental funds appropriated in 2015 PA 143, 2016 PA 3, 2016 PA 268, and 2016 PA 340. The report shall include the following:

(a) The names and locations of entities receiving funds.

(b) The purpose for each expenditure.

(c) The status of programs supported by this funding.

(d) A brief description of how related problems have been or will be resolved if expenditures are made for immediate response.

(e) The job titles and number of departmental FTEs engaged in the Flint declaration of emergency response effort.

Sec. 237. From the funds appropriated in part 1, the department shall be responsible for the necessary and reasonable attorney fees and costs incurred by private and independent legal counsel chosen by current and former classified and unclassified department employees in the defense of the department employees named as a party in any state or federal lawsuits or investigations related to the city of Flint municipal water system.

Sec. 238. By February 1, 2023, the department shall submit a report to the standing committees and appropriations subcommittees of the senate and house of representatives with primary responsibility for

issues under the jurisdiction of the department that details departmental activities of the most recent fiscal year in administering permitting programs. The report shall include, at a minimum, all of the following:

(a) The number of FTEs assigned to each permitting program and the number of unfilled positions at the beginning and end of the most recent fiscal year.

(b) The number of permit applications received by the department in the preceding year, including applications for new and increased uses and reissuances.

(c) The number of permits for each program approved.

(d) The number of permits for each program denied.

(e) The percentage and number of permit applications that were reviewed for administrative completeness within statutory time frames.

(f) The percentage and number of permit applications for which a final action was taken by the department within statutory time frames for new and increased uses and reissuances.

(g) Activities to reduce any backlog of permits exceeding the statutory time frames and the average time frame for permit approvals for each program.

(h) Activities to reduce the percentage of permit applications submitted as incomplete, in need of modification, or additional information before final determination.

(i) Under conditions in which the department states a permit is incomplete or denied, the department shall provide an explanation as to the reason or reasons the permit is insufficient and how the permit can be strengthened or made complete.

Sec. 242. If the department responds to a significant incident to protect life or property, within 12 hours after the department response to a significant incident at a site in this state, the department shall notify the senate and house members whose district includes the site in writing.

Sec. 243. Funds appropriated in part 1 for the Michigan geological survey may be expended to perform any of the activities directed under sections 60104 to 60106 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.60104 to 324.60106. Focus shall be on conducting data collection and mapping to expand geologic information in the state.

REMEDIATION AND REDEVELOPMENT DIVISION

Sec. 301. Revenues remaining in the laboratory services fees fund at the end of the fiscal year shall carry forward into the succeeding fiscal year.

Sec. 302. From the funds appropriated in part 1 for contaminated site investigations, cleanup, and revitalization, the department shall not expend more than 3% for administrative costs.

Sec. 303. From the FTE positions appropriated in part 1 for contaminated site investigations, cleanup, and revitalization, 16.0 are allocated for the remediation of legacy sites that contain environmental contamination, as defined in section 20101 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101.

Sec. 305. It is the intent of the legislature to repay the refined petroleum fund for the \$70,000,000.00 that was transferred to the environmental protection fund created in section 503a of the natural resources and environmental protection act, 1994 PA 451, MCL 324.503a, as part of the resolution for the fiscal year 2006-2007 budget.

Sec. 306. The funds appropriated in part 1 for the refined petroleum cleanup program shall be used to fund corrective actions performed by the department pursuant to section 21320 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.21320.

Sec. 308. The unexpended funds appropriated in part 1 for brownfield grants, emergency cleanup actions, environmental cleanup support, and the refined petroleum product cleanup program are designated as work project appropriations, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the projects is to provide contaminated site cleanup.

(b) The projects will be accomplished by utilizing contracts with service providers.

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

(d) The tentative completion date is September 30, 2027.

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

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

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

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

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

Sec. 314. The department is encouraged to perform remedial actions as defined in section 20101 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20101, in geographically proximate areas when possible.

Sec. 315. (1) In addition to the money appropriated in part 1, the department may receive and expend money from the subaccounts of the cleanup and redevelopment fund as described under section 20108 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.20108, including the environmental response fund or the natural resource damages fund, to provide funding for actions by the department that are authorized by a court of competent jurisdiction and set forth in a final court order or judgment in an action to which the department is a party.

(2) By September 30, 2023, the department shall submit a report to the appropriations subcommittees, the fiscal agencies, and the state budget office that provides a summary of the expenditures incurred under this section during the fiscal year ending September 30, 2023.

WATER RESOURCES DIVISION

Sec. 401. From the funds appropriated in part 1 for land and water interface permit programs, not less than \$350,000.00 and not fewer than 2.0 FTE positions are allocated for dam safety programs. These amounts are in addition to any funding and FTEs utilized for this purpose in the fiscal year ending September 30, 2022.

Sec. 405. If a certified health department does not exist in a city, county, or district or does not fulfill its responsibilities under part 117 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11701 to 324.11721, then the department may spend funds appropriated in part 1 under the septage waste compliance program in accordance with section 11716 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.11716.

Sec. 410. From the funds appropriated in part 1, the department shall compile a report by November 1 on the status of the implementation plan for the western Lake Erie basin collaborative agreement. In an effort to learn more about the presence and timing of harmful algal blooms, the report shall contain all of the following:

(a) An estimated cost of removal of total phosphorus per pound at the 4 major wastewater treatment plants.

(b) A description of the grants that have been awarded.

(c) A description of the work that has commenced on the issue of dissolved reactive phosphorus, the expected objectives and outcomes of that work, and a list of the parties involved in that effort.

(d) A description of the efforts and outcomes aimed at the total phosphorus reduction for the River Raisin watershed.

UNDERGROUND STORAGE TANK AUTHORITY

Sec. 701. The unexpended funds appropriated in part 1 for the underground storage tank cleanup program are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide underground storage tank cleanup.

(b) The project will be accomplished by utilizing contracts with service providers.

(c) The total estimated cost of the project is \$20,000,000.00.

(d) The tentative completion date is September 30, 2027.

RENEWING MICHIGAN'S ENVIRONMENT

Sec. 801. The unexpended funds appropriated in part 1 for the renewing Michigan's environment program are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is for environmental cleanup and redevelopment, waste management, and recycling.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is \$69,000,000.00.

(d) The tentative completion date is September 30, 2027.

MATERIALS MANAGEMENT DIVISION

Sec. 901. In addition to the money appropriated in part 1, the department may receive and expend money from the Volkswagen Environmental Mitigation Trust Agreement to provide funding for activities as outlined within the State's Mitigation Plan. The department shall prepare a report to the appropriations subcommittees, the fiscal agencies, and the state budget office by February 1, 2024 of the expenditures incurred under this section during the fiscal year ending September 30, 2023.

Sec. 902. The department may increase capacity by a total of 5.0 FTE positions, for a limited term, to issue energy efficiency grants to communities for the environmental sustainability and stewardship appropriation under part 1.

OIL, GAS, AND MINERALS DIVISION

Sec. 925. The department may increase capacity by a total of 2.0 FTE positions, for a limited term, to close abandoned gas and oil wells for the oil, gas, and mineral services appropriation under part 1.

WATER INFRASTRUCTURE

Sec. 950. From the federal funds appropriated in part 1 for municipal assistance, the department may increase capacity by a total of 4.0 FTE positions to review and approve clean water and wastewater grants and loans.

ONE-TIME APPROPRIATIONS

Sec. 1000. Unless otherwise specified in statute or rule, previous grant awards shall not be used to disqualify applicants from consideration for grant funding opportunities for any grant program offered through the department or made from the funds appropriated in part 1.

Sec. 1001. From funds appropriated in part 1 for ARP - community technical, managerial, and financial support for lead line replacement, the department is encouraged to work in cooperation with the office of rural development within the department of agriculture and rural development to coordinate outreach and efforts in providing technical assistance to communities.

Sec. 1002. (1) From the funds appropriated in part 1 for buffalo reef, the department shall designate \$10,000,000.00 in funding to cover costs associated with the planning and construction for the buffalo reef project.

(2) The unexpended portion of funds appropriated for the buffalo reef project is considered a work project appropriation and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for the project under this section until the project has been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to build a coal dock jetty for the dredging of stamp sands from Lake Superior in Gay, Michigan.

(b) The project will be accomplished by utilizing all of the following:

(i) Federal resources, state resources, contracts, or grants.

(ii) Railroad corridor title work and property acquisition.

(iii) Final disposal area property acquisition.

(iv) Final disposal area design.

(v) Additional maintenance dredging of the trough and Grand Traverse Harbor to protect buffalo reef.

(vi) Continued physical surveys of the stamp sands and buffalo reef.

(c) The total estimated cost of the project is \$10,000,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 1003. From funds appropriated in part 1 for the cooperative lakes monitoring program, the department shall provide funding in the amount of \$150,000.00 to support the continuation of the department's contract for the cooperative lakes monitoring program and to ensure the continued operation of this program.

Sec. 1004. (1) From the funds appropriated in part 1 for private well testing, the department shall award grants to local health departments to provide free or low-cost water testing to private well owners. Testing offered shall include coliforms, nitrates, nitrites, arsenic, and other contaminants as determined by application.

(2) On or before April 1, the department shall transmit to the appropriations subcommittees, the fiscal agencies, and the state budget office and post on the department's website a report on the previous calendar year's activities funded with private well testing funds. The report shall include a list of all grantees and award amounts.

ARTICLE 5 GENERAL GOVERNMENT PART 1 LINE-ITEM APPROPRIATIONS FOR FISCAL YEAR 2022-2023

Sec. 101. There is appropriated for the legislature, the executive, the department of attorney general, the department of state, the department of treasury, the department of technology, management, and budget, the department of civil rights, the department of labor and economic opportunity, and certain state purposes related thereto for the fiscal year ending September 30, 2023, from the following funds:

TOTAL GENERAL GOVERNMENT

APPROPRIATION SUMMARY

Full-time equated unclassified positions	78.5
Full-time equated classified positions	10,013.5
GROSS APPROPRIATION	\$ 8,600,937,200

For Fiscal Year
Ending Sept. 30,
2023

Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	\$ 1,120,888,100
ADJUSTED GROSS APPROPRIATION	\$ 7,480,049,100
Federal revenues:	
Total federal revenues	1,264,235,700
Special revenue funds:	
Total local revenues	26,240,800
Total private revenues	13,096,200
Total other state restricted revenues	2,678,961,900
State general fund/general purpose	\$ 3,497,514,500
Sec. 102. DEPARTMENT OF ATTORNEY GENERAL	
(1) APPROPRIATION SUMMARY	
Full-time equated unclassified positions	6.0
Full-time equated classified positions	543.4
GROSS APPROPRIATION	\$ 118,273,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	35,954,600
ADJUSTED GROSS APPROPRIATION	\$ 82,318,400
Federal revenues:	
Total federal revenues	10,101,900
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	20,786,700
State general fund/general purpose	\$ 51,429,800
(2) ATTORNEY GENERAL OPERATIONS	
Full-time equated unclassified positions	6.0
Full-time equated classified positions	543.4
Attorney general	\$ 112,500
Unclassified salaries—FTEs	5.0 900,300
Administrative support—FTEs	46.0 23,239,200
Child support enforcement—FTEs	25.0 3,753,400
Civil bureaus—FTEs	362.0 64,589,500
Criminal bureaus—FTEs	90.4 10,494,400
Prosecuting attorneys coordinating council—FTEs	14.0 2,678,100
Public safety initiative—FTE	1.0 888,600
Sexual assault law enforcement—FTEs	5.0 1,465,000
GROSS APPROPRIATION	\$ 108,121,000
Appropriated from:	
Interdepartmental grant revenues:	
IDG from MDOC	714,800
IDG from MDE	805,700
IDG from EGLE	2,182,000
IDG from MDHHS, health policy	319,100
IDG from MDHHS, human services	6,668,100
IDG from MDHHS, medical services administration	749,200
IDG from MDHHS, WIC	357,900
IDG from MDIFS, financial and insurance services	1,244,400
IDG from LEO, Michigan occupational safety and health administration	202,200
IDG from LEO, workforce development	96,900
IDG from MDLARA, bureau of marijuana regulatory agency	1,484,000
IDG from MDLARA, fireworks safety fund	88,100
IDG from MDLARA, health professions	3,300,500

	For Fiscal Year Ending Sept. 30, 2023
IDG from MDLARA, licensing and regulation fees	\$ 773,800
IDG from MDLARA, remonumentation fees	115,500
IDG from MDLARA, securities fees	761,800
IDG from MDLARA, unlicensed builders	1,156,200
IDG from MDMVA	177,500
IDG from MDOS, children's protection registry	45,000
IDG from MDOT, comprehensive transportation fund	109,400
IDG from MDOT, state aeronautics fund	191,800
IDG from MDOT, state trunkline fund	2,172,800
IDG from MDSP	282,700
IDG from MDTMB	1,308,700
IDG from MDTMB, civil service commission	332,800
IDG from MDTMB, risk management revolving fund	1,372,000
IDG from Michigan state housing development authority	1,252,700
IDG from Michigan strategic fund	195,400
IDG from treasury	7,493,600
Federal revenues:	
DAG, state administrative match grant/food stamps	137,000
Federal funds	3,386,700
HHS, medical assistance, medigrant	407,100
HHS-OS, state Medicaid fraud control units	6,049,900
National criminal history improvement program	121,200
Special revenue funds:	
Antitrust enforcement collections	829,400
Attorney general's operations fund	1,118,200
Auto repair facilities fees	358,400
Franchise fees	414,900
Game and fish protection fund	670,900
Human trafficking commission fund	170,000
Lawsuit settlement proceeds fund	2,667,100
Liquor purchase revolving fund	1,598,300
Michigan employment security act - administrative fund	2,426,300
Michigan merit award trust fund	530,800
Michigan state waterways fund	148,700
Mobile home code fund	267,300
Prisoner reimbursement	564,100
Prosecuting attorneys training fees	425,100
Public utility assessments	2,150,200
Reinstatement fees	277,800
Retirement funds	1,135,200
Second injury fund	649,500
Self-insurers security fund	398,700
Silicosis and dust disease fund	114,700
State building authority revenue	131,200
State casino gaming fund	1,924,400
State lottery fund	375,800
Utility consumer representation fund	1,042,800
Worker's compensation administrative revolving fund	396,900
State general fund/general purpose	\$ 41,277,800
(3) INFORMATION TECHNOLOGY	
Information technology services and projects	\$ 1,652,000
GROSS APPROPRIATION	\$ 1,652,000

	For Fiscal Year Ending Sept. 30, 2023	
Appropriated from:		
State general fund/general purpose	\$	1,652,000
(4) ONE-TIME APPROPRIATIONS		
Job court	\$	5,000,000
Organized retail crime unit		3,500,000
GROSS APPROPRIATION	\$	8,500,000
Appropriated from:		
State general fund/general purpose	\$	8,500,000
Sec. 103. DEPARTMENT OF CIVIL RIGHTS		
(1) APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	109.0	
GROSS APPROPRIATION	\$	21,601,600
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	\$	21,601,600
Federal revenues:		
Total federal revenues		2,890,900
Special revenue funds:		
Total local revenues		0
Total private revenues		18,700
Total other state restricted revenues		58,500
State general fund/general purpose	\$	18,633,500
(2) CIVIL RIGHTS OPERATIONS		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	109.0	
Unclassified salaries—FTEs	6.0\$	788,500
Complaint investigation and enforcement—FTEs	68.0	9,450,200
Division on deaf, deafblind, and hard of hearing—FTEs	6.0	741,400
Executive office—FTEs	23.0	2,980,900
Museums support		1,500,000
Public affairs—FTEs	12.0	1,718,400
GROSS APPROPRIATION	\$	17,179,400
Appropriated from:		
Federal revenues:		
EEOC, state and local antidiscrimination agency contracts		1,253,700
HUD, grant		1,622,200
Special revenue funds:		
Private revenues		18,700
State restricted indirect funds		58,500
State general fund/general purpose	\$	14,226,300
(3) INFORMATION TECHNOLOGY		
Information technology services and projects	\$	770,300
GROSS APPROPRIATION	\$	770,300
Appropriated from:		
Federal revenues:		
EEOC, state and local antidiscrimination agency contracts		15,000
State general fund/general purpose	\$	755,300
(4) ONE-TIME APPROPRIATIONS		
Complaint investigation and enforcement	\$	3,151,900
Native American boarding school study		500,000
GROSS APPROPRIATION	\$	3,651,900

	For Fiscal Year Ending Sept. 30, 2023	
Appropriated from:		
State general fund/general purpose	\$	3,651,900
Sec. 104. EXECUTIVE OFFICE		
(1) APPROPRIATION SUMMARY		
Full-time equated unclassified positions	10.0	
Full-time equated classified positions	86.2	
GROSS APPROPRIATION	\$	8,533,600
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	\$	8,533,600
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	\$	8,533,600
(2) EXECUTIVE OFFICE OPERATIONS		
Full-time equated unclassified positions	10.0	
Full-time equated classified positions	86.2	
Unclassified salaries—FTE positions	8.0	\$ 1,478,100
Governor		159,300
Lieutenant governor		111,600
Executive office—FTEs	86.2	6,784,600
GROSS APPROPRIATION	\$	8,533,600
Appropriated from:		
State general fund/general purpose	\$	8,533,600
Sec. 105. LEGISLATURE		
(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	\$	215,282,900
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		6,654,800
ADJUSTED GROSS APPROPRIATION	\$	208,628,100
Federal revenues:		
Total federal revenues		0
Special revenue funds:		
Total local revenues		0
Total private revenues		428,300
Total other state restricted revenues		7,295,000
State general fund/general purpose	\$	200,904,800
(2) LEGISLATURE		
Senate	\$	46,042,400
Senate automated data processing		2,925,100
Senate fiscal agency		4,337,300
House of representatives		67,730,100
House automated data processing		2,925,100
House fiscal agency		4,337,300
GROSS APPROPRIATION	\$	128,297,300
Appropriated from:		
State general fund/general purpose	\$	128,297,300
(3) LEGISLATIVE COUNCIL		
Legislative corrections ombudsman	\$	1,078,200
Legislative council		15,084,700

	For Fiscal Year Ending Sept. 30, 2023
Legislative service bureau automated data processing	\$ 3,399,300
Michigan veterans' facility ombudsman	337,500
National association dues	644,400
Worker's compensation	162,200
GROSS APPROPRIATION	\$ 20,706,300
Appropriated from:	
State general fund/general purpose	\$ 20,706,300
(4) LEGISLATIVE RETIREMENT SYSTEM	
General nonretirement expenses	\$ 5,751,000
GROSS APPROPRIATION	\$ 5,751,000
Appropriated from:	
Special revenue funds:	
Court fees	1,338,300
State general fund/general purpose	\$ 4,412,700
(5) PROPERTY MANAGEMENT	
Binsfeld Office Building and other properties	\$ 9,033,800
Cora Anderson Building	13,240,900
GROSS APPROPRIATION	\$ 22,274,700
Appropriated from:	
State general fund/general purpose	\$ 22,274,700
(6) STATE CAPITOL HISTORIC SITE	
Bond/lease obligations	\$ 100
General operations	6,020,200
Restoration, renewal, and maintenance	3,627,400
GROSS APPROPRIATION	\$ 9,647,700
Appropriated from:	
Special revenue funds:	
Private - gifts and bequests	428,300
Capitol historic site fund	3,627,400
State general fund/general purpose	\$ 5,592,000
(7) OFFICE OF THE AUDITOR GENERAL	
Unclassified positions	\$ 397,000
Field operations	28,208,900
GROSS APPROPRIATION	\$ 28,605,900
Appropriated from:	
Interdepartmental grant revenues:	
IDG, emp ben div postemployment life insurance benefit	20,900
IDG from LEO, self-insurers security fund	88,700
IDG from DHHS, human services	34,000
IDG from MDLARA, liquor purchase revolving fund	106,600
IDG from MDMVA, Michigan veterans' facility authority	54,400
IDG from MDOT, comprehensive transportation fund	43,200
IDG from MDOT, Michigan transportation fund	350,200
IDG from MDOT, state aeronautics fund	33,800
IDG from MDOT, state trunkline fund	813,500
IDG, legislative retirement system	31,900
IDG, single audit act	3,090,900
IDG, commercial mobile radio system emergency telephone fund	40,800
IDG, contract audit administration fees	69,100
IDG, deferred compensation funds	100,600
IDG, Michigan finance authority	321,900
IDG, Michigan economic development corporation	125,500
IDG, Michigan education trust fund	67,000

	For Fiscal Year Ending Sept. 30, 2023	
IDG, Michigan justice training commission fund	\$	45,400
IDG, Michigan strategic fund		203,900
IDG, office of retirement services		927,500
IDG, other restricted funding sources		85,000
Special revenue funds:		
21st century jobs trust fund		106,900
Brownfield development fund		31,300
Clean Michigan initiative implementation bond fund		60,500
Game and fish protection fund		34,800
MDTMB, civil service commission		197,200
Michigan state housing development authority fees		126,000
Michigan veterans' trust fund		2,000
Michigan veterans' trust fund income and assessments		23,000
Motor transport revolving fund		8,100
Office services revolving fund		11,200
State disbursement unit, office of child support		63,600
State services fee fund		1,652,100
Waterways fund		12,600
State general fund/general purpose	\$	19,621,800
Sec. 106. DEPARTMENT OF STATE		
(1) APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	1,586.0	
GROSS APPROPRIATION	\$	255,196,700
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		20,000,000
ADJUSTED GROSS APPROPRIATION	\$	235,196,700
Federal revenues:		
Total federal revenues		1,460,000
Special revenue funds:		
Total local revenues		0
Total private revenues		50,100
Total other state restricted revenues		221,007,300
State general fund/general purpose	\$	12,679,300
(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	130.0	
Secretary of state	\$	112,500
Unclassified salaries—FTEs	5.0	750,900
Executive direction—FTEs	30.0	4,849,600
Operations—FTEs	100.0	24,234,500
Property management		9,961,100
Worker's compensation		157,000
GROSS APPROPRIATION	\$	40,065,600
Appropriated from:		
Special revenue funds:		
Abandoned vehicle fees		239,800
Auto repair facilities fees		130,400
Children's protection registry fund		270,700
Driver fees		2,453,700
Enhanced driver license and enhanced official state personal identification card fund		2,013,200
Parking ticket court fines		432,800

	For Fiscal Year Ending Sept. 30, 2023	
Personal identification card fees	\$	288,100
Reinstatement fees - operator licenses		240,700
Scrap tire fund		78,600
Transportation administration collection fund		28,742,800
Transportation administration support fund		4,188,600
State general fund/general purpose	\$	986,200
(3) LEGAL SERVICES		
Full-time equated classified positions	158.0	
Operations—FTEs	158.0\$	21,588,500
GROSS APPROPRIATION	\$	21,588,500
Appropriated from:		
Special revenue funds:		
Auto repair facilities fees		3,115,300
Driver fees		1,630,000
Enhanced driver license and enhanced official state personal identification card fund		2,787,500
Reinstatement fees - operator licenses		950,700
Transportation administration collection fund		9,956,200
Transportation administration support fund		1,450,900
Vehicle theft prevention fees		733,700
State general fund/general purpose	\$	964,200
(4) CUSTOMER DELIVERY SERVICES		
Full-time equated classified positions	1,253.0	
Branch operations—FTEs	916.0\$	93,151,200
Central operations—FTEs	335.0	50,758,400
Motorcycle safety education administration—FTEs	2.0	650,600
Motorcycle safety education grants		2,100,000
Organ donor program		129,100
GROSS APPROPRIATION	\$	146,789,300
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDOT, Michigan transportation fund		20,000,000
Federal revenues:		
DOT		860,000
OHSP		600,000
Special revenue funds:		
Private funds		100
Thomas Daley gift of life fund		50,000
Abandoned vehicle fees		450,900
Auto repair facilities fees		763,700
Child support clearance fees		200,000
Driver education provider and instructor fund		75,000
Driver fees		22,374,100
Driver improvement course fund		1,219,800
Enhanced driver license and enhanced official state personal identification card fund		12,473,500
Expedient service fees		2,952,400
Marine safety fund		1,582,400
Michigan state police auto theft fund		123,000
Mobile home commission fees		507,500
Motorcycle safety and education awareness fund		300,000
Motorcycle safety fund		2,150,600
Off-road vehicle title fees		170,700

	For Fiscal Year Ending Sept. 30, 2023	
Parking ticket court fines	\$	1,281,500
Personal identification card fees		2,375,600
Recreation passport fee revenue		1,000,000
Reinstatement fees - operator licenses		1,414,500
Snowmobile registration fee revenue		390,000
Transportation administration collection fund		61,802,800
Transportation administration support fund		9,006,400
Vehicle theft prevention fees		786,000
State general fund/general purpose	\$	1,878,800
(5) ELECTION REGULATION		
Full-time equated classified positions	45.0	
County clerk education and training fund	\$	100,000
Election administration and services—FTEs	45.0	7,587,700
Fees to local units		109,800
GROSS APPROPRIATION	\$	7,797,500
Appropriated from:		
Special revenue funds:		
Notary education and training fund		100,000
Notary fee fund		343,500
State general fund/general purpose	\$	7,354,000
(6) INFORMATION TECHNOLOGY		
Information technology services and projects	\$	38,955,800
GROSS APPROPRIATION	\$	38,955,800
Appropriated from:		
Special revenue funds:		
Administrative order processing fee		11,800
Auto repair facilities fees		129,800
Driver fees		790,400
Enhanced driver license and enhanced official state personal identification card fund		350,100
Expedient service fees		1,101,100
Parking ticket court fines		89,300
Personal identification card fees		174,000
Reinstatement fees - operator licenses		398,800
Transportation administration collection fund		29,878,600
Transportation administration support fund		4,354,100
Vehicle theft prevention fees		181,700
State general fund/general purpose	\$	1,496,100
SEC. 107. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET		
(1) APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	3,161.0	
GROSS APPROPRIATION	\$	1,835,139,700
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		1,047,125,600
ADJUSTED GROSS APPROPRIATION	\$	788,014,100
Federal revenues:		
Total federal revenues		5,217,200
Special revenue funds:		
Total local revenues		2,331,200
Total private revenues		137,400
Total other state restricted revenues		123,219,300
State general fund/general purpose	\$	657,109,000

For Fiscal Year
Ending Sept. 30,
2023

(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	873.5	
Unclassified salaries—FTEs	6.0	\$ 1,028,500
Administrative services—FTEs	180.5	28,602,900
Budget and financial management—FTEs	183.0	41,523,700
Building operation services—FTEs	255.0	97,974,700
Bureau of labor market information and strategies—FTEs	44.0	7,838,800
Business support services—FTEs	106.0	14,532,700
Design and construction services—FTEs	40.0	7,045,900
Executive operations—FTEs	12.0	2,481,000
Motor vehicle fleet—FTEs	39.0	85,732,400
Office of the state employer—FTEs	14.0	1,755,600
Property management		8,873,400
GROSS APPROPRIATION		\$ 297,389,600
Appropriated from:		
Interdepartmental grant revenues:		
IDG from accounting service centers user charges		6,424,300
IDG from building occupancy and parking charges		100,187,500
IDG from MDHHS, community health		513,400
IDG from MDHHS, human services		240,700
IDG from MDLARA		100,000
IDG from motor transport fund		85,732,400
IDG from technology user fees		11,567,800
IDG from user fees		7,126,800
Federal revenues:		
Federal funds		5,217,200
Special revenue funds:		
Local funds		35,000
Local - MPSCS subscriber and maintenance fees		18,400
Private funds		137,400
Health management funds		432,500
Other agency charges		1,276,700
SIGMA user fees		2,755,600
Special revenue, internal service, and pension trust funds		19,388,200
State restricted indirect funds		3,222,600
State general fund/general purpose		\$ 53,013,100

(3) TECHNOLOGY SERVICES

Full-time equated classified positions	1,647.5	
Education services—FTEs	33.0	\$ 4,980,400
Enterprise identity management—FTEs	25.0	14,751,900
General services—FTEs	351.5	135,768,100
Health and human services—FTEs	656.5	561,586,800
Homeland security initiative/cyber security—FTEs	44.0	17,322,600
Information technology investment fund		35,000,000
Michigan public safety communication system—FTEs	137.0	48,950,100
Public protection—FTEs	162.5	64,117,600
Resources services—FTEs	138.5	21,803,800
Transportation services—FTEs	99.5	41,143,100
GROSS APPROPRIATION		\$ 945,424,400
Appropriated from:		
Interdepartmental grant revenues:		
IDG from technology user fees		829,399,800

	For Fiscal Year Ending Sept. 30, 2023	
Special revenue funds:		
Local - MPSCS subscriber and maintenance fees	\$	2,277,800
State general fund/general purpose	\$	113,746,800
(4) STATEWIDE APPROPRIATIONS		
Professional development fund - AFSCME	\$	50,000
Professional development fund - MPE, SEIU, scientific and engineering unit		100,000
Professional development fund - MPE, SEIU, technical unit		50,000
Professional development fund - NERES		200,000
Professional development fund - UAW		700,000
GROSS APPROPRIATION	\$	1,100,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG from employer contributions		1,100,000
State general fund/general purpose	\$	0
(5) SPECIAL PROGRAMS		
Full-time equated classified positions	181.0	
Office of children's ombudsman—FTEs	14.0\$	2,160,200
Property management executive/legislative		1,320,300
Retirement services—FTEs	167.0	26,238,000
GROSS APPROPRIATION	\$	29,718,500
Appropriated from:		
Special revenue funds:		
Deferred compensation		3,200,000
Pension trust funds		22,945,000
State general fund/general purpose	\$	3,573,500
(6) STATE BUILDING AUTHORITY RENT		
State building authority rent - community colleges	\$	32,981,600
State building authority rent - state agencies		66,293,700
State building authority rent - universities		132,295,300
GROSS APPROPRIATION	\$	231,570,600
Appropriated from:		
State general fund/general purpose	\$	231,570,600
(7) CIVIL SERVICE COMMISSION		
Full-time equated classified positions	459.0	
Agency services—FTEs	113.0\$	17,741,000
Employee benefits—FTEs	27.0	7,944,800
Executive direction—FTEs	40.0	10,225,400
Human resources operations—FTEs	279.0	36,171,700
Information technology services and projects		4,110,700
GROSS APPROPRIATION	\$	76,193,600
Appropriated from:		
Special revenue funds:		
State restricted funds 1%		30,307,200
State restricted indirect funds		9,438,500
State sponsored group insurance		11,200,500
State general fund/general purpose	\$	25,247,400
(8) CAPITAL OUTLAY		
Enterprisewide special maintenance for state facilities	\$	28,000,000
Major special maintenance, remodeling, and addition for state agencies		3,800,000
GROSS APPROPRIATION	\$	31,800,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG from building occupancy charges		3,800,000
State general fund/general purpose	\$	28,000,000

	For Fiscal Year Ending Sept. 30, 2023	
(9) INFORMATION TECHNOLOGY		
Information technology services and projects	\$	36,193,000
GROSS APPROPRIATION	\$	36,193,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG from building occupancy and parking charges		723,200
IDG from user fees		209,700
Special revenue funds:		
Deferred compensation		2,600
Pension trust funds		11,137,900
SIGMA user fees		3,121,600
Special revenue, internal service, and pension trust funds		2,706,500
State restricted indirect funds		2,083,900
State general fund/general purpose	\$	16,207,600
(10) ONE-TIME APPROPRIATIONS		
Enterprisewide special maintenance for state facilities	\$	70,000,000
Information technology investment fund		100,000,000
Software purchasing review		750,000
Supply chain technology		15,000,000
GROSS APPROPRIATION	\$	185,750,000
Appropriated from:		
State general fund/general purpose	\$	185,750,000
Sec. 108. DEPARTMENT OF TREASURY		
(1) APPROPRIATION SUMMARY		
Full-time equated unclassified positions	10.0	
Full-time equated classified positions	1,968.5	
GROSS APPROPRIATION	\$	3,246,563,700
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		11,153,100
ADJUSTED GROSS APPROPRIATION	\$	3,235,410,600
Federal revenues:		
Total federal revenues		24,970,700
Special revenue funds:		
Total local revenues		13,209,600
Total private revenues		31,000
Total other state restricted revenues		2,060,674,700
State general fund/general purpose	\$	1,136,524,600
(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions	10.0	
Full-time equated classified positions	442.5	
Unclassified salaries—FTEs	10.0\$	1,188,600
Bureau of accounting and financial services—FTEs	69.0	8,723,900
Collections services bureau—FTEs	201.0	30,046,400
Department services—FTEs	80.0	9,760,100
Executive direction and operations—FTEs	64.5	9,201,600
Property management		7,174,500
Unclaimed property—FTEs	28.0	5,081,600
Worker's compensation		183,800
GROSS APPROPRIATION	\$	71,360,500
Appropriated from:		
Interdepartmental grant revenues:		
IDG, data/collection services fees		339,100

	For Fiscal Year Ending Sept. 30, 2023	
IDG from accounting service center user charges	\$	406,800
IDG from MDHHS, title IV-D		816,500
IDG, levy/warrant cost assessment fees		3,753,900
IDG, state agency collection fees		2,023,000
Federal revenues:		
DED-OPSE, federal lenders allowance		499,700
DED-OPSE, higher education act of 1965 insured loans		537,600
Special revenue funds:		
Delinquent tax collection revenue		38,686,400
Escheats revenue		5,081,600
Garnishment fees		2,808,000
Justice system fund		456,200
Marihuana regulation fund		1,291,800
Marihuana regulatory fund		193,900
MFA, bond and loan program revenue		664,700
State lottery fund		317,300
State restricted indirect funds		288,900
State services fee fund		361,600
Treasury fees		47,200
State general fund/general purpose	\$	12,786,300
(3) LOCAL GOVERNMENT PROGRAMS		
Full-time equated classified positions	106.0	
Local finance—FTEs	18.0	\$ 2,521,100
Michigan infrastructure council—FTEs	3.0	3,849,800
Property tax assessor training—FTE	1.0	1,049,800
Supervision of the general property tax law—FTEs	84.0	17,992,300
Flint settlement payment		35,000,000
GROSS APPROPRIATION	\$	60,413,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDOT, Michigan transportation fund		250,300
Special revenue funds:		
Local - assessor training fees		1,049,800
Local - audit charges		609,900
Local - equalization study charge-backs		40,000
Local - revenue from local government		100,000
Delinquent tax collection revenue		1,603,100
Land reutilization fund		2,067,300
Municipal finance fees		579,600
State general fund/general purpose	\$	54,113,000
(4) TAX PROGRAMS		
Full-time equated classified positions	763.0	
Bottle act implementation	\$	250,000
Home heating assistance		3,099,200
Insurance provider assessment program—FTEs	13.0	2,211,600
Office of revenue and tax analysis—FTEs	21.0	4,050,500
Tax and economic policy—FTEs	44.0	9,493,100
Tax compliance—FTEs	319.0	46,373,900
Tax processing—FTEs	355.0	44,494,100
Tobacco tax enforcement—FTEs	11.0	1,577,700
GROSS APPROPRIATION	\$	111,550,100
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDOT, Michigan transportation fund	\$	2,412,200

	For Fiscal Year Ending Sept. 30, 2023
IDG from MDOT, state aeronautics fund	\$ 72,200
Federal revenues:	
HHS-SSA, low-income energy assistance	3,099,200
Special revenue funds:	
Bottle deposit fund	250,000
Brownfield redevelopment fund	213,500
Delinquent tax collection revenue	75,212,400
Insurance provider fund	2,211,600
Marihuana regulation fund	2,361,700
Marihuana regulatory fund	119,300
Michigan state waterways fund	107,100
Tobacco tax revenue	4,228,600
State general fund/general purpose	\$ 21,262,300
(5) FINANCIAL PROGRAMS	
Full-time equated classified positions	172.0
Dual enrollment payments	\$ 3,000,000
Investments—FTEs	81.0 22,254,300
State and authority finance—FTEs	19.0 4,581,200
Student financial assistance programs—FTEs	72.0 26,023,900
GROSS APPROPRIATION	\$ 55,859,400
Appropriated from:	
Interdepartmental grant revenues:	
IDG, fiscal agent service fees	213,600
Federal revenues:	
DED-OPSE, federal lenders allowance	3,363,700
DED-OPSE, higher education act of 1965, insured loans	16,851,400
Special revenue funds:	
Defined contribution administrative fee revenue	300,000
Michigan finance authority bond and loan program revenue	2,818,900
Michigan merit award trust fund	1,235,500
Retirement funds	18,583,400
School bond fees	914,200
Treasury fees	3,596,200
State general fund/general purpose	\$ 7,982,500
(6) DEBT SERVICE	
Clean Michigan initiative	\$ 23,760,000
Great Lakes water quality bond	72,861,100
Quality of life bond	3,463,000
GROSS APPROPRIATION	\$ 100,084,100
Appropriated from:	
State general fund/general purpose	\$ 100,084,100
(7) GRANTS	
Convention facility development distribution	\$ 118,590,700
Emergency 911 payments	48,800,000
Health and safety fund grants	1,500,000
Recreational marihuana grants	50,580,000
Senior citizen cooperative housing tax exemption program	11,421,800
Wrongful imprisonment compensation fund	10,000,000
GROSS APPROPRIATION	\$ 240,892,500
Appropriated from:	
Special revenue funds:	
Convention facility development fund	118,590,700
Emergency 911 fund	48,800,000

	For Fiscal Year Ending Sept. 30, 2023
Health and safety fund	\$ 1,500,000
Marihuana regulation fund	50,580,000
State general fund/general purpose	\$ 21,421,800
(8) BUREAU OF STATE LOTTERY	
Full-time equated classified positions	211.0
Lottery information technology services and projects	\$ 3,970,900
Lottery operations—FTEs	211.0 30,327,000
GROSS APPROPRIATION	\$ 34,297,900
Appropriated from:	
Special revenue funds:	
State lottery fund	34,297,900
State general fund/general purpose	\$ 0
(9) CASINO GAMING	
Full-time equated classified positions	199.0
Casino gaming control operations—FTEs	169.0\$ 32,742,600
Gaming information technology services and projects	5,327,000
Horse racing—FTEs	10.0 2,129,700
Michigan gaming control board	50,000
Millionaire party regulation—FTEs	20.0 3,168,000
GROSS APPROPRIATION	\$ 43,417,300
Appropriated from:	
Special revenue funds:	
Casino gambling agreements	1,008,400
Equine development fund	2,249,400
Fantasy contest fund	696,700
Internet gaming fund	9,233,800
Internet sports betting fund	2,580,200
State services fee fund	27,648,800
State general fund/general purpose	\$ 0
(10) PAYMENTS IN LIEU OF TAXES	
Commercial forest reserve	\$ 3,368,100
Purchased lands	9,971,100
Swamp and tax reverted lands	16,836,200
GROSS APPROPRIATION	\$ 30,175,400
Appropriated from:	
Special revenue funds:	
Private funds	31,000
Game and fish protection fund	3,378,900
Michigan natural resources trust fund	2,540,800
Michigan state waterways fund	293,100
State general fund/general purpose	\$ 23,931,600
(11) REVENUE SHARING	
City, village, and township revenue sharing	\$ 279,557,400
Constitutional state general revenue sharing grants	1,036,594,900
County incentive program	43,488,100
County revenue sharing	199,999,300
Financially distressed cities, villages, or townships	2,500,000
GROSS APPROPRIATION	\$ 1,562,139,700
Appropriated from:	
Special revenue funds:	
Sales tax	1,562,139,700
State general fund/general purpose	\$ 0

	For Fiscal Year Ending Sept. 30, 2023	
(12) STATE BUILDING AUTHORITY		
Full-time equated classified positions	3.0	
State building authority—FTEs	3.0\$	765,500
GROSS APPROPRIATION	\$	765,500
Appropriated from:		
Special revenue funds:		
State building authority revenue		765,500
State general fund/general purpose	\$	0
(13) CITY INCOME TAX ADMINISTRATION PROGRAM		
Full-time equated classified positions	72.0	
City income tax administration program—FTEs	72.0\$	10,148,200
GROSS APPROPRIATION	\$	10,148,200
Appropriated from:		
Special revenue funds:		
Local - city income tax fund		10,148,200
State general fund/general purpose	\$	0
(14) INFORMATION TECHNOLOGY		
Treasury operations information technology services and projects	\$	48,478,700
GROSS APPROPRIATION	\$	48,478,700
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDOT, Michigan transportation fund		865,500
Federal revenues:		
DED-OPSE, federal lender allowance		619,100
Special revenue funds:		
Local - city income tax fund		1,261,700
Delinquent tax collection revenue		18,078,100
Marihuana regulation fund		770,300
Retirement funds		808,200
Tobacco tax revenue		132,800
State general fund/general purpose	\$	25,943,000
(15) ONE-TIME APPROPRIATIONS		
Advertising for responsible gaming	\$	3,000,000
City, village, and township revenue sharing		2,662,500
County revenue sharing		2,318,900
Local unit municipal pension principal payment grant		750,000,000
State police retirement system deposit		100,000,000
Transportation administration support fund		19,000,000
GROSS APPROPRIATION	\$	876,981,400
Appropriated from:		
Federal revenues:		
Special revenue funds:		
Fantasy contest fund		150,000
Internet gaming fund		2,700,000
Internet sports betting fund		150,000
Sales tax		4,981,400
State general fund/general purpose	\$	869,000,000
Sec. 109. DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY		
(1) APPROPRIATION SUMMARY		
Full-time equated unclassified positions	34.5	
Full-time equated classified positions	2,559.4	
GROSS APPROPRIATION	\$	2,900,346,000

	For Fiscal Year Ending Sept. 30, 2023	
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers	\$	0
ADJUSTED GROSS APPROPRIATION	\$	2,900,346,000
Federal revenues:		
Total federal revenues		1,219,595,000
Special revenue funds:		
Total local revenues		10,700,000
Total private revenues		12,430,700
Total other state restricted revenues		245,920,400
State general fund/general purpose	\$	1,411,699,900
(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions	34.5	
Full-time equated classified positions	60.0	
Unclassified salaries—FTEs	34.5\$	4,425,800
Executive direction and operations—FTEs	60.0	10,131,900
Property management		6,166,400
GROSS APPROPRIATION	\$	20,724,100
Appropriated from:		
Federal revenues:		
DED, vocational rehabilitation and independent living		3,231,000
DOL-ETA, unemployment insurance		2,509,800
DOL, federal funds		3,217,600
DOL, occupational safety and health		515,700
Federal funds		2,500,000
Special revenue funds:		
Asbestos abatement fund		51,800
Corporation fees		1,798,100
Michigan state housing development authority fees and charges		639,400
Private occupational school fees		55,600
Radiological health fees		287,800
Safety education and training fund		768,700
Second injury fund		275,500
Securities fees		1,990,200
Self-insurers security fund		151,100
Silicosis and dust disease fund		114,000
Worker's compensation administrative revolving fund		90,100
State general fund/general purpose	\$	2,527,700
(3) WORKFORCE DEVELOPMENT		
Full-time equated classified positions	231.0	
At-risk youth grants	\$	4,750,000
Going pro		55,000,000
Graduation alliance		2,500,000
High school equivalency-to-school program		250,000
Michigan reconnect grant program—FTEs	12.0	55,000,000
MiSTEM advisory council—FTEs	0.0	300,000
Office of future mobility and electrification		2,000,000
Tri-share child care program		2,500,000
Workforce development programs		395,706,300
Workforce program administration—FTEs	219.0	38,786,800
GROSS APPROPRIATION	\$	556,793,100
Appropriated from:		
Federal revenues:		
DAG, employment and training		4,000,400

	For Fiscal Year Ending Sept. 30, 2023	
DED-OESE, GEAR-UP	\$	4,000,000
DED-OVAE, adult education		20,000,000
DED-OVAE, basic grants to states		19,000,000
DOL, federal funds		107,385,100
DOL-ETA, workforce investment act		173,488,600
Federal funds		17,269,200
Social security act, temporary assistance for needy families		63,698,800
Special revenue funds:		
Local revenues		300,000
Private funds		5,283,300
Contingent fund, penalty and interest account		22,115,600
Defaulted loan collection fees		179,400
State general fund/general purpose	\$	120,072,700
(4) REHABILITATION SERVICES		
Full-time equated classified positions	671.0	
Bureau of services for blind persons—FTEs	116.0\$	25,610,900
Centers for independent living		18,531,700
Michigan rehabilitation services—FTEs	555.0	138,061,300
Subregional libraries state aid		451,800
GROSS APPROPRIATION	\$	182,655,700
Appropriated from:		
Federal revenues:		
DED, vocational rehabilitation and independent living		129,688,600
Federal funds		1,461,000
Supplemental security income		8,588,600
Special revenue funds:		
Local - blind services		100,000
Local - vocational rehabilitation match		5,300,000
Private - blind services		111,800
Private - gifts, bequests, and donations		531,500
Michigan business enterprise program fund		350,000
Rehabilitation services fees		150,000
Second injury fund		38,300
State general fund/general purpose	\$	36,335,900
(5) EMPLOYMENT SERVICES		
Full-time equated classified positions	378.4	
Bureau of employment relations—FTEs	22.0\$	4,511,700
Compensation supplement fund		820,000
First responder presumed coverage claims		4,000,000
Insurance funds administration—FTEs	23.0	4,779,400
Michigan occupational safety and health administration—FTEs	197.0	31,272,400
Office of global Michigan—FTEs	13.0	39,127,500
Private and occupational distance learning—FTEs	3.0	859,400
Radiation safety section—FTEs	21.4	3,464,400
Wage and hour program—FTEs	29.0	4,208,900
Workers' compensation board of magistrates—FTEs	10.0	2,260,200
Workers' disability compensation agency—FTEs	56.0	8,338,400
Workers' disability compensation appeals commission—FTEs	4.0	350,600
GROSS APPROPRIATION	\$	103,992,900
Appropriated from:		
Federal revenues:		
DOL, occupational safety and health		12,915,200
HHS, mammography quality standards		513,300

	For Fiscal Year Ending Sept. 30, 2023	
HHS, refugee assistance program fund	\$	38,369,000
Special revenue funds:		
Asbestos abatement fund		941,600
Corporation fees		10,476,100
Distance education fund		368,600
First responder presumed coverage fund		4,000,000
Private occupational school license fees		490,800
Radiological health fees		2,951,100
Safety education and training fund		10,516,700
Second injury fund		2,422,900
Securities fees		10,800,000
Self-insurers security fund		1,644,200
Silicosis and dust disease fund		712,300
Worker's compensation administrative revolving fund		1,895,200
State general fund/general purpose	\$	4,975,900
(6) UNEMPLOYMENT		
Full-time equated classified positions	744.0	
Unemployment insurance agency—FTEs	736.0\$	297,419,800
Unemployment insurance agency - advocacy assistance		1,500,000
Unemployment insurance appeals commission—FTEs	8.0	4,430,600
GROSS APPROPRIATION	\$	303,350,400
Appropriated from:		
Federal revenues:		
DOL-ETA, unemployment insurance		280,602,200
Special revenue funds:		
Contingent fund, penalty and interest account		22,748,200
State general fund/general purpose	\$	0
(7) COMMISSIONS		
Full-time equated classified positions	19.0	
Asian Pacific American affairs commission—FTE	1.0\$	222,400
Commission on Middle Eastern American affairs—FTE	1.0	210,000
Hispanic/Latino commission of Michigan—FTE	1.0	295,100
Michigan community service commission—FTEs	14.0	12,013,500
Michigan women's commission—FTEs	2.0	1,473,600
GROSS APPROPRIATION	\$	14,214,600
Appropriated from:		
Federal revenues:		
Federal funds		10,926,000
Special revenue funds:		
Private funds		1,204,100
State general fund/general purpose	\$	2,084,500
(8) INFORMATION TECHNOLOGY		
Information technology services and projects	\$	29,739,800
GROSS APPROPRIATION	\$	29,739,800
Appropriated from:		
Federal revenues:		
DED, vocational rehabilitation and independent living		3,141,200
DOL-ETA, unemployment insurance		22,867,300
DOL, occupational safety and health		373,100
Special revenue funds:		
Asbestos abatement fund		35,400
Corporation fees		316,100
Distance education fund		5,600

	For Fiscal Year Ending Sept. 30, 2023	
Private occupational school license fees	\$	21,900
Radiological health fees		156,200
Safety education and training fund		404,200
Second injury fund		356,500
Securities fees		995,000
Self-insurers security fund		251,100
Silicosis and dust disease fund		70,800
State general fund/general purpose	\$	745,400
(9) MICHIGAN STRATEGIC FUND		
Full-time equated classified positions	174.0	
Arts and cultural program	\$	11,000,000
Business attraction and community revitalization		100,000,000
Community college skilled trades equipment program debt service		4,600,000
Community development block grants		47,000,000
Entrepreneurship ecosystem		15,650,000
Facility for rare isotope beams		7,300,000
Job creation services—FTEs	174.0	28,917,200
Lighthouse preservation program		307,500
ARP - Pure Michigan		15,000,000
Pure Michigan		25,000,000
State Trade Export Program		3,000,000
GROSS APPROPRIATION	\$	257,774,700
Appropriated from:		
Federal revenues:		
Coronavirus state fiscal recovery fund		15,000,000
HUD-CPD community development block grant		49,773,300
NFAH-NEA, promotion of the arts, partnership agreements		1,050,000
State historic preservation, national park service grants		1,900,000
Federal funds		3,000,000
Special revenue funds:		
Local promotion fund		5,000,000
Private - Michigan council for the arts fund		100,000
Private - special project advances		200,000
Private promotion fund		5,000,000
21st century jobs trust fund		75,000,000
Contingent fund, penalty and interest account		4,600,000
Michigan lighthouse preservation fund		307,500
Michigan state housing development authority fees and charges		4,785,600
State brownfield redevelopment fund		1,175,000
State historic preservation office fees and charges		200,000
State general fund/general purpose	\$	90,683,300
(10) MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY		
Full-time equated classified positions	273.0	
Housing and rental assistance—FTEs	273.0\$	47,601,600
Michigan state housing development authority technology services and projects		3,733,800
Payments on behalf of tenants		166,860,000
Property management		3,503,000
GROSS APPROPRIATION	\$	221,698,400
Appropriated from:		
Federal revenues:		
HUD, lower income housing assistance		166,860,000

	For Fiscal Year Ending Sept. 30, 2023	
Special revenue funds:		
Michigan state housing development authority fees and charges	\$	54,838,400
State general fund/general purpose	\$	0
(11) STATE LAND BANK AUTHORITY		
Full-time equated classified positions	9.0	
State land bank authority—FTEs	9.0\$	4,377,800
GROSS APPROPRIATION	\$	4,377,800
Appropriated from:		
Federal revenues:		
Federal funds		1,000,000
Special revenue funds:		
Land bank fast track fund		3,377,800
State general fund/general purpose	\$	0
(12) ONE-TIME APPROPRIATIONS		
Academic research building	\$	100,000,000
ARP - Nonprofit relief grants		50,000,000
Arts and cultural program		2,000,000
Blight elimination program		75,000,000
Cancer institute project		100,000,000
Economic development and workforce grants		251,475,000
Electric vehicle teaching, training, and development center		130,000,000
Focus: HOPE		1,000,000
Michigan community development financial institution fund grants		75,000,000
Michigan enhancement grants		205,299,500
Michigan infrastructure grants		212,800,000
Office of global Michigan language access plans		700,000
Seawall project		1,000,000
State historic preservation office grant program		750,000
GROSS APPROPRIATION	\$	1,205,024,500
Appropriated from:		
Federal revenues:		
Coronavirus state fiscal recovery fund		50,000,000
State historic preservation, national park service grants		750,000
State general fund/general purpose	\$	1,154,274,500

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2022-2023**GENERAL SECTIONS**

Sec. 201. (1) 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 2022-2023 is \$6,176,476,400.00 and state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is \$2,651,081,100.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE

Fees to local units	\$	40,000
Motorcycle safety grants		1,377,200
Subtotal	\$	1,417,200

DEPARTMENT OF TREASURY

Airport parking distribution pursuant to section 909	\$	27,000,000
City, village, and township revenue sharing		282,219,900
Commercial forest reserve		3,368,100
Constitutional state general revenue sharing grants		1,036,594,900
Convention facility development fund distribution		118,590,700
County incentive program		43,488,100
County revenue sharing payments		202,318,200

	For Fiscal Year Ending Sept. 30, 2023
Emergency 9-1-1 payments	\$ 26,000,000
Financially distressed cities, villages, or townships	2,500,000
Health and safety fund grants	1,500,000
Local unit municipal pension principal payment grant	750,000,000
Recreational marihuana grants	50,580,000
Purchased lands	9,971,100
Senior citizen cooperative housing tax exemption	11,421,800
Swamp and tax reverted lands	16,836,200
Subtotal	\$ 2,582,389,000
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY	
Going pro	\$ 55,000,000
Workforce development programs	10,999,900
Michigan rehabilitation services	275,000
Arts and cultural program	1,000,000
Subtotal	\$ 67,274,900
TOTAL	\$ 2,651,081,100

(2) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state sources for fiscal year 2022-2023 is estimated at \$44,065,483,600.00 in the 2022-2023 appropriations acts and total state spending from state sources paid to local units of government for fiscal year 2022-2023 is estimated at \$23,691,884,100.00. The state-local proportion is estimated at 54.0% of total state spending from state sources.

(3) If payments to local units of government and state spending from state sources for fiscal year 2022-2023 are different than the amounts estimated in subsection (2), 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 2022-2023 to the senate and house of representatives standing committees on appropriations within 30 days after the final book-closing for fiscal year 2022-2023.

Sec. 202. The appropriations authorized 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. As used in this part and part 1:

- (a) "ATM" means automated teller machine.
- (b) "COBRA" means the consolidated omnibus budget reconciliation act of 1985, Public Law 99-272.
- (c) "DAG" means the United States Department of Agriculture.
- (d) "DED" means the United States Department of Education.
- (e) "DED-OESE" means the DED Office of Elementary and Secondary Education.
- (f) "DED-OPSE" means the DED Office of Postsecondary Education.
- (g) "DED-OVAE" means the DED Office of Career, Technical, and Adult Education.
- (h) "DOE-OEERE" means the United States Department of Energy, Office of Energy Efficiency and Renewable Energy.

- (i) "DOL" means the United States Department of Labor.
- (j) "DOL-ETA" means the United States Department of Labor, Employment and Training Administration.
- (k) "EEOC" means the United States Equal Employment Opportunity Commission.
- (l) "FTE" means full-time equated.
- (m) "Fund", unless the context clearly implies a different meaning, means the Michigan strategic fund.
- (n) "GEAR-UP" means gaining early awareness and readiness for undergraduate programs.
- (o) "GED" means a general educational development certificate.
- (p) "GF/GP" means general fund/general purpose.
- (q) "HHS" means the United States Department of Health and Human Services.
- (r) "HHS-OS" means the HHS Office of the Secretary.
- (s) "HHS-SSA" means the Social Security Administration.
- (t) "HUD" means the United States Department of Housing and Urban Development.
- (u) "HUD-CPD" means the United States Department of Housing and Urban Development - Community Planning and Development.

- (v) "IDG" means interdepartmental grant.
- (w) "JCOS" means the joint capital outlay subcommittee.
- (x) "MAIN" means the Michigan administrative information network.

- (y) "MCL" means the Michigan Compiled Laws.
- (z) "MDE" means the Michigan department of education.
- (aa) "MDEGLE" means the Michigan department of environment, Great Lakes, and energy.
- (bb) "MDHHS" means the Michigan department of health and human services.
- (cc) "MDLARA" means the Michigan department of licensing and regulatory affairs.
- (dd) "MDLEO" means the Michigan department of labor and economic opportunity.
- (ee) "MDMVA" means the Michigan department of military and veterans affairs.
- (ff) "MDOT" means the Michigan department of transportation.
- (gg) "MDSP" means the Michigan department of state police.
- (hh) "MDTMB" means the Michigan department of technology, management, and budget.
- (ii) "MEDC" means the Michigan economic development corporation, which is the public body corporate created under section 28 of article VII of the state constitution of 1963 and the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, by contractual interlocal agreement effective April 5, 1999, between local participating economic development corporations formed under the economic development corporations act, 1974 PA 338, MCL 125.1601 to 125.1636, and the Michigan strategic fund.
- (jj) "MEGA" means the Michigan economic growth authority.
- (kk) "MFA" means the Michigan finance authority.
- (ll) "MPE" means the Michigan public employees.
- (mm) "MSF" means the Michigan strategic fund.
- (nn) "MSHDA" means the Michigan state housing development authority.
- (oo) "NERE" means nonexclusively represented employees.
- (pp) "NFAH-NEA" means the National Foundation of the Arts and the Humanities - National Endowment for the Arts.
- (qq) "PA" means public act.
- (rr) "PATH" means Partnership. Accountability. Training. Hope.
- (ss) "RFP" means a request for a proposal.
- (tt) "SEIU" means Service Employees International Union.
- (uu) "SIGMA" means statewide integrated governmental management applications.
- (vv) "WDA" means the workforce development agency.
- (ww) "WIC" means women, infants, and children.

Sec. 204. From the funds appropriated in part 1, the departments and agencies shall use the internet to fulfill the reporting requirements of this part. This requirement shall include transmission of reports via email to the recipients identified for each reporting requirement, and it shall include placement of reports on an internet site.

Sec. 205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply:

- (a) The funds appropriated in part 1 must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.
- (b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.
- (c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 206. The department and agencies shall not take disciplinary action against an employee of the department or an agency within the department who is in the state classified civil service because the employee communicates with a member of the senate or house or a member's staff, unless the communication is prohibited by law and the department or agency taking disciplinary action is exercising its authority as provided by law.

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

- (a) The dates of each travel occurrence.
- (b) The total transportation and related costs of each travel occurrence, including the proportion funded with state GF/GP revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

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

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

Sec. 210. (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:

	2021	2022	2023
Michigan personal income (millions)	\$558,411	\$560,644	\$587,555
less: transfer payments	148,112	123,085	125,049
Subtotal	\$410,299	\$437,559	\$462,506
Divided by: Detroit Consumer Price Index for 12 months ending December 31	2.478	2.593	2.657
Equals: real adjusted Michigan personal income	\$165,573	\$168,761	\$174,082
Percentage change	N/A	1.9%	2.0%
Growth rate in excess of 2%?	0.4%	N/A	2.0%
Equals: countercyclical budget and economic stabilization fund pay-in calculation for the fiscal year ending September 30, 2023 (millions)	N/A	\$51.8	NO
Growth rate less than 0%?	N/A	NO	NO
Equals: countercyclical budget and economic stabilization fund pay-out calculation for the fiscal year ending September 30, 2022 (millions)	N/A	NO	NO

(2) Notwithstanding subsection (1), there is appropriated for the fiscal year ending September 30, 2023, from GF/GP revenue for deposit into the countercyclical budget and economic stabilization fund the sum of \$0.00.

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

- (a) Fiscal year-to-date expenditures by category.
- (b) Fiscal year-to-date expenditures by appropriation unit.
- (c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.
- (d) The number of active department employees by job classification.
- (e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the departments and agencies receiving appropriations in part 1 shall provide to the state budget office information sufficient to provide the chairs of the senate and house of representatives standing committees on appropriations, the chairs of the senate and house of representatives standing committees on appropriations subcommittees on general government, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the prior 2 fiscal years.

Sec. 213. The departments and agencies receiving appropriations in part 1 shall maintain, on a publicly accessible website, a department or agency scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the department's or agency's performance.

Sec. 215. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director of each department and agency receiving appropriations in part 1 shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. Each director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 216. (1) On a quarterly basis, the departments and agencies receiving appropriations in part 1 shall report to the senate and house appropriations committees, the senate and house appropriations subcommittees on general government, and the senate and house fiscal agencies the following information:

- (a) The number of FTEs in pay status by type of staff and civil service classification.

(b) A comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTEs employed by the department at the end of the reporting period.

(2) By March 1 of the current fiscal year, the departments and agencies shall report to the senate and house appropriations committees, the senate and house appropriations subcommittees on general government, and the senate and house fiscal agencies the following information:

(a) Number of employees who were engaged in remote work in 2022.

(b) Number of employees authorized to work remotely and the actual number of those working remotely in the current reporting period.

(c) Estimated net cost savings achieved by remote work.

(d) Reduced use of office space associated with remote work.

Sec. 217. Appropriations in part 1 shall, to the extent possible by the departments and agencies, not be expended until all existing work project authorization available for the same purposes is exhausted.

Sec. 218. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this part and part 1, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, intertransfer funds within this part and part 1 for the particular department, board, commission, officer, or institution.

Sec. 219. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 220. The departments and agencies receiving appropriations in part 1 shall report no later than April 1 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the senate and house of representatives standing committees on appropriations subcommittees on general government, the joint committee on administrative rules, and the senate and house fiscal agencies.

Sec. 221. General fund appropriations in part 1 shall not be expended for items in cases where federal funding or private grant funding is available for the same expenditures.

Sec. 222. (1) From the funds appropriated in part 1, the departments and agencies shall do all of the following:

(a) Report to the house and senate appropriations committees, the house and senate fiscal agencies, the house and senate policy offices, and the state budget director any amounts of severance pay for a department director, deputy director, or other high-ranking department officials not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.

(b) Maintain an internet site that posts any severance pay in excess of 6 weeks of wages, regardless of the position held by the former department employee receiving severance pay.

(c) By February 1, report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget director on the total amount of severance pay remitted to former department employees during the fiscal year ending September 30, 2022 and the total number of former department employees that were remitted severance pay during the fiscal year ending September 30, 2022.

(2) As used in this section, "severance pay" means compensation that is both payable or paid upon the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits.

Sec. 223. It is the intent of the legislature that departments and agencies maximize the efficiency of the state workforce and, where possible, prioritize in-person work. Each executive branch department, agency, board, or commission that receives funding under part 1 shall post its in-person, remote, or hybrid work policy on its website.

Sec. 224. Funds appropriated in part 1 shall not be used by this state, a department, an agency, or an authority of this state to purchase an ownership interest in a casino enterprise or a gambling operation as those terms are defined in the Michigan Gaming Control and Revenue Act, 1996 IL 1, MCL 432.201 to 432.226.

Sec. 225. (1) Any department, agency, board, commission, or public officer that receives funding under part 1 shall not:

(a) Require as a condition of accessing any facility or receiving services that an individual provide proof that he or she has received a COVID-19 vaccine except as provided by federal law or as a condition of receiving federal Medicare or Medicaid funding.

(b) Produce, develop, issue, or require a COVID-19 vaccine passport.

(c) Develop a database or make any existing database publicly available to access an individual's COVID-19 vaccine status by any person, company, or governmental entity.

(d) Require as a condition of employment that an employee or official provide proof that he or she has received a COVID-19 vaccine. This subdivision does not apply to any hospital, congregate care facility, or other medical facility or any hospital, congregate care facility, or other medical facility operated by a local unit of government that receives federal Medicare or Medicaid funding.

(2) A department, agency, board, commission, or public officer may not subject any individual to any negative employment consequence, retaliation, or retribution because of that individual's COVID-19 vaccine status.

(3) Subsection (1) does not prohibit any person, department, agency, board, commission, or public officer from transmitting proof of an individual's COVID-19 vaccine status to any person, company, or governmental entity, so long as the individual provides affirmative consent.

(4) If a department, agency, board, commission, subdivision, or official or public officer is required to establish a vaccine policy due to a federal mandate, it must provide exemptions to any COVID-19 vaccine policy to the following individuals:

(a) An individual for whom a physician certifies that a COVID-19 vaccine is or may be detrimental to the individual's health or is not appropriate.

(b) An individual who provides a written statement to the effect that the requirements of the COVID-19 vaccine policy cannot be met because of religious convictions or other consistently held objections to immunization.

(5) As used in this section, "public officer" means a person appointed by the governor or another executive department official or an elected or appointed official of this state or a political subdivision of this state.

Sec. 229. (1) If the office of the auditor general has identified an initiative or made a recommendation that is related to savings and efficiencies in an audit report for an executive branch department or agency, the department or agency shall report within 6 months of the release of the audit on their efforts and progress made toward achieving the savings and efficiencies identified in the audit report. The report shall be submitted to the chairs of the senate and house of representatives standing committees on appropriations, the chairs of the senate and house of representatives standing committees with jurisdiction over matters relating to the department that is audited, and the senate and house fiscal agencies.

(2) If the office of the auditor general does not receive the required report regarding initiatives related to savings and efficiencies within the 6-month time frame, the office of the auditor general may charge noncompliant executive branch departments and agencies for the cost of performing a subsequent audit to ensure that the initiatives related to savings and efficiencies have been implemented.

Sec. 235. By April 1, the state budget director shall submit a report to the senate and house appropriations committees, the chairpersons of the relevant appropriations subcommittees, and the senate and house fiscal agencies. The report shall recommend a contingency plan for each federal funding source included in the state budget of \$10,000,000.00 or more in the event that the federal government reduces funding to this state through that source by 10% or greater.

Sec. 240. (1) Concurrently with the submission of the fiscal year 2023-2024 executive budget recommendations, the state budget office shall provide the senate and house appropriations committees, the chairpersons of the relevant appropriations subcommittees, the senate and house fiscal agencies, and the policy offices a report that lists each new program or program enhancement for which funds in excess of \$500,000.00 are appropriated in part 1 of each departmental appropriation act.

(2) By July 1 of the current fiscal year, the state budget director and the chairs of the senate and house appropriations committees shall identify new programs or program enhancements identified under subsection (1) for measurement using program-specific metrics.

(3) By September 30 of the next fiscal year, the state budget office shall provide a report on the specific metrics and the progress in meeting the estimated performance for each program identified under subsection (2) to the senate and house appropriations committees, the senate and house appropriations subcommittees on each state department, and the senate and house fiscal agencies and policy offices. It is the intent of the legislature that the governor consider the estimated performance of the new program or program enhancement as the basis for any increase in funds appropriated from the prior year.

DEPARTMENT OF ATTORNEY GENERAL

Sec. 301. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$750,000.00 for federal contingency authorization. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$750,000.00 for state restricted contingency authorization. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

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

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

Sec. 302a. It is the intent of the legislature that the funds appropriated in part 1 are allocated for the attorney general to fulfill her role of upholding and enforcing any and all state and federal laws.

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

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

Sec. 305. In addition to the funds appropriated in part 1, not more than \$400,000.00 shall be reimbursed per fiscal year for food stamp fraud cases heard by the third circuit court of Wayne County that were initiated by the department of attorney general pursuant to the existing contract between the department of health and human services, the Prosecuting Attorneys Association of Michigan, and the department of attorney general. The source of this funding is money earned by the department of attorney general under the agreement after the allowance for reimbursement to the department of attorney general for costs associated with the prosecution of food stamp fraud cases. It is recognized that the federal funds are earned by the department of attorney general for its documented progress on the prosecution of food stamp fraud cases according to the United States Department of Agriculture regulations and that, once earned by this state, the funds become state funds.

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

Sec. 306a. Any proceeds from a lawsuit initiated by or settlement agreement entered into on behalf of this state by the attorney general may not be expended for either criminal prosecution or litigation unless appropriated by the legislature.

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

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

(3) The attorney general's office shall make available upon request information detailing the amount of revenue from subsection (1) recovered by the attorney general, including a description of the source of the revenue and the carryforward amount.

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

(2) The funds may be expended for the payment of court judgments, settlements, arbitration awards or other administrative and litigation decisions, attorney fees, and litigation costs, assessed against the office of the governor, the department of the attorney general, the governor, or the attorney general when acting in an

official capacity as the named party in litigation against this state. The funds may also be expended for the payment of state costs incurred under section 16 of chapter X of the code of criminal procedure, 1927 PA 175, MCL 770.16.

(3) Except as allowed under subsection (2), funds appropriated in this section must not be expended for either criminal prosecution or litigation.

(4) Unexpended funds at the end of the fiscal year may be carried forward for expenditure in the following year, up to a maximum authorization of \$250,000.00.

Sec. 309. (1) From the prisoner reimbursement funds appropriated in part 1, the department may spend up to \$564,100.00 on activities related to the state correctional facility reimbursement act, 1935 PA 253, MCL 800.401 to 800.406. In addition to the funds appropriated in part 1, if the department collects in excess of \$1,131,000.00 in gross annual prisoner reimbursement receipts provided to the general fund, the excess, up to a maximum of \$1,000,000.00, is appropriated to the department of attorney general and may be spent on the representation of the department of corrections and its officers, employees, and agents, including, but not limited to, the defense of litigation against this state, its departments, officers, employees, or agents in civil actions filed by prisoners.

(2) The attorney general's office shall make available upon request information on the dollar amount of prisoner reimbursements collected from subsection (1) and descriptions of all expenditures made from the reimbursements, including what activities related to the state correctional facility reimbursement act, 1935 PA 253, MCL 800.401 to 800.406, funds were spent on.

Sec. 309a. Not later than March 1, the department of attorney general must report to the house and senate appropriations subcommittees with jurisdiction over the budget of the department of corrections and the house and senate fiscal agencies the total amount of reimbursements received under section 6 of the state correctional facility reimbursement act, 1935 PA 253, MCL 800.406, the amount paid to conduct the investigations from these reimbursements, and the amount credited to the general fund from these reimbursements.

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

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

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

Sec. 313. The department of attorney general must submit a quarterly report to the house and senate standing committees on appropriations, the house and senate appropriations subcommittees on general government, the house and senate fiscal agencies, and the state budget office, regarding the lawsuit settlement proceeds fund that includes all of the following:

(a) The total amount of revenue deposited into the lawsuit settlement proceeds fund in the current fiscal year delineated by case.

(b) The total amount appropriated from the lawsuit settlement proceeds fund in the current fiscal year delineated by appropriation.

(c) Earned settlement proceeds that are anticipated but not yet deposited into the fund delineated by case.

(d) Any known potential settlement amounts from cases that have not been decided, delineated by case.

Sec. 314. (1) The department may spend the funds appropriated in part 1 from the lawsuit settlement proceeds fund for the costs of all associated expenses related to the declaration of emergency due to drinking water contamination up to \$2,667,100.00.

(2) The attorney general's office must submit a quarterly report to the house and senate standing committees on appropriations, the house and senate appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director, detailing how funds in subsection (1) and all other currently and previously budgeted funds associated with legal costs pertaining to the Flint water declaration of emergency were expended. The report must itemize expenditures by case, purpose, hourly rate of retained attorney, and department involved.

(3) As a condition of receiving funds appropriated in part 1, the attorney general must not retain the services of an outside counsel associated with the declaration of emergency due to drinking water contamination at an hourly rate of more than \$250.00 unless all reporting requirements under subsection (2) are satisfied.

Sec. 315. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2023 are \$17,285,100.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$10,494,300.00. Total agency appropriations for retiree health care legacy costs are estimated at \$6,790,800.00.

Sec. 316. (1) From the funds appropriated in part 1 for sexual assault law enforcement efforts, the department shall use the funds for testing of backlogged sexual assault kits across this state. The funding provided in part 1 shall be distributed in the following order of priority:

- (a) To eliminate all county sexual assault kit backlogs across this state.
- (b) To assist local prosecutors with investigations and prosecutions of viable cases.
- (c) To provide victim services.

(2) The department of the attorney general shall provide a report by February 1. The report shall include the following information:

- (a) The number of sexual assault kits across this state that remain untested as of January 31.
- (b) A detailed work plan outlining the department's action plan to eliminate all outstanding sexual assault kits and the time frame for completion of testing of all untested sexual assault kits.
- (c) A detailed work and spending plan outlining anticipated litigation action and expenditures resulting from findings of the sexual assault kit testing. The report shall be submitted to the state budget office, the senate and house fiscal agencies, and the senate and house of representatives standing committees on appropriations subcommittees on general government.

(3) Any funds remaining after the department has met the obligations required under subsection (1) may be used for the purpose of retesting any previously tested sexual assault kits across this state using currently available DNA testing. Funds only may be used for DNA testing on previously tested kits that were not tested for DNA. If there are remaining untested sexual assault kits on January 31, 2023, funds appropriated in part 1 shall only be used for the testing of those kits.

(4) Appropriations in part 1 for sexual assault law enforcement shall not be expended until all existing work project authorization available for the same purposes is exhausted.

Sec. 317. (1) The department of attorney general shall report all legal costs and associated expenses related to the declaration of emergency due to drinking water contamination, and the investigations and any resulting prosecutions, for publication in the Flint water emergency-financial and activities tracking and reporting document that is posted by the state budget director on the public website, michigan.gov/flintwater. The tracking and reporting documents shall include the budget line item source for each expenditure.

(2) At the conclusion of all attorney general investigations related to the declaration of emergency due to drinking water contamination, all materials related to any investigations shall be preserved pursuant to applicable document retention policies.

Sec. 319. From the funds appropriated in part 1, the attorney general shall provide a quarterly report on the wrongful imprisonment compensation fund to the chairpersons of the appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director. The report shall include at least the following:

- (a) All payments made from the wrongful imprisonment fund in each prior quarter of the fiscal year, and the total of those payments, including if each payment is part of a new settlement or part of an installment plan.
- (b) Total payments made from each prior fiscal year and the total of all payments to date.
- (c) Any settlements that have been decided but have yet to receive a payment.
- (d) The number of known cases seeking a settlement, but do not have a final judgment, and the dollar amount of each potential payment for these known cases, and the total of these payments.
- (e) The balance of the wrongful imprisonment fund at the end of the previous quarter.

Sec. 320. From the funds appropriated in part 1, the department of attorney general shall do all of the following:

- (a) Notify the appropriation chairs and fiscal agencies of all lawsuit settlements with a fiscal impact of \$200,000.00 or more no later than 10 days after a settlement is reached.
- (b) Enforce the laws of this state.

Sec. 321. Upon entering into a lawsuit against the federal government, either on this state's own accord or accompanied by other states, the department of attorney general must submit a written report of the lawsuit filing to the chairpersons of the house and senate appropriations subcommittees on general government. The report must describe the purpose of the lawsuit and include an estimate of all financial costs to this state for participating in the legal action.

Sec. 322. (1) The department must provide a quarterly report to the chairpersons of the appropriations subcommittees on general government, the house and senate fiscal agencies, and the state budget director on the cumulative dollar expenditure amount related to each of the following department initiatives and activities for the current fiscal year:

- (a) Catholic church investigation.

- (b) Elder abuse task force.
- (c) Conviction integrity unit.
- (d) Opioid litigation.
- (e) Hate crimes unit.
- (f) Payroll fraud enforcement unit.
- (g) PFAS contamination. As used in this subdivision, “PFAS” means perfluoroalkyl and polyfluoroalkyl substances.
- (h) Human trafficking.
- (i) Robocall enforcement.

(2) For each expenditure required to be reported under subsection (1), the report must include the dollar amount spent by line item appropriation and fund source.

Sec. 324. Not later than September 30, the department of attorney general must make available to the public on its website a report on the activities and findings, since April 1, 2019, of the payroll fraud enforcement unit. Information in the report must include, but is not limited to, a listing of each complaint received by the unit, what enforcement action, if any, was taken, and what complaints were not subject to any action being taken by the department. The report must also be submitted to the house and senate appropriations committees, the house and senate appropriations subcommittees on general government, the state budget office, and the house and senate fiscal agencies. In the event the payroll fraud enforcement unit requests another department or agency investigate the validity of a report received, or if they refer a complaint to another department or agency, the department of attorney general shall request those departments or agencies to report back on their findings so that the department of attorney general can comply with this section.

ONE-TIME APPROPRIATIONS

Sec. 330. From the funds appropriated in part 1 for job court, the department of attorney general is authorized to hire 5.0 limited-term employees.

Sec. 331. (1) From the funds appropriated in part 1 for organized retail crime unit, the department of attorney general may hire 6.5 limited-term employees to develop an organized retail crime unit, with the intent that the unit be self-sufficient and fully funded with restricted fund dollars rather than general fund dollars within 3 years.

(2) The unexpended funds appropriated in part 1 for organized retail crime unit are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to develop an organized retail crime unit, with the intent that the unit be self-sufficient and fully funded with restricted fund dollars rather than general fund dollars within 3 years.

(b) The project will be accomplished by using state employees.

(c) The estimated cost of the project is \$3,500,000.00.

(d) The tentative completion date is September 30, 2027.

DEPARTMENT OF CIVIL RIGHTS

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

(2) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$375,000.00 for private contingency authorization. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 402. (1) In addition to the appropriations contained in part 1, the department of civil rights may receive and expend funds from local and private sources, up to a combined total of \$200,000.00, for all of the following purposes:

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

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

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

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

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

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

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

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

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

Sec. 404. (1) The department of civil rights shall prepare and transmit a detailed report that includes, but is not limited to, the following information for the most recent fiscal year:

- (a) A detailed description of the department operations.
 - (b) A detailed description of all subunits within the department, including FTE positions associated with each subunit, responsibilities of each subunit, and all revenues and expenditures for each subunit.
 - (c) The number of complaints by type of complaint.
 - (d) The average cost of, and time expended, investigating complaints.
 - (e) The percentage of complaints that are meritorious and worthy of investigation or settlement and the percentage of complaints that have no merit.
 - (f) A listing of amounts awarded to claimants.
 - (g) Expenditures associated with complaint investigation and enforcement.
 - (h) A listing of complaint investigations closed per FTE position for each of the past 5 years.
 - (i) A listing of complaint evaluations completed per FTE position for each of the past 5 years.
 - (j) Productivity projections for the current fiscal year, including investigations closed per FTE, complaint evaluations completed per FTE, and average time expended investigating complaints.
 - (k) Revenues and expenditures associated with section 403 of this part by local units of government.
- (2) The report required under subsection (1) shall be posted online and transmitted electronically not later than November 30 to the state budget director, the chairpersons of the senate and house of representatives standing committees on appropriations, the senate and house appropriations subcommittees on general government, and the senate and house fiscal agencies.

Sec. 405. The department of civil rights shall notify the state budget office, senate and house of representatives standing committees on appropriations, the chairpersons of the appropriations subcommittees on general government, and senate and house fiscal agencies prior to submitting a report or complaint to the United States Commission on Civil Rights or other federal departments.

Sec. 410. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2023 are \$2,291,000.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$1,390,000.00. Total agency appropriations for retiree health care legacy costs are estimated at \$900,100.00.

Sec. 411. (1) From the funds appropriated in part 1 for museums support, \$500,000.00 shall directly be awarded to support an Arab-American museum located in a county with a population over 1,300,000 and in a city with a population of between 105,000 and 115,000, according to the most recent federal decennial census.

(2) From the funds appropriated in part 1 for museums support, \$500,000.00 shall directly be awarded to an African-American museum in a city with a population greater than 600,000, according to the most recent federal decennial census.

(3) From the funds appropriated in part 1 for museums support, \$500,000.00 shall directly be awarded to support a memorial center in a county with a population of between 1,200,000 and 1,300,000 and in a city with a population of between 83,000 and 84,000, according to the most recent federal decennial census.

ONE-TIME APPROPRIATIONS

Sec. 420. (1) From the one-time funds appropriated in part 1 for complaint investigation and enforcement, the department of civil rights shall expand complaint investigation and enforcement activities to eliminate an ongoing backlog of housing, employment, law enforcement, public accommodation, and education cases.

(2) From the one-time funds appropriated in part 1, the department of civil rights may hire an additional 25.0 limited-term employees to address the backlog of cases.

(3) Unexpended funds appropriated in part 1 for complaint investigation and enforcement are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to eliminate a backlog of complaint investigation and enforcement cases.
- (b) The project will be accomplished by hiring up to 25.0 limited-term employees.
- (c) The estimated cost of this project is \$3,151,900.00.
- (d) The tentative completion date for the work project is September 30, 2024.

Sec. 421. From the funds appropriated in part 1 for an Indian Boarding School study, a statewide study will be performed to research the number of Native American children forced to attend boarding schools in this state, the number of children who were abused, died, or went missing while at these schools, and the

long-term impacts on these children and the families of children forced to attend these schools. The funds should be used to locate, analyze, and preserve records and should work in concert, when appropriate, with the Federal Indian Boarding School Initiative. The funds should also be used to interview boarding school survivors, their family members, and a broad cross-section of Michigan tribal representatives and experts specializing in duration, health, and children and families with the purpose of fully understanding the impacts of policies of Native American child removal. The study should finish no later than January 30, 2024 and shall provide a final report on findings and recommendations to be shared with the public and this state. The department of civil rights may contract with a university or other entity to carry out this section.

LEGISLATURE

Sec. 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.

Sec. 601. (1) Funds appropriated in part 1 to an entity within the legislative branch shall not be expended or transferred to another account without written approval of the authorized agent of the legislative entity. If the authorized agent of the legislative entity notifies the state budget director of its approval of an expenditure or transfer before the year-end book-closing date for that legislative entity, the state budget director shall immediately make the expenditure or transfer. The authorized legislative entity agency shall be designated by the speaker of the house of representatives for house entities, the senate majority leader for senate entities, and the legislative council for legislative council entities.

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

Sec. 602. The senate may charge rent and assess charges for utility costs. The amounts received for rent charges and utility assessments are appropriated to the senate for the renovation, operation, and maintenance of the Binsfeld Office Building.

Sec. 603. (1) From the appropriation contained in part 1 for national association dues, the first \$34,800.00 shall be paid to the National Conference of Commissioners of Uniform State Laws. The remaining funds shall be distributed accordingly by the legislative council.

(2) If any funds remain after all required dues payments have been made as specified in subsection (1), the legislative council may approve the use of up to \$10,000.00 to pay for the registration fees of any state employees who serve as board members to any of the national associations receiving state funds for annual dues to attend that national association's annual conference. If any of the \$10,000.00 remains after national board member's registration fees are paid, the remaining funds may be used to pay for the registration fees for any other state employees to attend the annual conference of any of the national associations receiving state funds for annual dues as prescribed in subsection (1).

Sec. 604. (1) The appropriation in part 1 to the Michigan state capitol historic site includes funds to operate the legislative parking facilities in the capitol area. The Michigan state capitol commission shall establish rules regarding the operation of the legislative parking facilities.

(2) The Michigan state capitol commission shall collect a fee from state employees and the general public using certain legislative parking facilities. The revenues received from the parking fees are appropriated upon receipt and shall be allocated by the Michigan state capitol commission.

Sec. 605. The unexpended funds appropriated in part 1 for the legislative council are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is publication of the Michigan manual.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is \$3,000,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 606. The unexpended funds appropriated in part 1 for property management are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to purchase equipment and services for building maintenance in order to ensure a safe and productive work environment.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is \$2,000,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 607. The unexpended funds appropriated in part 1 for automated data processing are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to purchase equipment, software, and services in order to support and implement data processing requirements and technology improvements.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is \$3,000,000.00.

(d) The tentative completion date is September 30, 2027.

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

Sec. 615. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2023 are \$27,555,100.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$16,729,700.00. Total agency appropriations for retiree health care legacy costs are estimated at \$10,825,400.00.

LEGISLATIVE AUDITOR GENERAL

Sec. 620. Pursuant to section 53 of article IV of the state constitution of 1963, the auditor general shall conduct audits of the executive, judicial, and legislative branches.

Sec. 621. (1) The auditor general shall take all reasonable steps to ensure that certified minority- and women-owned and operated accounting firms, and accounting firms owned and operated by persons with disabilities participate in the audits of the books, accounts, and financial affairs of each principal executive department, branch, institution, agency, and office of this state.

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

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

Sec. 622. From the funds appropriated in part 1 to the office of the auditor general, the auditor general's salary and the salaries of the remaining 2.0 FTE unclassified positions shall be set by the speaker of the house of representatives, the senate majority leader, the house of representatives minority leader, and the senate minority leader.

Sec. 623. Any audits, reviews, or investigations requested of the auditor general by the legislature or by legislative leadership, legislative committees, or individual legislators shall include an estimate of the additional costs involved and, when those costs exceed \$50,000.00, should provide supplemental funding. The auditor general shall determine whether to perform those activities in keeping with Operations Manual Policy No. 2-26, which describes the office of the auditor general's policy on responding to legislative requests.

Sec. 624. If the auditor general conducts a subsequent audit pursuant to section 229 of this part, the auditor general may charge fees and collect revenues in excess of appropriations in part 1 not to exceed the cost of any audit conducted pursuant to section 229 of this part. Any revenues and fees collected pursuant to this section are appropriated for expenditure for all expenses associated with an audit conducted pursuant to section 229 of this part.

Sec. 625. Subject to the same duty of confidentiality imposed by law on the entity providing the confidential information, the auditor general shall not be denied access to examine confidential information of any branch, department, office, board, commission, agency, authority, or institution of this state.

Sec. 627. The unexpended funds appropriated in part 1 for field operations are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to conduct the state of Michigan annual comprehensive financial report.

(b) The project will be accomplished by utilizing state employees and contract audits.

(c) The total estimated cost of the project is \$3,000,000.00.

(d) The tentative completion date is September 30, 2027.

DEPARTMENT OF STATE

Sec. 701. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$500,000.00 for federal contingency authorization. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Sec. 703. From the funds appropriated in part 1, the department of state shall sell copies of records, including, but not limited to, records of motor vehicles, off-road vehicles, snowmobiles, watercraft, mobile homes, personal identification cardholders, drivers, and boat operators and shall charge \$11.00 per record sold only as authorized in section 208b of the Michigan vehicle code, 1949 PA 300, MCL 257.208b, section 7 of 1972 PA 222, MCL 28.297, and sections 80130, 80315, 81114, and 82156 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.80130, 324.80315, 324.81114, and 324.82156. The revenue received from the sale of records shall be credited to the transportation administration collection fund created under section 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b. The department of state shall provide quarterly reports to the state budget office, the legislature, the chairpersons of the relevant appropriations subcommittees, and the senate and house fiscal agencies. The report shall be provided within 15 days of the close of the quarter and shall include the number of records sold and the revenues collected.

Sec. 703a. The secretary of state may contract for the sale of lists of driver and motor vehicle records and other records maintained under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923, in bulk, in addition to those lists distributed at cost or no cost under this section for purposes permitted by and described in section 208c(3) of the Michigan vehicle code, 1949 PA 300, MCL 257.208c. The secretary of state shall require each purchaser of records in bulk to execute a written purchase contract. The secretary of state may affix a cost for the sale of those lists or other records maintained in bulk, not to exceed a cost of \$35.00 per 1,000 records requested, which may include personal information.

Sec. 704. From the funds appropriated in part 1, the secretary of state may enter into agreements with the department of corrections for the manufacture of vehicle registration plates 15 months before the registration year in which the registration plates will be used.

Sec. 705. (1) The department of state may accept gifts, donations, contributions, and grants of money and other property from any private or public source to underwrite, in whole or in part, the cost of a departmental publication that is prepared and disseminated under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923. A private or public funding source may receive written recognition in the publication and may furnish a traffic safety message, subject to departmental approval, for inclusion in the publication. The department may reject a gift, donation, contribution, or grant. The department may furnish copies of a publication underwritten, in whole or in part, by a private source to the underwriter at no charge.

(2) The department of state may sell and accept paid advertising for placement in a departmental publication that is prepared and disseminated under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923. The department may charge and receive a fee for any advertisement appearing in a departmental publication and shall review and approve the content of each advertisement. The department may refuse to accept advertising from any person or organization. The department may furnish a reasonable number of copies of a publication to an advertiser at no charge.

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

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

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

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

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

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

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

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

Sec. 707. Funds collected by the department of state under section 211 of the Michigan vehicle code, 1949 PA 300, MCL 257.211, are appropriated for all expenses necessary to provide for the costs of the publication. Funds are allotted for expenditure when they are received by the department of treasury and shall not lapse to the general fund at the end of the fiscal year.

Sec. 708. From the funds appropriated in part 1, the department of state shall use available balances at the end of the state fiscal year to provide payment to the department of state police in the amount of \$332,000.00 for the services provided by the traffic accident records program as first appropriated in 1990 PA 196 and 1990 PA 208.

Sec. 709. From the funds appropriated in part 1, the department of state may restrict funds from miscellaneous revenue to cover cash shortages created from normal branch office operations. This amount shall not exceed \$50,000.00 of the total funds available in miscellaneous revenue.

Sec. 711. Collector plate and fund-raising registration plate revenues collected by the department of state are appropriated and allotted for distribution to the recipient university or public or private agency overseeing a state-sponsored goal when received. Distributions shall occur on a quarterly basis or as otherwise authorized by law. Any revenues remaining at the end of the fiscal year shall not lapse to the general fund but shall remain available for distribution to the university or agency in the next fiscal year.

Sec. 712. The department of state may produce and sell copies of a training video designed to inform registered automotive repair facilities of their obligations under Michigan law. The price shall not exceed the cost of production and distribution. The money received from the sale of training videos shall revert to the department of state and be placed in the auto repair facility account.

Sec. 713. (1) The department of state, in collaboration with the Gift of Life Michigan or its successor federally designated organ procurement organization, may develop and administer a public information campaign concerning the Michigan organ donor program.

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

(3) Funds received under this section, including grants from state and federal agencies, shall not lapse to the general fund at the end of the fiscal year but shall remain available for expenditure for the purposes described in this section.

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

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

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

(7) The department must submit a report to the house and senate appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director by March 1 that provides the amount of revenue collected by the department of state authorized under this section, the purpose of each expenditure, and the amount of revenue carried forward.

Sec. 714. (1) Except as otherwise provided under subsection (2), at least 180 days before closing a branch office or consolidating a branch office and at least 60 days before relocating a branch office, the department of state shall inform members of the senate and house of representatives standing committees on appropriations and legislators who represent affected areas regarding the details of the proposal. The information provided shall be in written form and include all analyses done regarding criteria for changes in the location of branch offices, including, but not limited to, branch transactions, revenue, and the impact on citizens of the affected area. The impact on citizens shall include information regarding additional distance to branch office locations resulting from the plan. The written notice provided by the department of state shall also include detailed estimates of costs and savings that will result from the overall changes made to the branch office structure and the same level of detail regarding costs for new leased facilities and expansions of current leased space.

(2) If the consolidation of a branch office is with another branch office that is located within the same local unit of government or the relocation of a branch office is to another location that is located within the same local unit of government, the department of state is not required to provide the notification or written information described in subsection (1).

(3) As used in this section, "local unit of government" means a city, village, township, or county.

Sec. 715. (1) Any service assessment collected by the department of state from the user of a credit or debit card under section 3 of 1995 PA 144, MCL 11.23, may be used by the department for necessary expenses related to that service and may be remitted to a credit or debit card company, bank, or other financial institution.

(2) The service assessment imposed by the department of state for credit and debit card services may be based either on a percentage of each individual credit or debit card transaction, or on a flat rate per transaction, or both, scaled to the amount of the transaction. However, the department shall not charge any amount for a service assessment which exceeds the costs billable to the department for service assessments.

(3) If there is a balance of service assessments received from credit and debit card services remaining on September 30, the balance may be carried forward to the following fiscal year and appropriated for the same purpose.

(4) As used in this section, "service assessment" means and includes costs associated with service fees imposed by credit and debit card companies and processing fees imposed by banks and other financial institutions.

Sec. 717. (1) The department of state may accept nonmonetary gifts, donations, or contributions of property, of a de minimus value, from any private or public source to support, in whole or in part, the operation of a departmental function relating to licensing, regulation, or safety, but may accept donations of motorcycles for use for motorcycle safety training and testing. The department may recognize a private or public contributor for making the contribution. The department may reject a gift, donation, or contribution.

(2) The department of state shall not accept a gift, donation, or contribution under subsection (1) if receipt of the gift, donation, or contribution is conditioned upon a commitment of future state funding.

(3) On March 1 of each year, the department of state shall file a report with the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant appropriations subcommittees, the senate and house fiscal agencies, and the state budget director. The report shall list any gift, donation, or contribution received by the department under subsection (1) for the prior calendar year.

Sec. 718. With funds appropriated in part 1 for branch operations, the department of state shall provide adequate in-person services as defined in section 1a of the Michigan vehicle code, 1949 PA 300, MCL 257.1a.

Sec. 719. The department of state shall provide a report by February 1 to the speaker of the house, the senate majority leader, the house and senate appropriations subcommittees on general government, the house and senate fiscal agencies, and the state budget office on reimbursements to counties, cities, and townships from the department of state's election security grant program funded by federal help America vote act of 2002, 52 USC 20901 to 21145, funding. This report shall list the amounts and purpose of reimbursements provided to each grantee as determined by receipts received by the department of state from grantees and the total amount of reimbursements received by each grantee.

Sec. 720. With funds appropriated in part 1 for election administration and services, except for when the secretary of state is exercising supervisory authority over the administration of local elections under applicable state law, before sending any election-related mailing to 20% or more of the registered electors in a voting precinct, the secretary of state must notify the speaker of the house, the senate majority leader, and each county, city, and township clerk responsible for administering elections in the precincts where the mailing is planned to be sent and must submit a copy of the planned mailing not later than 14 days before sending the mailing.

Sec. 720a. Not later than February 1, the secretary of state shall submit a report to the general government appropriations subcommittees and state budget office that contains all of the following:

(a) The total number of electors to whom the secretary of state mailed a notice under section 509aa(5) of the Michigan election law, 1954 PA 116, MCL 168.509aa.

(b) The total number of electors who corrected their voter registration records after being mailed a notice by the secretary of state under section 509aa(5) of the Michigan election law, 1954 PA 116, MCL 168.509aa.

(c) The number of possible improper votes cast by an elector at the preceding primary election referred to law enforcement by the secretary of state.

(d) The number of possible improper votes cast by an elector at the preceding general election referred to law enforcement by the secretary of state.

Sec. 722. From the funds appropriated in part 1, the department of state shall provide an expense report of CARS. The report shall include, but is not limited to, itemized expenditures made on behalf of CARS by fund source in the prior fiscal year and projected expenditures to be made on behalf of CARS in the current fiscal year and the next fiscal year. The report shall be distributed to the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director by February 1. As used in this section, "CARS" means the customer and automotive records system.

Sec. 722a. (1) From the funds appropriated in part 1, the department of state shall provide a report by December 1 describing the progress made on updating MERTS and on contracting with a vendor to modernize or replace the department of state's current automated election system. The report must be submitted to the house of representatives and senate appropriations subcommittees on general government, the house and senate fiscal agencies, and the state budget office. The report must include all of the following:

(a) A timeline for completion of the modernization or replacement of MERTS.

(b) Dates of full implementation of the updated or new system and any phased rollout of implementation of the system.

(c) Anticipated costs of the project in the current fiscal year and projected costs in subsequent fiscal years.

(2) As used in this section, "MERTS" means the Michigan electronic reporting and tracking system.

Sec. 723. The funds appropriated in part 1 for the county clerk education and training fund shall be used only for costs associated with the training of local clerks in preparation for elections. The department of state shall not allocate any funds appropriated for county clerk education and training for any other purposes.

Sec. 725. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2023 are estimated at \$28,229,500.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$17,139,000.00. Total agency appropriations for retiree health care legacy costs are estimated at \$11,090,500.00.

DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET

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

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

(3) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$75,000.00 for local contingency authorization. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

Sec. 802. Proceeds in excess of necessary costs incurred in the conduct of transfers or auctions of state surplus, salvage, or scrap property made pursuant to section 267 of the management and budget act, 1984 PA 431, MCL 18.1267, are appropriated to the department to offset costs incurred in the acquisition and distribution of surplus property. The MDTMB shall provide consolidated internet auction services through this state's contractors for all local units of government.

Sec. 803. (1) The MDTMB may receive and expend funds in addition to those authorized by part 1 for maintenance and operation services provided specifically to other principal executive departments or state agencies, the legislative branch, the judicial branch, or private tenants, or provided in connection with facilities transferred to the operational jurisdiction of the department.

(2) The MDTMB may receive and expend funds in addition to those authorized by part 1 for real estate, architectural, design, engineering, and project oversight services provided specifically to other principal executive departments or state agencies, the legislative branch, the judicial branch, universities, community colleges, or private tenants.

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

(4) The MDTMB may receive and expend funds in addition to those authorized in part 1 for purchasing services provided specifically to other principal executive departments and state agencies, the legislative branch, or the judicial branch.

(5) Fee revenue collected by the MDTMB from user fees under subsections (1) to (4) shall be carried forward and shall not lapse to the general fund at the close of the fiscal year.

Sec. 804. (1) Financing in part 1 for statewide appropriations shall be funded by assessments against longevity and insurance appropriations throughout state government in a manner prescribed by the department. Funds shall be used as specified in joint labor/management agreements or through the coordinated compensation hearings process. Any deposits made under this subsection and any unencumbered funds are restricted revenues, may be carried over into the succeeding fiscal years, and are appropriated.

(2) In addition to the funds appropriated in part 1 to the MDTMB, the MDTMB may receive and expend funds in such additional amounts as may be specified in joint labor/management agreements or through the coordinated compensation hearings process in the same manner and subject to the same conditions as prescribed in subsection (1).

Sec. 805. To the extent a specific appropriation is required for a detailed source of financing included in part 1 for the MDTMB appropriations financed from special revenue and internal service and pension trust funds, or SIGMA user charges, the specific amounts are appropriated within the special revenue internal service and pension trust funds in portions not to exceed the aggregate amount appropriated in part 1.

Sec. 806. In addition to the funds appropriated in part 1 to the MDTMB, the MDTMB may receive and expend funds from other principal executive departments and state agencies to implement administrative leave bank transfer provisions as may be specified in joint labor/management agreements. The amounts may also be transferred to other principal executive departments and state agencies under the joint agreement and any amounts transferred under the joint agreement are authorized for receipt and expenditure by the receiving principal executive department or state agency. Any amounts received by the MDTMB under this section and intended, under the joint labor/management agreements, to be available for use beyond the close of the fiscal year and any unencumbered funds may be carried over into the succeeding fiscal year.

Sec. 807. Financing in part 1 for SIGMA shall be funded by proportionate charges assessed against the respective state funds benefiting from this project in the amounts determined by MDTMB.

Sec. 808. (1) Deposits against the interdepartmental grant from building occupancy and parking charges appropriated in part 1 shall be collected, in part, from state agencies, the legislative branch, and the judicial branch based on estimated costs associated with maintenance and operation of buildings managed by MDTMB. To the extent excess revenues are collected due to estimates of building occupancy charges exceeding actual costs, the excess revenues may be carried forward into succeeding fiscal years for the purpose of returning funds to state agencies.

(2) Appropriations in part 1 to the MDTMB, for management and budget services for building occupancy charges and parking charges, may be increased to return excess revenue collected to state agencies.

Sec. 809. On a quarterly basis, the MDTMB shall notify the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the senate and house of representatives standing committees on appropriations subcommittees on general government, the house and senate fiscal agencies, and the state budget director on any revisions either individually or in the aggregate that increase or decrease current contracts by more than \$250,000.00 for computer software development, hardware acquisition, or quality assurance.

Sec. 810. From the funds appropriated in part 1, MDTMB shall maintain an internet website that contains notice of all solicitations, invitations for bids, and requests for proposals over \$50,000.00 issued by MDTMB or by any state agency operating under delegated authority, except for solicitations up to \$500,000.00 in accordance with department policy regarding providing opportunities to Michigan small businesses, geographically disadvantaged business enterprises, Michigan veteran-owned business, Michigan service disabled veteran-owned businesses, or Michigan recognized community rehabilitation organizations, or in situations where it would be in the best interest of this state and documented by MDTMB. This information must appear on the first page of each department or state agency dashboard. MDTMB shall not set the due date for acceptance of an invitation for bid or request for proposal to less than 14 days after the notice is made available on the internet website, except in situations where it would be in the best interest of this state and documented by the department. In addition to the requirements of this section, MDTMB may advertise the solicitations, invitations for bids, and requests for proposals in any manner MDTMB determines appropriate, in order to give the greatest number of individuals and businesses the opportunity to respond, or make bids or requests for proposals.

Sec. 811. The MDTMB may receive and expend funds from the Vietnam veterans memorial monument fund as provided in the Michigan Vietnam veterans memorial act, 1988 PA 234, MCL 35.1051 to 35.1057. Funds are appropriated and allocated when received and may be expended upon receipt.

Sec. 812. The Michigan veterans' memorial park commission may receive and expend money from any source, public or private, including, but not limited to, gifts, grants, donations of money, and government appropriations, for the purposes described in Executive Order No. 2001-10. Funds are appropriated and allocated when received and may be expended upon receipt. Any deposits made under this section and unencumbered funds are restricted revenues and may be carried over into succeeding fiscal years.

Sec. 813. (1) Funds in part 1 for motor vehicle fleet are appropriated to the MDTMB for administration and for the acquisition, lease, operation, maintenance, repair, replacement, and disposal of state motor vehicles.

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

(3) Pursuant to the MDTMB's authority under sections 213 and 215 of the management and budget act, 1984 PA 431, MCL 18.1213 and 18.1215, the MDTMB shall maintain a plan regarding the operation of the motor vehicle fleet. The plan shall include the number of vehicles assigned to, or authorized for use by, state departments and agencies, efforts to reduce travel expenditures, the number of cars in the motor vehicle fleet, the number of miles driven by fleet vehicles, and the number of gallons of fuel consumed by fleet vehicles. The plan shall include a calculation of the amount of state motor vehicle fuel taxes that would have been incurred by fleet vehicles if fleet vehicles were required by law to pay motor fuel taxes. The plan shall include a description of fleet garage operations, the goods sold and services provided by the fleet garage, the cost to operate the fleet garage, the number of fleet garage locations, and the number of employees assigned to each fleet garage. The plan may be adjusted during the fiscal year based on needs and cost savings to achieve the maximum value and efficiency from the state motor fleet. Within 60 days after the close of the fiscal year, the MDTMB shall provide a report to the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant appropriations subcommittees, the senate and house fiscal agencies, and the state budget director detailing the current plan and changes made to the plan during the fiscal year. The plan shall also be posted on the department website.

(4) The MDTMB may charge state agencies for fuel cost increases that exceed \$3.04 per gallon of unleaded gasoline. The MDTMB shall notify state agencies, in writing or by email, at least 30 days before implementing additional charges for fuel cost increases. Revenues received from these charges are appropriated upon receipt.

(5) The state budget director, upon notification to the senate and house of representatives standing committees on appropriations, may adjust spending authorization and the IDG from motor transport fund in the MDTMB in order to ensure that the appropriations for motor vehicle fleet in the MDTMB budget equal the expenditures for motor vehicle fleet in the budgets for all executive branch agencies.

Sec. 814. The MDTMB shall develop a plan regarding the use of the funds appropriated in part 1 for the information technology investment fund. The plan shall include, but not be limited to, a description of proposed information technology investment projects, the time frame for completion of the information technology investment projects, the proposed cost of the information technology investment projects, the number of employees assigned to implement each information technology investment project, the contracts entered into for each information technology investment project, and any other information the MDTMB deems necessary. The plan shall be distributed to the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director on a quarterly basis. The submitted plan shall also include anticipated spending reductions or overages for each of the proposed information technology investment projects. The MDTMB shall notify the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director when a project funded under an information technology investment project line item in part 1 is expected to require a transfer of dollars from another project in excess of \$500,000.00.

Sec. 814a. The funds appropriated in part 1 for information technology investment fund shall be used for the modernization of state information technology systems, improvement of this state's cyber security framework, and to achieve efficiencies.

Sec. 816. An RFP issued for the purpose of privatization shall include a list of factors to be used in evaluating and determining price.

Sec. 818. In addition to the funds appropriated in part 1, the MDTMB may receive and expend money from the Michigan law enforcement officers memorial monument fund as provided in the Michigan law enforcement officers memorial act, 2004 PA 177, MCL 28.781 to 28.787.

Sec. 820. The MDTMB shall make available to the public a list of all parcels of real property owned by this state that are available for purchase. The list shall be posted on the internet through the MDTMB's website.

Sec. 821. (1) From the funds appropriated in part 1, the office of retirement services within MDTMB must produce an annual report by September 30 on the judges' retirement system, the military retirement system, the Michigan public school employees' retirement system, the state employees' retirement system, and the state police retirement system. The report shall be distributed to the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget office.

(2) The report must include, but is not limited to, the following information for each of the aforementioned retirement systems:

(a) A chart and table detailing annual required contribution flow per year for fiscal year 2023-2024 and the subsequent 24 fiscal years.

(b) Separate annual required contribution payment charts and tables for pension and other postemployment benefits.

(c) Separate annual required contribution payment charts and tables by normal cost and unfunded actuarial accrued liability.

(d) A justification if the payroll growth assumption is maintained at or above 0% for any pension or OPEB plan. The report must include an analysis as of active employee plan member forecasts.

(3) The report must include the following items specific to the Michigan public school employees' retirement system:

(a) A copy of the retirement plan election guide that is provided to new Michigan public school employees' retirement system hires as of the due date of the report.

(b) The number of new Michigan public school employees' retirement system employees who entered the defined contribution plan and pension plus II plan during no later than 14 days after the end of the current fiscal year.

(c) An explanation of how the retirement plan election guide explains that pension plus II members must pay 50% of any future unfunded actuarial accrued liability payments.

(d) An explanation of how the retirement plan election guide explains that defined contribution plan members have annuity options that allow for guaranteed retirement income available through a private insurance company.

(e) If any calculations are provided to plan members for expected retirement income, then the following items must be included:

(i) An explanation of how the retirement plan election guide demonstrates a range of potential outcomes.

(ii) The underlying assumptions the retirement plan election guide uses to calculate expected future retirement income.

(iii) How underlying assumptions are disclosed in the guide.

(4) The report must include the amount of money that each school district received, on a per pupil basis, in foundation allowances that was spent on Michigan public school employees' retirement system costs in the previous fiscal year.

(5) Beginning at the end of the fiscal year, the office of retirement services has 90 days to post the most recent year's comprehensive annual financial report for each plan described in subsection (1).

Sec. 822. The department shall compile a report by January 1 pertaining to the salaries of unclassified employees, and gubernatorial appointees, within all state departments and agencies. The report shall enumerate each unclassified employee and gubernatorial appointee and his or her annual salary rounded to the nearest thousand dollars. The report shall be distributed to the chairs of the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director and be made available electronically.

Sec. 822c. The funds appropriated in part 1 shall not be used to support any staff effort, projects, consultant expenses, or any other activity related to the development, financing, construction, operation, or implementation of the Gordie Howe International Crossing or any successor project unless the project is approved by the legislature and signed into law.

Sec. 822d. By December 31, the MDTMB shall provide a report to the senate and house appropriations subcommittees on general government and the senate and house fiscal agencies that identifies fee and rate schedules to be used by state departments and agencies for services, including information technology, provided by the MDTMB during the current fiscal year. The report shall also identify changes from fees and rates charged in the prior fiscal year and include an explanation of the factors that justify each fee and rate increase.

Sec. 822e. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2023 are estimated at \$77,148,300.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$46,839,100.00. Total agency appropriations for retiree health care legacy costs are estimated at \$30,309,200.00.

Sec. 822g. The MDTMB shall report quarterly to the senate and house of representatives standing committees on appropriations, the senate and house appropriations subcommittees on general government, and the senate and house fiscal agencies on legal service fund expenditures. The report shall itemize expenditures by case, purpose, and department involved and shall include expenditures related to all previously appropriated funds.

Sec. 822m. (1) From the funds appropriated in part 1, the MDTMB shall maintain a system that collaborates with other departments to keep track of the performance of vendors in fulfilling contract obligations. The performance of these vendors shall be recorded and used as a factor to determine future contracts awarded in the procurement process.

(2) By March 15 the MDTMB shall provide a complete listing of all state departments and agencies that have not complied with the requirements of this section by March 1. The report listing noncompliant state departments and agencies shall be submitted no later than March 15 to the chairpersons of the house and senate appropriations subcommittees on general government, the house and senate fiscal agencies, and the state budget director.

Sec. 822n. From the funds appropriated in part 1, the MDTMB shall ensure that all new requests for proposals that are publicly displayed on the webpage include the proposal's corresponding department and agency for the purpose of searching for requests for proposals by department and agency.

Sec. 822o. From the funds appropriated in part 1 for administrative services, not more than \$1,000,000.00 shall be expended to implement the economic development incentive evaluation act, 2018 PA 540, MCL 18.1751 to 18.1759.

Sec. 822p. From the funds appropriated in part 1 for business support services, not more than an additional \$300,000.00 shall be used to continue a comprehensive supplier risk and information subscription used for the precontract risk assessment program established by funding provided in 2017 PA 107.

INFORMATION TECHNOLOGY

Sec. 824. The MDTMB may enter into agreements to supply spatial information and technical services to other principal executive departments, state agencies, local units of government, and other organizations. The MDTMB may receive and expend funds in addition to those authorized in part 1 for providing information and technical services, publications, maps, and other products. The MDTMB may expend amounts received for salaries, supplies, and equipment necessary to provide informational products and technical services. Prior to December 31, the MDTMB shall provide a report to the senate and house of representatives standing committees on appropriations subcommittees on general government and the state budget office detailing the sources of funding and expenditures made under this section.

Sec. 825. The legislature shall have access to all historical and current data contained within SIGMA, or its predecessor, pertaining to state departments. State departments shall have access to all historical and current data contained within SIGMA or its predecessor.

Sec. 826. When used in this part and part 1, "information technology services" means services involving all aspects of managing and processing information, including, but not limited to, all of the following:

- (a) Application and mobile development and maintenance.
- (b) Desktop computer support and management.
- (c) Cyber security.
- (d) Social media.
- (e) Mainframe computer support and management.
- (f) Cloud services support and management, including, but not limited to, infrastructure as a service, platform as a service, and software as a service.
- (g) Local area network support and management, including, but not limited to, wired and wireless network build-out, support, and management.
- (h) Information technology project management.
- (i) Information technology procurement and contract management.
- (j) Telecommunication services, infrastructure, and support.

Sec. 827. (1) Funds appropriated in part 1 for the Michigan public safety communications system shall be expended upon approval of an expenditure plan by the state budget director.

(2) The MDTMB shall assess all subscribers of the Michigan public safety communications system reasonable access and maintenance fees and shall deposit the fees in the Michigan public safety communications systems fees fund.

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

(4) The department must provide a report to the senate and house of representatives standing committees on appropriations, the senate and house fiscal agencies, and the state budget office by April 15, indicating the amount of revenue collected under this section and expended for support and maintenance of the

Michigan public safety communication system for the immediately preceding 6-month period. Any deposits made under this section and unencumbered funds are restricted revenues and shall be carried forward into succeeding fiscal years.

Sec. 828. The MDTMB shall submit a report for the first, second, and third fiscal quarters to the senate and house of representatives standing committees on appropriations subcommittees on general government, the house and senate fiscal agencies, and the state budget director not later than 45 calendar days after each fiscal quarter. The report shall include the following:

(a) The estimated total amount of funding appropriated for information technology services and projects, by funding source, for all principal executive departments and agencies for each fiscal quarter.

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

Sec. 829. The MDTMB shall provide a report that analyzes and makes recommendations on the life-cycle of information technology hardware and software. The report shall be submitted to the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies by March 1.

Sec. 831. The MDTMB shall submit monthly invoices for information technology services provided by MDTMB either directly or through contracted vendors during that month to departments or agencies by no later than 45 days after receiving approval to pay vendor invoices from departments and agencies for the information technology services provided.

Sec. 832. (1) The MDTMB shall inform the senate and house appropriations subcommittees on general government and the senate and house fiscal agencies within 30 days of any potential or actual penalties assessed by the federal government for failure of the Michigan child support enforcement system to achieve certification by the federal government.

(2) If potential penalties are assessed by the federal government, the MDTMB shall submit a report to the senate and house appropriations subcommittees on general government and the senate and house fiscal agencies within 90 days specifying the MDTMB's plans to avoid actual penalties and ensure federal certification of the Michigan child support enforcement system.

Sec. 833. (1) The state budget director, upon notification to the senate and house of representatives standing committees on appropriations, may adjust spending authorization and user fees in the MDTMB in order to ensure that the appropriations for information technology in the MDTMB equal the appropriations for information technology in the budgets for all executive branch agencies.

(2) If during the course of the fiscal year a transfer or supplemental to or from the information technology line item within an agency budget is made under section 393 of the management and budget act, 1984 PA 431, MCL 18.1393, there is appropriated an equal amount of user fees in the MDTMB to accommodate an increase or decrease in spending authorization.

Sec. 834. (1) Revenue collected from licenses issued under the antenna site management project shall be deposited into the antenna site management revolving fund created for this purpose in the MDTMB. The MDTMB may receive and expend money from the fund for costs associated with the antenna site management project, including the cost of a third-party site manager. Any excess revenue remaining in the fund at the close of the fiscal year shall be proportionately transferred to the appropriate state restricted funds as designated in statute or by constitution.

(2) An antenna shall not be placed on any site pursuant to this section without complying with the respective local zoning codes and local unit of government processes.

Sec. 835. (1) In addition to the funds appropriated in part 1, the funds collected by the MDTMB for supplying census-related information and technical services, publications, statistical studies, population projections and estimates, and other demographic products are appropriated for all expenses necessary to provide the required services. These funds are available for expenditure when they are received and may be carried forward into the next succeeding fiscal year.

(2) The MDTMB must submit a report to the house and senate appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office by March 1 that provides the amount of revenue collected by the MDTMB from the authorization in subsection (1) and the amount of revenue carried forward.

Sec. 837. All information technology projects funded by appropriations in part 1 must utilize information technology project management best practices and services as defined or recommended by the enterprise portfolio management office of MDTMB and comply with the requirements of the state unified information technology environment methodology as it applies to all information technology project management processes.

Sec. 838. Any new request for proposals or other arrangements for the installation of solar energy projects, or the purchase of solar energy through utility voluntary green pricing programs authorized by the Michigan public service commission, for use at state-owned or leased facilities may consider the value of the lifecycle

carbon emissions in the manufacturing of the solar equipment as part of the selection process. Information requested through bidding processes and standards for the independent measurement and verification of lifecycle carbon emissions such as the global electronics council's electronic product environmental assessment tool may be used to assist in this evaluation. No later than June 30, 2023, MDTMB shall report to the legislature on implementation of this section.

Sec. 840. From the funds appropriated in part 1 for enterprise identity management, the MDTMB shall utilize specific outcomes and performance measures, including, but not limited to, the following:

(a) Implement enhanced IT project management service delivery through statewide application of best practice models and services.

(b) Collaborate with state agencies to bring all project management and project control office contracts under the enterprise portfolio management office.

(c) Initiate steps to improve the state unified information technology environment compliance rating.

STATE BUILDING AUTHORITY RENT

Sec. 842. (1) The state building authority rent appropriations in part 1 may also be expended for the payment of required premiums for insurance on facilities owned by the state building authority or payment of costs that may be incurred as the result of any deductible provisions in such insurance policies.

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

CIVIL SERVICE COMMISSION

Sec. 850. (1) In accordance with section 5 of article XI of the state constitution of 1963, all restricted funds shall be assessed a sum not less than 1% of the total aggregate payroll paid from those funds for financing the civil service commission on the basis of actual 1% restricted sources total aggregate payroll of the classified service for the preceding fiscal year. This includes, but is not limited to, restricted funds appropriated in part 1 of any appropriations act. Unexpended 1% appropriated funds shall be returned to each 1% fund source at the end of the fiscal year.

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

(3) The financing from restricted sources shall be credited to the civil service commission by the end of the second fiscal quarter.

Sec. 851. Except where specifically appropriated for this purpose, financing from restricted sources shall be credited to the civil service commission. For restricted sources of funding within the general fund that have the legislative authority for carryover, if current spending authorization or revenues are insufficient to accept the charge, the shortage shall be taken from carryforward balances of that funding source. Restricted revenue sources that do not have carryforward authority shall be utilized to satisfy commission operating deducts first and civil service obligations second. General fund dollars are appropriated for any shortfall, pursuant to approval by the state budget director.

Sec. 852. The appropriation in part 1 to the civil service commission, for state-sponsored group insurance, flexible spending accounts, and COBRA, represents amounts, in part, included within the various appropriations throughout state government for the current fiscal year to fund the flexible spending account program included within the civil service commission. Deposits against state-sponsored group insurance, flexible spending accounts, and COBRA for the flexible spending account program shall be made from assessments levied during the current fiscal year in a manner prescribed by the civil service commission. Unspent employee contributions to the flexible spending accounts may be used to offset administrative costs for the flexible spending account program, with any remaining balance of unspent employee contributions to be lapsed to the general fund.

CAPITAL OUTLAY

Sec. 860. As used in sections 861 through 875 of this part:

(a) "Board" means the state administrative board.

(b) "Community college" means a community college organized under the community college act of 1966, 1966 PA 331, MCL 389.1 to 389.195, or under part 25 of the revised school code, 1976 PA 451, MCL 380.1601 to 380.1607, and does not include a state agency or university.

(c) "Department" means the department of technology, management, and budget.

(d) "Director" means the director of the department of technology, management, and budget.

(e) "State agency" means an agency of state government. State agency does not include a community college or university.

(f) "State building authority" means the authority created under 1964 PA 183, MCL 830.411 to 830.425.

(g) "University" means a 4-year university supported by this state. University does not include a community college or a state agency.

Sec. 861. Each capital outlay project authorized in this part and part 1 or any previous capital outlay act shall comply with the procedures required by the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 862. (1) The department shall provide the JCOS, state budget director, and the senate and house fiscal agencies with reports relative to the status of each planning or construction project financed by the state building authority, by this part and part 1, or by previous acts.

(2) Before the end of each fiscal year, the department shall report to the JCOS, state budget director, and the senate and house fiscal agencies for each capital outlay project other than lump sums all of the following:

- (a) The account number and name of each construction project.
- (b) The balance remaining in each account.
- (c) The date of the last expenditure from the account.
- (d) The anticipated date of occupancy if the project is under construction.
- (e) The appropriations history for the project.
- (f) The professional service contractor.
- (g) The amount of the project financed with federal funds.
- (h) The amount of the project financed through the state building authority.
- (i) The total authorized cost for the project and the state authorized share if different than the total.

(3) Before the end of each fiscal year, the department shall report the following for each project by a state agency, university, or community college that is authorized for planning but is not yet authorized for construction:

- (a) The name of the project and account number.
- (b) Whether a program statement is approved.
- (c) Whether schematics are approved by the department.
- (d) Whether preliminary plans are approved by the department.
- (e) The name of the professional service contractor.
- (4) As used in this section, "project" includes appropriation line items made for purchase of real estate.

Sec. 863. (1) If the director proposes to rent space or a facility for which the annual base cost of the proposed rent is more than \$500,000.00, approval of the joint capital outlay subcommittee is required before board approval.

(2) In emergency situations, written notification to the committee within 5 days after executing the agreement is required.

(3) The renewal of an existing rental agreement requires the approval of the joint capital outlay subcommittee if the renewal results in changes to the rent that would cause it to meet the requirements described in subsection (1).

Sec. 863a. MDTMB shall work with all state departments and agencies to evaluate their current office building and space usage to identify any projected changes for the current and next fiscal years. MDTMB shall report the following information to the senate and house appropriations committees, the senate and house appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director by May 1:

(a) Projected changes in state-owned property being utilized by each department and agency for the current and next fiscal years.

(b) Projected changes to leased property being utilized by each department and agency for the current and next fiscal years.

- (c) A comparative analysis of 2019 occupancy levels to expected levels for the current and next fiscal years.
- (d) All of the following information for the immediately preceding fiscal year:
 - (i) A list of expenditures related to space optimization as a result of remote work, including costs associated with divesting state-owned property and vacating leased facilities.
 - (ii) Net savings as a result of property divestment or vacated leased facilities.
 - (iii) A description of each divested property or location of each vacated leased facility.

Sec. 864. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with the provisions of section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

Sec. 865. (1) A site preparation economic development fund is created in the department. As used in this section, "economic development sites" means those state-owned sites declared as surplus property pursuant to section 251 of the management and budget act, 1984 PA 431, MCL 18.1251, that would provide economic benefit to the area or to this state. The MEDC board and the state budget director shall determine whether or not a specific state-owned site qualifies for inclusion in the fund created under this subsection.

(2) Proceeds from the sale of any sites designated in subsection (1) shall be deposited into the fund created in subsection (1) and shall be available for site preparation expenditures, unless otherwise provided by law. The economic development sites authorized in subsection (1) are authorized for sale consistent with state law. Expenditures from the fund are authorized for site preparation activities that enhance the marketable sale value of the sites. Site preparation activities include, but are not limited to, demolition, environmental studies and abatement, utility enhancement, and site excavation.

(3) A cash advance in an amount of not more than \$25,000,000.00 is authorized from the general fund to the site preparation economic development fund.

(4) An annual report shall be transmitted to the senate and house of representatives standing committees on appropriations not later than December 31 of each year. This report shall detail both of the following:

(a) The revenue and expenditure activity in the fund for the preceding fiscal year.

(b) The sites identified as economic development sites under subsection (1).

CAPITAL OUTLAY - UNIVERSITIES AND COMMUNITY COLLEGES

Sec. 873. (1) This section applies only to projects for community colleges.

(2) State support is directed towards the remodeling and additions, special maintenance, or construction of certain community college buildings. The community college shall obtain or provide for site acquisition and initial main utility installation to operate the facility. Funding shall be composed of local and state shares and not more than 50% of a capital outlay project, not including a lump-sum special maintenance project or remodeling and addition project, for a community college shall be appropriated from state and federal funds, unless otherwise appropriated by the legislature.

(3) An expenditure under this part and part 1 is authorized when the release of the appropriation is approved by the board upon the recommendation of the director. The director may recommend to the board the release of any appropriation in part 1 only after the director is assured that the legal entity operating the community college to which the appropriation is made has complied with this part and part 1 and has matched the amounts appropriated as required by this part and part 1. A release of funds in part 1 shall not exceed 50% of the total cost of planning and construction of any project, not including lump-sum remodeling and additions and special maintenance, unless otherwise appropriated by the legislature. Further planning and construction of a project authorized by this part and part 1 or applicable sections of the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, shall be in accordance with the purpose and scope as defined and delineated in the approved program statements and planning documents. This part and part 1 are applicable to all projects for which planning appropriations were made in previous acts.

(4) The community college shall take the steps necessary to secure available federal construction and equipment money for projects funded for construction in this part and part 1 if an application was not previously made. If there is a reasonable expectation that a prior year unfunded application may receive federal money in a subsequent year, the college shall take whatever action necessary to keep the application active.

Sec. 874. If university and community college matching revenues are received in an amount less than the appropriations for capital projects contained in this part and part 1, the state funds shall be reduced in proportion to the amount of matching revenue received.

Sec. 875. (1) The director may require that community colleges and universities that have an authorized project listed in part 1 submit documentation regarding the project match and governing board approval of the authorized project not more than 60 days after the beginning of the fiscal year.

(2) If the documentation required by the director under subsection (1) is not submitted, or does not adequately authenticate the availability of the project match or board approval of the authorized project, the authorization may terminate. The authorization terminates 30 days after the director notifies the JCOS of the intent to terminate the project unless the JCOS convenes to extend the authorization.

ONE-TIME APPROPRIATIONS

Sec. 890. (1) From the funds appropriated in part 1 for software purchasing review, MDTMB shall issue a request for proposal for a commercial off-the-shelf software platform that will allow for a statewide review of software purchasing efficiency and data security for multi-million-dollar software packages used for statewide identity, collaboration, and productivity.

(2) The platform shall be integrated into a single interface for use by an existing network management team at MDTMB and be able to perform all of the following functions:

(a) Support cloud, on-premise, and hybrid configurations of the managed software packages.

(b) Track and optimize software spending on licenses for individual users and monitor and manage license availability, assignment, and usage.

(c) Identify opportunities for cost savings and cost avoidance across all state departments and agencies and empower the department to capture these opportunities manually or automatically.

(d) Identify cost savings ahead of software package renewals or negotiations in the next 12 months.

(e) Monitor and enforce data security policies in an automated way to reduce misconfigurations and data security vulnerabilities.

Sec. 891. From the funds appropriated in part 1 for supply chain technology, MDITB shall issue a solicitation for a software product that provides real-time visibility platforms for complex supply chains provided by a vendor based in this state. Vendors shall demonstrate experience providing a cloud-based logistics platform with the ability to track, monitor, report, and aggregate logistics data among several delivery and logistics entities.

DEPARTMENT OF TREASURY
OPERATIONS

Sec. 901. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$500,000.00 for federal contingency authorization. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

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

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

(3) In addition to the amount appropriated to the department of treasury for debt service in part 1, there is appropriated all repayments received by this state on loans made from the school bond loan fund not required to be deposited in the school loan revolving fund by or pursuant to section 4 of 1961 PA 112, MCL 388.984, to the extent determined by the state treasurer, for the payment of debt service, including, without limitation, optional and mandatory redemptions, on bonds, notes or commercial paper issued by this state pursuant to 1961 PA 112, MCL 388.981 to 388.985.

Sec. 902a. As a condition of receiving appropriations in part 1, the department of treasury shall notify the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant appropriations subcommittees, the senate and house fiscal agencies, and the state budget director not more than 30 days after a refunding or restructuring bond issue is sold. The notification shall compare the annual debt service prior to the refinancing or restructuring, the annual debt service after the refinancing or restructuring, the change in the principal and interest over the duration of the debt, and the projected change in the present value of the debt service due to the refinancing and restructuring.

Sec. 902b. As a condition of receiving appropriations in part 1, the department of treasury shall report not later than 30 days after the state of Michigan comprehensive annual financial report is published to the chairpersons of the senate and house of representatives appropriations subcommittees on general government, the house and senate fiscal agencies, and the state budget director on all funds that are controlled or administered by the department and not appropriated in part 1. This notification can be completed electronically and the department of treasury must notify the recipients when the report is publicly available. Both the current and any previous reports required under this section shall be saved and publicly available on the department of treasury public internet website and stored in a common location with all other statutory and boilerplate required reports. The link to the location of the reports shall be clearly indicated on the main page of the department of treasury internet website. The report shall include all of the following information:

- (a) The starting balance for each fund from the previous fiscal year.
- (b) Total revenue generated by both transfers in and investments for each fund in the previous fiscal year.
- (c) Total expenditures for each fund in the previous fiscal year.
- (d) The ending balance for each fund for the previous fiscal year.

Sec. 903. (1) From the funds appropriated in part 1, the department of treasury may contract with private collection agencies and law firms to collect taxes and other accounts due this state, or to a city for which the department has entered into an agreement to provide tax administration services. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund collection costs and fees, including infrastructure, not to exceed 25% of the collections or 2.5% plus operating costs, whichever amount is prescribed by each contract. The appropriation to fund collection costs and fees for the collection of taxes or other accounts due this state, or to a city for which the department has entered into an agreement to provide tax administrative services, are from the fund or account to which the revenues being collected are recorded or dedicated. However, if the taxes collected are constitutionally dedicated for a specific purpose, the appropriation of collection costs and fees are from the general purpose account of the general fund.

(2) From the funds appropriated in part 1, the department of treasury may contract with private collections agencies and law firms to collect defaulted student loans and other accounts due the Michigan guaranty agency. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund collection costs and fees not to exceed 24.34% of the collection or a lesser amount as prescribed by the contract. The appropriation to fund collection costs and fees for the auditing and collection of defaulted student loans due the Michigan guaranty agency is from the fund or account to which the revenues being collected are recorded or dedicated.

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

(4) As a condition of receiving funds appropriated in part 1 for collection services, the department of treasury shall issue an RFP for secondary placement collection services if RFPs are issued for primary collection services. The RFP shall allow for a multiple collection contract approach. It shall also allow a bidder to bid on the entire contract, or for individual components of the contract.

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

(2) In addition to the funds appropriated in part 1 from the retirement funds to the department of treasury, there is appropriated from retirement funds an amount sufficient to pay for the services of money managers, investment advisors, investment consultants, custodians, and other outside professionals, the state treasurer considers necessary to prudently manage the retirement funds' investment portfolios. The state treasurer shall report annually to the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant appropriations subcommittees, and the state budget director concerning the performance of each portfolio by investment advisor.

(3) The department shall provide a report to the house and senate chairpersons of the relevant subcommittees, the house and senate fiscal agencies, and the state budget director by November 30 of each year identifying the service fees assessed against each retirement system under subsection (1) and the methodology used for assessment.

Sec. 904a. (1) There is appropriated an amount sufficient to recognize and pay expenditures for financial services provided by financial institutions or equivalent vendors that perform these services including treasury as provided under section 1 of 1861 PA 111, MCL 21.181.

(2) The appropriations under subsection (1) shall be funded by restricting revenues from common cash interest earnings and investment earnings in an amount sufficient to record these expenditures. If the amounts of common cash interest earnings are insufficient to cover these costs, then miscellaneous revenues shall be used to fund the remaining balance of these expenditures.

Sec. 905. A revolving fund known as the municipal finance fee fund is created in the department of treasury. Fees are established under the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, and the fees collected shall be credited to the municipal finance fee fund and may be carried forward for future appropriation.

Sec. 906. (1) The department of treasury shall charge for audits as permitted by state or federal law or under contractual arrangements with local units of government, other principal executive departments, or state agencies. However, the charge shall not be more than the actual cost for performing the audit. A report

detailing audits performed and audit charges for the immediately preceding fiscal year shall be submitted to the state budget director, the chairpersons of the relevant appropriations subcommittees, and the senate and house fiscal agencies not later than November 30.

(2) A revolving fund known as the audit charges fund is created in the department of treasury. The contractual charges collected shall be credited to the audit charges fund and may be carried forward for future appropriation.

Sec. 907. A revolving fund known as the assessor certification and training fund is created in the department of treasury. The assessor certification and training fund shall be used to organize and operate a property assessor certification and training program. Each participant certified and trained shall pay to the department of treasury examination fees not to exceed \$50.00 per examination and certification fees not to exceed \$175.00. Training courses shall be offered in assessment administration. Each participant shall pay a fee to cover the expenses incurred in offering the optional programs to certified assessing personnel and other individuals interested in an assessment career opportunity. The fees collected shall be credited to the assessor certification and training fund.

Sec. 908. The amount appropriated in part 1 for the home heating assistance program is to cover the costs, including data processing, of administering federal home heating credits to eligible claimants and to administer the supplemental fuel cost payment program for eligible tax credit and welfare recipients.

Sec. 909. Revenue from the airport parking tax act, 1987 PA 248, MCL 207.371 to 207.383, is appropriated and shall be distributed under section 7a of the airport parking tax act, 1987 PA 248, MCL 207.377a.

Sec. 910. The disbursement by the department of treasury from the bottle deposit fund to dealers as required by section 3c(3) of 1976 IL 1, MCL 445.573c, is appropriated.

Sec. 911. (1) There is appropriated an amount sufficient to recognize and pay refundable tax credits, tax refunds, and interest as provided by law.

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

Sec. 912. A plaintiff in a garnishment action involving this state shall pay to the state treasurer 1 of the following:

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

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

Sec. 913. (1) The department of treasury may contract with private firms to appraise and, if necessary, appeal the assessments of senior citizen cooperative housing units. Payment for this service shall be from savings resulting from the appraisal or appeal process.

(2) Of the funds appropriated in part 1 to the department of treasury for the senior citizen cooperative housing tax exemption program, a portion may be utilized for a program audit of the program. The department of treasury shall forward copies of any audit report completed to the senate and house of representatives standing committees on appropriations subcommittees on general government and to the state budget director. The department of treasury may utilize up to 1% of the funds for program administration and auditing.

Sec. 914. The department of treasury may provide a \$200.00 annual prize from the Ehlers internship award account in the gifts, bequests, and deposit fund to the runner-up of the Rosenthal prize for interns. The Ehlers internship award account is interest bearing.

Sec. 915. Pursuant to section 61 of the Michigan campaign finance act, 1976 PA 388, MCL 169.261, there is appropriated from the general fund to the state campaign fund an amount equal to the amounts designated for tax year 2021. Except as otherwise provided in this section, the amount appropriated shall not revert to the general fund and shall remain in the state campaign fund. Any amounts remaining in the state campaign fund in excess of \$10,000,000.00 on December 31 shall revert to the general fund.

Sec. 916. The department of treasury may make available to interested entities otherwise unavailable customized unclaimed property listings of nonconfidential information in its possession. The charge for this information is as follows: 1 to 100,000 records at 2.5 cents per record and 100,001 or more records at 0.5 cents per record. The revenue received from this service shall be deposited to the appropriate revenue account or fund. The department of treasury shall submit an annual report on or before June 1 to the state budget director and the senate and house of representatives standing committees on appropriations that states the amount of revenue received from the sale of information.

Sec. 917. (1) There is appropriated for write-offs and advances an amount equal to total write-offs and advances for departmental programs, but not to exceed current year authorizations that would otherwise lapse to the general fund.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year to the state budget director, the chairpersons of the relevant appropriations subcommittees, and the senate and house fiscal agencies not later than November 30 stating the amounts appropriated for write-offs and advances under subsection (1) and an explanation for each write-off or advance that occurred.

Sec. 919. (1) From funds appropriated in part 1, the department of treasury may contract with private auditing firms to audit for and collect unclaimed property due this state in accordance with the uniform unclaimed property act, 1995 PA 29, MCL 567.221 to 567.265. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to fund auditing and collection costs and fees not to exceed 12% of the collections, or a lesser amount as prescribed by the contract. The appropriation to fund collection costs and fees for the auditing and collection of unclaimed property due this state is from the fund or account to which the revenues being collected are recorded or dedicated.

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

Sec. 920. From the funds appropriated in part 1, the department of treasury shall produce a listing of all personal property tax reimbursement payments to be distributed in the current fiscal year by the local community stabilization authority and shall post the list of payments on the department website by June 30.

Sec. 921. From the funds appropriated in part 1, the department shall notify all members of the Michigan legislature on any revenue administrative bulletins, administrative rules involving tax administration or collection, or notices interpreting changes in law. The notification shall be issued the same day it is posted and shall include at least the following:

- (a) A summary of the proposed changes from current procedures.
- (b) Identification of potential industries that will be affected by the bulletin, notice, or rule.
- (c) A discussion of the potential fiscal implications of the bulletin, notice, or rule. This subdivision does not apply to a bulletin, notice, or rule that is a routine update of a tax or interest rate required by statute.
- (d) A summary of the reason for the proposed changes.

Sec. 924. (1) In addition to the funds appropriated in part 1, the department of treasury may receive and expend principal residence audit fund revenue for administration of principal residence audits under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year to the state budget director, the chairpersons of the relevant appropriations subcommittees, and the senate and house fiscal agencies not later than December 31 stating the amount of exemptions denied and the revenue received under the program.

Sec. 927. The department of treasury shall submit annual progress reports to the senate and house of representatives standing committees on appropriations subcommittees on general government and the senate and house fiscal agencies, regarding essential service assessment audits. The report shall include the number of audits, revenue generated, and number of complaints received by the department of treasury related to the audits.

Sec. 928. The department of treasury may provide receipt, check and cash processing, data, collection, investment, fiscal agent, levy and check cost assessment, writ of garnishment, and other user services on a contractual basis for other principal executive departments and state agencies. Funds for the services provided are appropriated and shall be expended for salaries and wages, fees, supplies, and equipment necessary to provide the services. Any unobligated balance of the funds received shall revert to the general fund of this state as of September 30.

Sec. 930. (1) The department of treasury shall provide accounts receivable collections services to other principal executive departments and state agencies under 1927 PA 375, MCL 14.131 to 14.134, or to a city for which the department has entered into an agreement to provide tax administration services. The department of treasury shall deduct a fee equal to the cost of collections from all receipts except unrestricted general fund collections. Fees shall be credited to a restricted revenue account and appropriated to the department of treasury to pay for the cost of collections. The department of treasury shall maintain accounting records in sufficient detail to enable the respective accounts to be reimbursed periodically for fees deducted that are determined by the department of treasury to be surplus to the actual cost of collections.

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

Sec. 931. (1) The appropriation in part 1 to the department of treasury for treasury fees shall be assessed against all restricted funds that receive common cash earnings or other investment income. Treasury fees include all costs, including administrative overhead, relating to the investment of each restricted fund. The

fee assessed against each restricted fund will be based on the size of the restricted fund (the absolute value of the average daily cash balance plus the market value of investments in the prior fiscal year) and the level of effort necessary to maintain the restricted fund as required by each department. The department of treasury shall provide a report to the state budget director, the senate and house of representatives standing committees on appropriations subcommittees on general government, and the senate and house fiscal agencies by November 30 of each year identifying the fees assessed against each restricted fund and the methodology used for assessment.

(2) In addition to the funds appropriated in part 1, the department of treasury may receive and expend investment fees relating to new restricted funding sources that participate in common cash earnings or other investment income during the current fiscal year. When a new restricted fund is created starting on or after October 1, that restricted fund shall be assessed a fee using the same criteria identified in subsection (1).

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

Sec. 934. (1) The department of treasury may expend revenues received under the hospital finance authority act, 1969 PA 38, MCL 331.31 to 331.84, the shared credit rating act, 1985 PA 227, MCL 141.1051 to 141.1076, the higher education facilities authority act, 1969 PA 295, MCL 390.921 to 390.934, the Michigan public educational facilities authority, Executive Reorganization Order No. 2002-3, MCL 12.192, the Michigan tobacco settlement finance authority act, 2005 PA 226, MCL 129.261 to 129.279, the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774, part 505 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.50501 to 324.50522, the state housing development authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c, and the Michigan finance authority, Executive Reorganization Order No. 2010-2, MCL 12.194, for necessary salaries, wages, supplies, contractual services, equipment, worker's compensation insurance premiums, grants to the civil service commission and state employees' retirement fund, and other expenses as allowed under those acts.

(2) The department of treasury shall report by January 31 to the senate and house appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director on the amount and purpose of expenditures made under subsection (1) from funds received in addition to those appropriated in part 1. The report shall also include a listing of reimbursement of revenue, if any. The report shall cover the previous fiscal year.

Sec. 935. The funds appropriated in part 1 for dual enrollment payments for an eligible student enrolled in a state-approved nonpublic school shall be distributed as provided under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, and the career and technical preparation act, 2000 PA 258, MCL 388.1901 to 388.1913, in a form and manner as determined by the department of treasury.

Sec. 937. As a condition of receiving funds in part 1, the department of treasury shall submit a report to the state budget director, the senate and house standing committees on appropriations, the chairpersons of the relevant appropriations subcommittees, and the senate and house fiscal agencies not later than March 31 regarding the performance of the Michigan accounts receivable collections system. The report shall include, but is not limited to:

(a) Information regarding the effectiveness of the department's current collection strategies, including use of vendors or contractors.

(b) The amount of delinquent accounts and collection referrals to vendors and contractors.

(c) The liquidation rates for declining delinquent accounts.

(d) The profile of uncollected delinquent accounts, including specific uncollected amounts by category.

(e) The department of treasury's strategy to manage delinquent accounts once those accounts exceed the vendor's or contractor's contracted collectible period.

(f) A summary of the strategies used in other states, including, but not limited to, secondary placement services, and assessing the benefits of those strategies.

Sec. 941. (1) From the funds appropriated in part 1, the department of treasury, in conjunction with the Michigan strategic fund, shall report to the senate and house of representatives standing committees on appropriations, the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director by November 1 on the annual cost of the Michigan economic growth authority tax credits. The report shall include for each year the board-approved credit amount, adjusted for credit amendments where applicable, and the actual and projected value of tax credits for each year from 1995 to the expiration of the credit program. For years for which credit claims are complete, the report shall include the total of actual certificated credit amounts. For years for which claims are still pending or not yet submitted, the report shall include a combination of actual credits where available and projected credits. Credit projections shall be based on updated estimates of employees, wages, and benefits for eligible companies.

(2) In addition to the report under subsection (1), the department of treasury, in conjunction with the Michigan strategic fund, shall report to the senate and house of representatives standing committees on appropriations, the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director by November 1 on the annual cost of all other certificated credits by program, for each year until the credits expire or can no longer be collected. The report shall include estimates on the brownfield redevelopment credit, film credits, MEGA photovoltaic technology credit, MEGA polycrystalline silicon manufacturing credit, MEGA vehicle battery credit, and other certificated credits.

Sec. 944. From the funds appropriated in part 1, if the department of treasury hires a pension plan consultant using any of the funds appropriated in part 1, the department shall retain any report provided to the department by that consultant, notify the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director, and shall make that report available upon request to the senate and house of representatives standing committees on appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director. A rationale for retention of a pension plan consultant shall be included in the notification of retention.

Sec. 945. From the funds appropriated in part 1, audits of local unit assessment administration practices, procedures, and records shall be conducted in each assessment jurisdiction a minimum of once every 5 years and in accordance with section 10g of the general property tax act, 1893 PA 206, MCL 211.10g.

Sec. 946. Revenue collected in the convention facility development fund is appropriated and shall be distributed under sections 8, 9, and 10 of the state convention facility development act, 1985 PA 106, MCL 207.628, 207.629, and 207.630.

Sec. 947. Financial independence teams shall cooperate with the financial responsibility section to coordinate and streamline efforts in identifying and addressing fiscal emergencies in school districts and intermediate school districts.

Sec. 948. Total authorized appropriations from all department of treasury sources under part 1 for legacy costs for the fiscal year ending September 30, 2023 are \$40,613,300.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$24,657,600.00. Total agency appropriations for retiree health care legacy costs are estimated at \$15,955,700.00.

Sec. 949. (1) From the funds appropriated in part 1, the department of treasury may contract with private agencies to prevent the disbursement of fraudulent tax refunds. In addition to the amounts appropriated in part 1 to the department of treasury, there are appropriated amounts necessary to pay contract costs or fund operations designed to reduce fraudulent income tax refund payments not to exceed \$1,500,000.00 of the refunds identified as potentially fraudulent and for which payment of the refund is denied. The appropriation to fund fraud prevention efforts is from the fund or account to which the revenues being collected are recorded or dedicated.

(2) The department of treasury shall submit a report for the immediately preceding fiscal year ending September 30 to the state budget director, the senate and house of representatives standing committees on appropriations, and the chairpersons of the relevant appropriations subcommittees not later than November 30 stating the number of refund claims denied due to the fraud prevention operations, the amount of refunds denied, the costs of the fraud prevention operations, and other pertinent information relating to determining whether this authority should be continued.

Sec. 949a. From the funds appropriated in part 1 for additional staff in city income tax administration, the department may expand individual income tax return administration to 1 additional city to leverage the department's capabilities to assist cities with their taxation efforts.

Sec. 949b. Tax capture revenues collected in accordance with written agreements under the good jobs for Michigan program and transferred from the general fund for deposit into the good jobs for Michigan fund, and for both calculated payments from the good jobs for Michigan fund to authorized businesses and distributions to the Michigan strategic fund for administrative expenses, are appropriated pursuant to the provisions of chapter 8D of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090g to 125.2090j.

Sec. 949c. From the funds appropriated in part 1, funds shall be expended in coordination with the department of agriculture and rural development to improve the timely processing and issuance of tax credits from the Michigan's farmland and open space preservation program created under section 36109 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.36109, for the Michigan's farmland and open space preservation program under parts 361 and 362 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.36101 to 324.36116 and 324.36201 to 324.36207, including, but not limited to:

(a) Timely review of mailed applications and paperwork.

(b) Timely and proactive communications to applicants regarding the status of the applicant's application.

(c) A clear and understood timeline for the issuance of any tax credits.

Sec. 949d. (1) From the funds appropriated in part 1 for financial review commission, the department of treasury shall continue financial review commission efforts in the current fiscal year. The purpose of the funding is to cover ongoing costs associated with the operation of the commission.

(2) The department of treasury shall identify specific outcomes and performance measures for this initiative, including, but not limited to, the department of treasury's ability to perform a critical fiscal review to ensure the city of Detroit does not reenter distress following its exit from bankruptcy and to ensure that the community district does not enter distress and maintains a balanced budget.

(3) The department of treasury must submit a report to the house and senate appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director by March 15. The report must describe the specific outcomes and measures required in subsection (1) and provide the results and data related to these outcomes and measures.

Sec. 949e. From the funds appropriated in part 1 for the state essential services assessment program, the department of treasury shall administer the state essential services assessment program. The program will provide the department of treasury the ability to collect the state essential services assessment which is a phased-in replacement of locally collected personal property taxes on eligible manufacturing personal property.

Sec. 949f. Revenue from the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, related to counties with a 2000 population of more than 2,000,000 is appropriated and shall be distributed under section 12(4)(d) of the tobacco products tax act, 1993 PA 327, MCL 205.432.

Sec. 949g. Tax capture revenues collected in accordance with written agreements under the employment opportunity program and transferred from the general fund for deposit into the employment opportunity fund, and for both calculated payments from the employment opportunity fund to authorized businesses and distributions to the Michigan strategic fund for administrative expenses, are appropriated pursuant to the provisions of chapter 8F of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090t to 125.2090w.

Sec. 949h. Revenue from part 6 of the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27601 to 333.27605, is appropriated and distributed pursuant to part 6 of the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27601 to 333.27605.

Sec. 949i. Revenue from the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967, is appropriated and distributed pursuant to the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967.

Sec. 949j. All funds in the wrongful imprisonment compensation fund created in the wrongful imprisonment compensation act, 2016 PA 343, MCL 691.1751 to 691.1757, are appropriated and available for expenditure. Expenditures are limited to support wrongful imprisonment compensation payments pursuant to section 6 of the wrongful imprisonment compensation act, 2016 PA 343, MCL 691.1756.

Sec. 949k. There is appropriated an amount equal to the tax captured revenues due under approved transformational brownfield plans created in the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

Sec. 949l. (1) The transportation administration support fund is created within the department of treasury.

(2) Any unexpended funds in the transportation administration support fund created in this section shall be carried forward and available for expenditure under this section.

(3) Funds may only be spent from the transportation administration support fund upon appropriation, or legislative transfer pursuant to section 393 of the management and budget act, 1984 PA 431, MCL 18.1393.

(4) The state treasurer may receive money or other assets from any source for deposit into the transportation administration support fund. The state treasurer shall direct the investment of the transportation administration support fund. The state treasurer shall credit to the transportation administration support fund interest and earnings from the transportation administration support fund.

(5) Funds in the transportation administration support fund at the close of the fiscal year shall remain in the transportation administration support fund and shall not lapse to the general fund.

(6) Funds appropriated in part 1 for transportation administration support fund must be deposited in the transportation administration support fund created under this section.

Sec. 949m. From the funds appropriated in part 1, the Michigan infrastructure council will plan, conduct, and contract for asset management improvement activities, including, but not limited to, infrastructure data collection activities, asset manager training, development of a 30-year asset management plan for Michigan, assistance in asset management improvement projects including maintaining an asset management portal, and other projects that promote improved asset management for infrastructure in Michigan.

Sec. 949n. Any money received as gifts or donations to the fostering futures scholarship trust fund created by the fostering futures scholarship trust fund act, 2008 PA 525, MCL 722.1021 to 722.1031, is appropriated for expenditure for the purposes of the fostering futures scholarship program.

Sec. 949r. (1) From the funds appropriated in part 1 for local government programs, the department shall, in partnership with a public university located in this state, develop an information technology strategy that does all of the following:

- (a) Identifies opportunities for machine-readable financial disclosures for local units of government.
- (b) Uses XBRL.
- (c) Allows for local units of government to transition to the strategy if their existing information technology systems are retired or if new software solutions are used for creating and processing integrated data and reporting.
- (d) Creates a pilot program for associations representing local units of government and government finance officers to do both of the following:
 - (i) Review the feasibility of local units of government using XBRL software to file required financial reporting with department of treasury.
 - (ii) Assist the department in developing the information technology strategy.
- (2) The department shall determine the feasibility and cost of implementing the ability to accept XBRL files on the department's website as a substitute for annual financial reports, form F-65, and form 5572, including any enhancements to current information technology systems that are required to implement the information technology strategy developed under subsection (1).
- (3) As used in this section, "XBRL" means extensible business reporting language.

REVENUE SHARING

Sec. 950. The funds appropriated in part 1 for constitutional revenue sharing shall be distributed by the department of treasury to cities, villages, and townships, as required under section 10 of article IX of the state constitution of 1963. Revenue collected in accordance with section 10 of article IX of the state constitution of 1963 in excess of the amount appropriated in part 1 for constitutional revenue sharing is appropriated for distribution to cities, villages, and townships, on a population basis as required under section 10 of article IX of the state constitution of 1963.

Sec. 952. (1) The funds appropriated in part 1 for city, village, and township revenue sharing are for grants to cities, villages, and townships such that, subject to fulfilling the requirements under subsection (3), each city, village, or township that received a payment under section 952(1) of 2021 PA 87 is eligible to receive a payment equal to 106.0% of its total eligible payment under section 952(1) of 2021 PA 87, rounded to the nearest dollar. For purposes of this subsection, any city, village, or township that completely merges with another city, village, or township will be treated as a single entity, such that when determining the eligible payment under section 952(1) of 2021 PA 87 for the combined single entity, the amount each of the merging local units of government was eligible to receive under section 952(1) of 2021 PA 87 is summed.

(2) The funds appropriated in part 1 for the county incentive program are to be used for grants to counties such that each county is eligible to receive an amount equal to 20% of the amount determined pursuant to the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921. The amount calculated under this subsection shall be adjusted as necessary to reflect partial county fiscal years and prorated based on the total amount appropriated for distribution to all eligible counties. Except as otherwise provided under this subsection, payments under this subsection will be distributed to an eligible county subject to the county's fulfilling the requirements under subsection (3).

(3) For purposes of accountability and transparency, each eligible city, village, township, or county shall certify by December 1, or the first day of a payment month, that it has produced a citizen's guide of its most recent local finances, including a recognition of its unfunded liabilities; a performance dashboard; a debt service report containing a detailed listing of its debt service requirements, including, at a minimum, the issuance date, issuance amount, type of debt instrument, a listing of all revenues pledged to finance debt service by debt instrument, and a listing of the annual payment amounts until maturity; and a projected budget report, including, at a minimum, the current fiscal year and a projection for the immediately following fiscal year. The projected budget report shall include revenues and expenditures and an explanation of the assumptions used for the projections. Each eligible city, village, township, or county shall include in any mailing of general information to its citizens the internet website address location for its citizen's guide, performance dashboard, debt service report, and projected budget report or the physical location where these documents are available for public viewing in the city, village, township, or county clerk's office. Each city, village, township, and county applying for a payment under this subsection shall submit a copy of the performance dashboard, a copy of the debt service report, and a copy of the projected budget report to the department of treasury. In addition, each eligible city, village, township, or county applying for a payment under this subsection shall either submit a copy of the citizen's guide or certify that the city, village, township, or county will be utilizing treasury's online citizen's guide. The department of treasury shall develop detailed guidance for a city, village, township, or county to follow to meet the requirements of this subsection. The detailed guidance shall be posted on the department of treasury website and distributed to cities, villages, townships, and counties by October 1.

(4) City, village, and township revenue sharing payments and county incentive program payments are subject to the following conditions:

(a) The city, village, township, or county shall certify to the department that it has met the required criteria for subsection (3) and submitted the required citizen's guide, performance dashboard, debt service report, and projected budget report as required by subsection (3). A department of treasury review of the citizen's guide, dashboard, or reports is not required in order for a city, village, township, or county to receive a payment under subsection (1) or (2). The department shall develop a certification process and method for cities, villages, townships, and counties to follow.

(b) Subject to subdivisions (c), (d), and (e), if a city, village, township, or county meets the requirements of subsection (3), the city, village, township, or county shall receive its full potential payment under this section.

(c) Cities, villages, and townships eligible to receive a payment under subsection (1) shall receive 1/6 of their eligible payment on the last business day of October, December, February, April, June, and August. Payments under subsection (1) shall be issued to cities, villages, and townships until the specified due date for subsection (3). After the specified due date for subsection (3), payments shall be made to a city, village, or township only if that city, village, or township has complied with subdivision (a).

(d) Payments under subsection (2) shall be issued to counties until the specified due date for subsection (3). After the specified due date for subsection (3), payments shall be made to a county only if that county has complied with subdivision (a).

(e) If a city, village, township, or county does not submit the required certification, citizen's guide, performance dashboard, debt service report, and projected budget report by the first day of a payment month, the city, village, township, or county shall forfeit the payment in that payment month.

(f) Any city, village, township, or county that falsifies certification documents shall forfeit any future city, village, and township revenue sharing payments or county incentive program payments and shall repay to this state all payments it has received under this section.

(g) City, village, and township revenue sharing payments and county incentive program payments under this section shall be distributed on the last business day of October, December, February, April, June, and August.

(h) Payments distributed under this section may be withheld pursuant to sections 17a and 21 of the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.917a and 141.921.

(5) The unexpended funds appropriated in part 1 for city, village, and township revenue sharing and the county incentive program shall be available for expenditure under the program for financially distressed cities, villages, or townships after the approval of transfers by the legislature pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(6) Any city, village, or township eligible to receive a payment under subsection (1) and determined to have a retirement pension benefit system in underfunded status under section 5 of the protecting local government retirement and benefits act, 2017 PA 202, MCL 38.2805, must allocate an amount equal to its current year eligible payment under subsection (1) less the sum of its eligible payment for city, village, and township revenue sharing in 2019 PA 56 to its pension unfunded liability. A city, village, or township that has issued a municipal security under section 518 of the revised municipal finance act, 2001 PA 34, MCL 141.2518, is exempt from this requirement.

Sec. 955. (1) The funds appropriated in part 1 for county revenue sharing shall be distributed by the department of treasury so that each eligible county receives a payment equal to 113.04552% of the amount determined pursuant to the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921, less the amount for which the county is eligible under section 952(2) of this part. The amount calculated under this subsection shall be adjusted as necessary to reflect partial county fiscal years and prorated based on the total amount appropriated for distribution to all eligible counties.

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

(3) Any county eligible to receive a payment under subsection (1) and determined to have a retirement pension benefit system in underfunded status under section 5 of the protecting local government retirement and benefits act, 2017 PA 202, MCL 38.2805, must allocate an amount equal to the sum of its current year eligible payment for county revenue sharing and the county incentive program less the sum of its 2019 PA 56 eligible payment for county revenue sharing and the county incentive program to its pension unfunded liability. A county that has issued a municipal security under section 518 of the revised municipal finance act, 2001 PA 34, MCL 141.2518, is exempt from this requirement.

Sec. 956. (1) The funds appropriated in part 1 for financially distressed cities, villages, or townships shall be granted by the department of treasury to cities, villages, and townships that have 1 or more conditions that indicate probable financial distress, as determined by the department of treasury. A city, village, or township with 1 or more conditions that indicate probable financial distress may apply in a manner

determined by the department of treasury for a grant to pay for specific projects or services that move the city, village, or township toward financial stability. Grants are to be used for specific projects or services that move the city, village, or township toward financial stability. The city, village, or township must use the grants under this section to make payments to reduce unfunded accrued liability; to repair or replace critical infrastructure and equipment owned or maintained by the city, village, or township; to reduce debt obligations; or for costs associated with a transition to shared services with another jurisdiction; or to administer other projects that move the city, village, or township toward financial stability. The department of treasury shall award no more than \$2,000,000.00 to any city, village, or township under this section.

(2) The department of treasury shall provide a report to the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director by March 31. The report shall include a list by grant recipient of the date each grant was approved, the amount of the grant, and a description of the project or projects that will be paid by the grant.

(3) The unexpended funds appropriated in part 1 for financially distressed cities, villages, or townships are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide assistance to financially distressed cities, villages, and townships under this section.

(b) The projects will be accomplished by grants to cities, villages, and townships approved by the department of treasury.

(c) The total estimated cost of all projects is \$2,500,000.00.

(d) The tentative completion date is September 30, 2027.

BUREAU OF STATE LOTTERY

Sec. 960. In addition to the funds appropriated in part 1 to the bureau of state lottery, there is appropriated from state lottery fund revenues the amount necessary for, and directly related to, implementing and operating lottery games under the McCauley-Traxler-Law-Bowman-McNeely lottery act, 1972 PA 239, MCL 432.1 to 432.47, and activities under the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.152, including expenditures for contractually mandated payments for vendor commissions, contractually mandated payments for instant tickets intended for resale, the contractual costs of providing and maintaining the online system communications network, and incentive and bonus payments to lottery retailers.

Sec. 964. For the bureau of state lottery, there is appropriated 1% of the lottery's prior fiscal year's gross sales for promotion and advertising.

CASINO GAMING

Sec. 971. (1) From the revenue collected by the Michigan gaming control board regarding the total annual assessment of each casino licensee, \$2,000,000.00 is appropriated and shall be deposited in the compulsive gaming prevention fund as described in section 12a(5) of the Michigan Gaming Control and Revenue Act, 1996 IL 1, MCL 432.212a.

(2) After the board has incurred the costs of regulating and enforcing internet sports betting, \$500,000.00 is appropriated and shall be deposited into the compulsive gaming prevention fund as described in section 16(4) of the lawful sports betting act, 2019 PA 149, MCL 432.416. Following these disbursements, \$2,000,000.00 is appropriated and shall be deposited in the first responder presumed coverage fund as described in section 16(4) of the lawful sports betting act, 2019 PA 149, MCL 432.416.

(3) An appropriation of \$500,000.00 shall be deposited into the compulsive gaming prevention fund as described in section 16(4) of the lawful internet gaming act, 2019 PA 152, MCL 432.316, except as provided in section 15(2) of the lawful internet gaming act, 2019 PA 152, MCL 432.315, and after the board has incurred the costs of regulating and enforcing internet gaming under the lawful internet gaming act, 2019 PA 152, MCL 432.301 to 432.322, and the costs of administering and enforcing millionaire party activity authorized by the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.152. Following these disbursements, \$2,000,000.00 is appropriated and shall be deposited into the first responder presumed coverage fund as described in section 16(4) of the lawful internet gaming act, 2019 PA 152, MCL 432.316.

Sec. 972. After all other required expenditures described in section 16(3) of the fantasy contests consumer protection act, 2019 PA 157, MCL 432.516; section 16(4) of the lawful internet gaming act, 2019 PA 152, MCL 432.316; and section 16(4) of the lawful sports betting act, 2019 PA 149, MCL 432.416 are made, any money remaining in the fantasy contest fund, internet gaming fund, and internet sports betting fund are appropriated and shall be deposited into the state school aid fund as described in section 16(3)(b) of the fantasy contests consumer protection act, 2019 PA 157, MCL 432.516; section 16(4) of the lawful internet gaming act, 2019 PA 152, MCL 432.316; and section 16(4) of the lawful sports betting act, 2019 PA 149, MCL 432.416.

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

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

(3) A county treasurer is authorized to receive and administer funds received for and on behalf of a local revenue sharing board. Funds appropriated in part 1 for local government programs may be used to audit local revenue sharing board funds held by a county treasurer. This section does not limit the ability of local units of government to enter into agreements with federally recognized Indian tribes to provide financial assistance to local units of government or to jointly provide public services.

(4) A local revenue sharing board described in subsection (1) shall comply with all applicable provisions of any agreement authorized by the Indian gaming regulatory act, Public Law 100-497, in which the local revenue sharing board is referenced, including, but not limited to, the disbursement of tribal casino payments received under applicable provisions of the tribal-state class III gaming compact in which those funds are received.

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

(6) The Michigan gaming control board shall submit a report by September 30 to the senate and house of representatives standing committees on appropriations and the state budget director on the receipts and distribution of revenues by local revenue sharing boards.

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

Sec. 976. The executive director of the Michigan gaming control board may pay rewards of not more than \$5,000.00 to a person who provides information that results in the arrest and conviction on a felony or misdemeanor charge for a crime that involves the horse racing industry. A reward paid pursuant to this section shall be paid out of the appropriation in part 1 for the racing commission.

Sec. 977. All appropriations from the equine development fund, except for the racing commission appropriations, shall be reduced proportionately if revenues to the equine development fund decline during the current fiscal year to a level lower than the amount appropriated in part 1.

Sec. 978. The Michigan gaming control board shall use actual expenditure data in determining the actual regulatory costs of conducting racing dates and shall provide that data to the senate and house appropriations subcommittees on agriculture and general government, the state budget director, and the senate and house fiscal agencies. The Michigan gaming control board shall not be reimbursed for more than the actual regulatory cost of conducting race dates. If a certified horsemen's organization funds more than the actual regulatory cost, the balance shall remain in the equine development fund to be used to fund subsequent race dates conducted by race meeting licensees with which the certified horsemen's organization has contracts. If a certified horsemen's organization funds less than the actual regulatory costs of the additional horse racing dates, the Michigan gaming control board shall reduce the number of future race dates conducted by race meeting licensees with which the certified horsemen's organization has contracts. Prior to the reduction in the number of authorized race dates due to budget deficits, the executive director of the Michigan gaming control board shall provide notice to the certified horsemen's organizations with an opportunity to respond with alternatives. In determining actual costs, the Michigan gaming control board shall take into account that each specific breed may require different regulatory mechanisms.

Sec. 979. From the funds appropriated in part 1 for millionaire party regulation, the Michigan gaming control board may receive and expend internet gaming fund revenue in an amount not to exceed the amount appropriated in part 1 for necessary expenses incurred in the licensing and regulation of millionaire parties under article 2 of the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.132 to 432.152. Any unused internet gaming fund revenues are subject to the distribution requirements in section 16 of the lawful internet gaming act, 2019 PA 152, MCL 432.316. The Michigan gaming control board shall provide a report to the senate and house of representatives appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director by March 1. The report shall include, but not be limited to, total expenditures related to the licensing and regulating of millionaire parties, steps taken to ensure charities are receiving revenue due to them, progress on promulgating rules to ensure compliance with the Traxler-McCauley-Law-Bowman bingo act, 1972 PA 382, MCL 432.101 to 432.152, and any enforcement actions taken.

ONE-TIME APPROPRIATIONS

Sec. 979a. (1) From the funds appropriated in part 1 for local unit municipal pension principal payment grant, the department of treasury shall establish and operate a grant program that would provide grant awards to qualified units for deposit into a qualified unit's qualified retirement system or systems. The grant award payment into the qualified retirement system must be in addition to a qualified unit's actuarially determined contribution as reported under section 5 of the protecting local government retirement and benefits act, 2017 PA 202, MCL 38.2805, as of December 31, 2021 and must not be used by the qualified unit to meet its actuarially determined contribution for a qualified retirement system or systems.

(2) To qualify for a grant award under this section, a qualified unit must certify and attest via an affidavit that it shall implement all of the following practices upon the receipt of a grant award:

(a) The qualified unit shall make, in full, all actuarially determined contributions. If a qualified unit's actual contribution is less than the actuarially determined contribution, the qualified unit shall remit an amount equal to the difference to the qualified retirement system within 12 months. If the qualified unit fails to remit this payment within 12 months, the department of treasury may intercept the qualified unit's revenue sharing payment. For a qualified unit that is a road commission, the department of transportation, in cooperation with the department of treasury, may intercept an available state revenue distribution.

(b) The qualified unit shall not provide contractual benefit enhancements unless the contractual benefit enhancement is 100% prefunded. Failure to meet the conditions of this subdivision requires repayment of the grant award that was received by the qualified unit. The qualified governmental unit shall notify the department of treasury in a form and manner prescribed of any contractual benefit enhancement under this subsection within 30 days.

(c) A qualified retirement system with a discount rate or assumed rate of return less than or equal to 7% must assume a discount rate or assumed rate of return of not more than the current rate. A qualified retirement system with a discount rate or assumed rate of return greater than 7% must lower its discount rate or assumed rate of return to a rate at or below 7% within the immediately succeeding 5-year period.

(d) The qualified retirement system shall adopt, on the recommendation of the actuary and in accordance with all applicable actuarial standards of practice, the most current mortality tables that are most appropriate for the characteristics of the population, which may subsequently be adjusted based on an experience study of the qualified retirement system.

(e) The qualified unit shall be subject to corrective action plan monitoring by the municipal stability board for 5 years following receipt of any grant award.

(f) Before completing corrective action plan monitoring in a 5-year period, the qualified unit shall comply with the uniform actuarial assumptions of retirement systems, except for the discount rate and assumed rate of return assumptions, published as of December 31, 2021 by the state treasurer under the protecting local government retirement and benefits act, 2017 PA 202, MCL 38.2801 to 38.2812, for the qualified retirement system. A qualified unit, if that unit has, previous to the enactment of this bill, had an amortization schedule approved by an accredited actuary in accordance with all actuarial standards of practice, and if that amortization schedule has been reviewed and approved by the state treasurer, is not subject to the uniform actuarial assumptions of retirement systems' assumption on amortization and may maintain its current amortization schedule.

(3) Grant awards under this section must be capped at \$170,000,000.00 for any qualified unit's qualified retirement system.

(4) The department of treasury shall develop, and publish on the department website, program guidelines, an application process, and the associated application materials no later than April 15, 2023. The department of treasury must accept applications from qualified units beginning April 15, 2023 and ending on June 15, 2023. Grant awards to a qualified retirement system under this section shall not exceed an amount equal to the amount necessary to achieve a funded ratio of 60% or the cap on grant awards in subsection (3), whichever is less, and funds must be disbursed no later than August 30, 2023.

(5) From the funds appropriated in part 1 for local unit municipal pension principal payment grant, an amount not to exceed \$1,000,000.00 may be used by the department of treasury for administrative costs related to this section, including, but not limited to, the use of a vendor to assist with processing applications.

(6) If the amount appropriated is insufficient to meet all grant award requests, the department of treasury shall prorate payments under this section by reducing the amount of the allocation as otherwise calculated under this section by an equal percentage per qualified unit receiving funds under this section.

(7) As used in this section:

(a) "Contractual benefit enhancement" means any change to the current benefit policy for active members in a qualified retirement system that increases the actuarially determined contribution rate or decreases the funded ratio of the system. This does not include wage and salary increases.

(b) “Qualified retirement system” means a retirement pension benefit within a retirement system, as defined in section 3 of the protecting local government retirement and benefits act, 2017 PA 202, MCL 38.2803, of a qualified unit, with a funded ratio below 60 based on the last report filed as required by section 5 of the protecting local government retirement and benefits act, 2017 PA 202, MCL 38.2805, as of December 31, 2021.

(c) “Qualified unit” means a city, county, township, village, or road commission that operates a qualified retirement system.

Sec. 979b. (1) In addition to the funds appropriated in part 1 for local unit municipal pension principal payment grant, there is appropriated an amount not to exceed \$50,000,000.00 general fund to make payments to qualified units as defined under section 979a, to the extent necessary, as determined by the state treasurer, to ensure that the qualified retirement systems of qualified units receiving funds under section 979a have a funded ratio of at least 60%.

(2) Funds distributed under this section are subject to section 979a except for the cap in section 979a(3).

Sec. 979c. The funds appropriated in part 1 for state police retirement system deposit must be used solely for a deposit into the state police retirement system. The deposit into the state police retirement system must be in addition to the actuarially determined contribution and must not be used to meet the actuarially determined contribution for the state police retirement system.

DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

Sec. 980. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$15,000,000.00 for federal contingency authorization. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Sec. 981. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2023 are estimated at \$65,125,800.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$39,539,900.00. Total agency appropriations for retiree health care legacy costs are estimated at \$25,585,900.00.

Sec. 982. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 and that do not require additional state matching funds are appropriated for the purposes intended. The department may carry forward into the succeeding fiscal year unexpended federal pass-through funds to local institutions and governments that do not require additional state matching funds. The department shall report the amount and source of the funds to the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director within 10 business days after receiving any additional pass-through funds.

Sec. 983. The department of labor and economic opportunity, Michigan strategic fund, and Michigan state housing development authority shall not use funds appropriated in part 1 for broadband construction, expansion, repairs, or upgrades or to issue or refinance bonds for broadband construction, expansion, repairs, or upgrades.

Sec. 984. As a condition of receiving funds in part 1, the department of labor and economic opportunity shall utilize SIGMA as an appropriation and expenditure reporting system to track all financial transactions with individual vendors, contractual partners, grantees, recipients of business incentives, and recipients of other economic assistance. Encumbrances and expenditures shall be reported in a timely manner.

Sec. 985. (1) Grants supported with private revenues received by the department are appropriated upon receipt and are available for expenditure by the department, subject to subsection (3), for purposes specified within the grant agreement and as permitted under state and federal law.

(2) Within 10 days after the receipt of a private grant appropriated in subsection (1), the department shall notify the house and senate chairpersons of the subcommittees, the senate and house fiscal agencies, and the state budget director of the receipt of the grant, including the fund source, purpose, and amount of the grant.

(3) The amount appropriated under subsection (1) shall not exceed \$1,500,000.00.

Sec. 986. (1) The department may charge registration fees to attendees of informational, training, or special events sponsored by the department, and related to activities that are under the department's purview.

(2) These fees shall reflect the costs for the department to sponsor the informational, training, or special events.

(3) Revenue generated by the registration fees is appropriated upon receipt and available for expenditure to cover the department's costs of sponsoring informational, training, or special events.

(4) Revenue generated by registration fees in excess of the department's costs of sponsoring informational, training, or special events shall carry forward to the subsequent fiscal year and not lapse to the general fund.

(5) The amount appropriated under subsection (3) shall not exceed \$500,000.00.

Sec. 987. (1) The department may sell documents at a price not to exceed the cost of production and distribution. Money received from the sale of these documents shall revert to the department. In addition to the funds appropriated in part 1, these funds are available for expenditure when they are received by the department of treasury. This subsection applies only to R 418.10101 to R 418.101504 of the Michigan Administrative Code.

(2) Unexpended funds at the end of the fiscal year shall carry forward to the subsequent fiscal year and not lapse to the general fund.

Sec. 988. If the revenue collected by the department for radiological health administration and projects from fees and collections exceeds the amount appropriated in part 1, the revenue may be carried forward into the subsequent fiscal year. The revenue carried forward under this section shall be used as the first source of funds in the subsequent fiscal year.

Sec. 989. It is the intent of the legislature that the workers' compensation agency through the department of labor and economic opportunity annually update R 418.10101 to R 418.101504 of the Michigan Administrative Code, as required under sections 205 and 315 of the worker's disability compensation act of 1969, 1969 PA 317, MCL 418.205 and 418.315, and section 33 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.233.

Sec. 989c. It is the intent of the legislature that all of the broadband-focused FTE positions located within various state departments be consolidated into the department of labor and economic opportunity as referenced by the reporting requirements of section 359(20) of 2022 PA 53.

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

Sec. 990. MSHDA shall annually present a report to the state budget director and the subcommittees on the status of the authority's housing production goals under all financing programs established or administered by the authority. The report shall give special attention to efforts to raise affordable multifamily housing production goals.

Sec. 991. From the funds appropriated in part 1, the department of labor and economic opportunity may hire or contract for 20.0 limited-term employees for the housing and rental assistance program to administer programs funded under this act.

STATE LAND BANK AUTHORITY

Sec. 995. In addition to the amounts appropriated in part 1, the state land bank authority may expend revenues received under the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774, for the purposes authorized by the act, including, but not limited to, the acquisition, lease, management, demolition, maintenance, or rehabilitation of real or personal property, payment of debt service for notes or bonds issued by the authority, and other expenses to clear or quiet title property held by the authority.

MICHIGAN STRATEGIC FUND

Sec. 1004. As a condition of receiving funds appropriated in part 1, the MSF shall provide all information required to be transmitted in the activities report required under section 9 of the Michigan strategic fund act, 1984 PA 270, MCL 125.2009, to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director by March 15.

Sec. 1005. In addition to the appropriations in part 1, Travel Michigan may receive and expend private revenue related to the use of "Pure Michigan" and all other copyrighted slogans and images. This revenue may come from the direct licensing of the name and image or from the royalty payments from various merchandise sales. Revenue collected is appropriated for the marketing of this state as a travel destination. The funds are available for expenditure when they are received by the department of treasury. If the fund receives revenues from the use of "Pure Michigan", the fund shall provide a report that lists the revenues by source received from the use of "Pure Michigan" and all other copyrighted slogans and images. The report shall provide a detailed list of expenditures of revenues received under this section. The report shall be provided to the chairpersons of the senate and house of representatives standing committees on appropriations, the relevant senate and house of representatives appropriations subcommittees, the house and senate fiscal agencies, and the state budget director by March 1.

Sec. 1005a. (1) From the funds appropriated in part 1 for Pure Michigan and ARP – Pure Michigan, state fiscal recovery fund dollars and general fund dollars shall be appropriated for the following purposes:

- (a) Conduction of market research regionally, nationally, and internationally for use in market campaigns.
- (b) Production of advertisements for the promotion of Michigan as a place to live, work, and play.
- (c) Placement of advertisements in regional, national, and international market campaigns.
- (d) Administration of the program.
- (e) Other activities that promote Michigan as a place to live, work, and play.
- (f) Matching marketing campaigns funded from the local promotion fund or private promotion fund.
- (2) The fund may contract any of the activities under subsection (1).

(3) The fund may work in cooperation with local units of government, nonprofit entities, and private entities on Pure Michigan promotion campaigns. The fund shall include agreements prior to undertaking cooperative marketing campaigns.

Sec. 1005b. (1) A local promotion fund is created in the department of labor and economic opportunity. The fund may receive funds from local units of government and nonprofit entities and deposit these funds into the local promotion fund. Funds received are available for expenditure for use in Pure Michigan promotion campaigns. The fund may maintain individual accounts for local units of government and nonprofit entities that deposit funds into the local promotion fund upon request from a local unit of government. As used in this subsection, “local unit of government” includes cities, villages, townships, counties, and regional councils of government.

(2) Local promotion funds appropriated in part 1 may be used for media production and placements, national and international marketing campaigns, and for other activities that promote Michigan as a place to live, work, and play.

(3) Any unexpended or unencumbered balance shall be disposed of in accordance with the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, unless carryforward authorization has been otherwise provided for.

Sec. 1005c. (1) A private promotion fund is created in the department of labor and economic opportunity. The fund may receive funds from private entities and deposit these funds into the private promotion fund. Funds received are available for expenditure for use in Pure Michigan promotion campaigns. The fund may maintain individual accounts for private entities that deposit funds into the private promotion fund upon request from a private entity.

(2) Private promotion funds appropriated in part 1 may be used for media production and placements, national and international marketing campaigns, and for other activities that promote Michigan as a place to live, work, and play.

(3) Any unexpended or unencumbered balance shall be disposed of in accordance with the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, unless carryforward authorization has been otherwise provided for.

Sec. 1006. (1) As a condition of receiving funds appropriated in part 1, the fund shall provide a report of all approved amendments to projects for the immediately preceding year under sections 88r and 90b of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088r and 125.2090b. The report shall provide a description of each amendment, by award, which shall include, but is not limited to, the following:

- (a) The amended award amount relative to the prior award amount.
- (b) The amended number of committed jobs relative to the prior number of committed jobs.
- (c) The amended amount of qualified investment committed relative to the prior amount of qualified investment committed.
- (d) A description of any change in scope of the project.
- (e) A description of any change in project benchmarks, deadlines, or completion dates.
- (f) The reason or justification for the amendment approval.

(2) In addition to being posted online, the report shall be distributed to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director by March 15.

Sec. 1007. (1) As a condition of receiving funds appropriated in part 1, the fund shall request the following information from the MEDC:

- (a) Approved budget from the MEDC executive committee for the current fiscal year and actual budget expenditures for the preceding fiscal years.
- (b) Expenditures and revenues as part of the current and preceding year budgets, including the available fund balance for the current and preceding fiscal years.
- (c) The total number of FTEs, by state and corporate status.
- (d) A reporting of activities, programs, and grants consistent with the preceding fiscal year budget.

(2) Information received by the MSF pursuant to this section shall be posted online and distributed to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director by March 15.

Sec. 1008. As a condition of receiving funds under part 1, any interlocal agreement entered into by the fund shall include language which states that if a local unit of government has a contract or memorandum of understanding with a private economic development agency, the MEDC will work cooperatively with that private organization in that local area.

Sec. 1009. (1) Of the funds appropriated to the fund or through grants to the MEDC, no funds shall be expended for the purchase of options on land or the purchase of land unless at least 1 of the following conditions applies:

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

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

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

(3) As used in this section, "economically distressed area" means an area in a city, village, or township that has been designated as blighted; a city, village, or township that shows negative population change from 1970 and a poverty rate and unemployment rate greater than the statewide average; or an area certified as a neighborhood enterprise zone under the neighborhood enterprise zone act, 1992 PA 147, MCL 207.771 to 207.786.

(4) If land or options on land are purchased under subsection (1), the fund shall provide a report to the senate and house of representatives standing committees on appropriations, the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director that provides a list of all properties purchased, all options on land purchased, the location of the land purchased, and the purchase price if the fund purchases options on land or land. The report must be submitted before March 15.

Sec. 1010. As a condition for receiving funds in part 1, not later than March 15, the fund shall provide a report for the immediately preceding fiscal year on the jobs for Michigan investment fund, created in section 88h of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088h. The report shall be submitted to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director. The report shall include, but is not limited to, all of the following:

(a) A detailed listing of revenues, by fund source, to the jobs for Michigan investment fund. The listing shall include the manner and reason for which the funds were appropriated to the jobs for Michigan investment fund.

(b) A detailed listing of expenditures, by project, from the jobs for Michigan investment fund.

(c) A fiscal year-end balance of the jobs for Michigan investment fund.

Sec. 1011. (1) From the appropriations in part 1 to the fund and granted or transferred to the MEDC, any unexpended or unencumbered balance shall be disposed of in accordance with the requirements in the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, unless carryforward authorization has been otherwise provided for.

(2) Any encumbered funds, including encumbered funds subsequently unobligated, shall be used for the same purposes for which funding was originally appropriated in this part and part 1.

(3) For funds appropriated in part 1 to the fund, any carryforward authorization subsequently created through a work project shall be preserved until a cash or accrued expenditure has been executed or the allowable work project time period has expired.

Sec. 1012. (1) As a condition of receiving funds under part 1, the fund shall ensure that the MEDC and the fund comply with all of the following:

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

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

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

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

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

Sec. 1013. As a condition for receiving the appropriations in part 1, any staff of the MEDC involved in private fund-raising activities shall not be party to any decisions regarding the awarding of grants, incentives, or tax abatements from the fund, the MEDC, or the Michigan economic growth authority.

Sec. 1024. From the funds appropriated in part 1 for business attraction and community revitalization, not less than 20% shall be granted by the fund board for brownfield redevelopment and historic preservation projects under the community revitalization program authorized by chapter 8C of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090 to 125.2090d.

Sec. 1032. (1) The fund shall report to the chairpersons of the senate and house of representatives standing committees on appropriations, the relevant senate and house of representatives appropriations subcommittees, the state budget director, and the senate and house fiscal agencies on the status of the film incentives at the same time as it submits the annual report required under section 455 of the Michigan business tax act, 2007 PA 36, MCL 208.1455. The department of treasury shall provide the fund with the data necessary to prepare the report. Incentives included in the report shall include all of the following:

(a) The tax credit provided under section 455 of the Michigan business tax act, 2007 PA 36, MCL 208.1455.

(b) The tax credit provided under section 457 of the Michigan business tax act, 2007 PA 36, MCL 208.1457.

(c) The tax credit provided under section 459 of the Michigan business tax act, 2007 PA 36, MCL 208.1459.

(d) The amount of any tax credit claimed under former section 367 of the income tax act of 1967, 1967 PA 281.

(e) Any tax credits provided for film and digital media production under the Michigan economic growth authority act, 1995 PA 24, MCL 207.801 to 207.810.

(f) Loans to an eligible production company or film and digital media private equity fund authorized under section 88d(3), (4), and (5) of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088d.

(2) The report shall include all of the following information:

(a) For each tax credit, the number of contracts signed, the projected expenditures qualifying for the credit, and the estimated value of the credits. For loans, the number of loans made under each section, the interest rate of those loans, the loan amount, the percent of the projected budget of each production financed by those loans, and the estimated interest earnings from the loan.

(b) For credits authorized under section 455 of the Michigan business tax act, 2007 PA 36, MCL 208.1455, for productions completed by December 31, the expenditures of each production eligible for the credit that has filed a request for certificate of completion with the film office, broken down into expenditures for goods, services, or salaries and wages and showing separately expenditures in each local unit of government, including expenditures for personnel, whether or not they were made to a Michigan entity, and whether or not they were taxable under the laws of this state. For loans, the report shall include the number of loans that have been fully repaid, with principal and interest shown separately, and the number of loans that are delinquent or in default, and the amount of principal that is delinquent or is in default.

(c) For each of the tax credit incentives and loan incentives listed in subsection (1), a breakdown for each project or production showing each of the following:

(i) The number of temporary jobs created.

(ii) The number of permanent jobs created.

(iii) The number of persons employed in Michigan as a result of the incentive, on a full-time equated basis.

(3) For any information not included in the report due to the provisions of section 455(6), 457(6), or 459(6) of the Michigan business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, the report shall do all of the following:

(a) Indicate how the information would describe the commercial and financial operations or intellectual property of the company.

(b) Attest that the information has not been publicly disseminated at any time.

(c) Describe how disclosure of the information may put the company at a competitive disadvantage.

(4) Any information not disclosed due to the provisions of section 455(6), 457(6), or 459(6) of the Michigan business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, shall be presented at the lowest level of aggregation that would no longer describe the commercial and financial operations or intellectual property of the company.

Sec. 1033. As a condition of receiving funds in part 1, not later than March 15, the fund shall provide a report on the activities of the Michigan film and digital media office for the immediately preceding fiscal year. The report shall be submitted to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director. The report shall include, but not be limited to, a listing of all projects the Michigan film and digital media office provided assistance on, a listing of the services provided for each project, and an estimate of investment leveraged.

Sec. 1034. As a condition of receiving an award from the fund, each business incubator or accelerator that received an award from the fund shall maintain and update a dashboard of indicators to measure the effectiveness of the business incubator and accelerator programs. Indicators shall include the direct jobs created, new companies launched as a direct result of business incubator or accelerator involvement, businesses expanded as a direct result of business incubator or accelerator involvement, direct investment in client companies, private equity financing obtained by client companies, grant funding obtained by client companies, and other measures developed by the recipient business incubators and accelerators in conjunction with the MEDC. Dashboard indicators shall be reported for the prior fiscal year and cumulatively, if available. Each recipient shall submit a copy of their dashboard indicators to the fund by March 1. The fund shall transmit the local reports to the chairpersons of the senate and house of representatives standing committees on appropriations, the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director by March 15.

Sec. 1035. (1) From the appropriations in part 1, the Michigan council for arts and cultural affairs shall administer an arts and cultural grant program that maintains an equitable geographic distribution of funding and utilizes past arts and cultural grant programs as a guideline for administering this program. The council shall do all of the following:

(a) On or before October 1, the council shall publish proposed application criteria, instructions, and forms for use by eligible applicants. The council shall provide at least a 2-week period for public comment before finalizing the application criteria, instructions, and forms.

(b) A nonrefundable application fee may be assessed for each application. Application fees shall be deposited in the council for the arts fund and are appropriated for expenses necessary to administer the programs. These funds are available for expenditure when they are received and may be carried forward to the following fiscal year.

(c) Grants are to be made to public and private arts and cultural entities.

(d) Within 1 business day after the award announcements, the council shall provide to each member of the legislature and the fiscal agencies a list of all grant recipients and the total award given to each recipient, sorted by county.

(e) In addition to the information in subdivision (d), the council shall report on the number of applications received, number of grants awarded, total amount requested from applications received, and total amount of grants awarded.

(2) The appropriation in part 1 for arts and cultural program shall not be used for the administration of the grant program.

Sec. 1036. (1) The general fund/general purpose funds appropriated in part 1 to the fund for business attraction and community revitalization shall be transferred to the 21st century jobs trust fund per section 90b(3) of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090b.

(2) Funds transferred to the 21st century jobs trust fund under subsection (1) are appropriated and available for allocation as authorized in the Michigan strategic fund act, 1984 PA 270, MCL 125.2001 to 125.2094.

Sec. 1041. From the funds appropriated in part 1 for business attraction and community revitalization, the fund shall request the transfer by the state treasurer of not more than 60% of the funds prior to April 1.

Sec. 1042. For the funds appropriated in part 1 for business attraction and community revitalization, the fund shall report quarterly on the amount of funds considered appropriated, pre-encumbered, encumbered, and expended. The report shall also include a listing of all previous appropriations for business attraction and community revitalization, or a predecessor, that were considered appropriated, pre-encumbered, encumbered, or expended that have lapsed back to the fund for any purpose. The report shall be submitted to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director.

Sec. 1043. (1) The fund, in conjunction with the department of treasury, shall report to the chairpersons of the senate and house of representatives standing committees on appropriations, the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director by November 1 on the annual cost of the MEGA tax credits. The report shall include for each year the board-approved credit amount, adjusted for credit amendments where applicable, and the actual and projected value of tax credits for each year from 1995 to the expiration of the credit program. For years for which credit claims are complete, the report shall include the total of actual certificated credit amounts. For years for which claims are still pending or not yet submitted, the report shall include a combination of actual credits where available and projected credits. Credit projections shall be based on updated estimates of employees, wages, and benefits for eligible companies.

(2) In addition to the report under subsection (1), the fund, in conjunction with the department of treasury, shall report to the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director by November 1 on the annual cost of all other certificated credits by program, for each year until the credits expire or can no longer be collected. The report shall include estimates on the brownfield redevelopment credit, film credits, MEGA photovoltaic technology credit, MEGA polycrystalline silicon manufacturing credit, MEGA vehicle battery credit, and other certificated credits.

Sec. 1044. As a condition of receiving appropriations in part 1, prior to authorizing the transfer of any previously authorized tax credit that would increase the liability to this state, the fund, on behalf of the MSF board, shall notify the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director not fewer than 30 days prior to the authorization of the tax credit transfer.

Sec. 1050. (1) From the funds appropriated in part 1 for business attraction and community revitalization, the fund shall identify specific outcomes and performance measures, including, but not limited to, the following:

(a) Total verified jobs created by the business attraction program during the fiscal year ending September 30, 2023.

(b) Total private investment obtained through the business attraction and community revitalization programs during the fiscal year ending September 30, 2023.

(c) Amount of private and public square footage created and reactivated through the community revitalization program during the fiscal year ending September 30, 2023.

(2) The fund must submit a report to the chairpersons of the senate and house of representatives standing committees on appropriations, the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director by March 15. The report must describe the specific outcomes and measures required in subsection (1) and provide the results and data related to these outcomes and measures for the prior fiscal year if related information is available for the prior fiscal year.

Sec. 1051. In addition to the funds appropriated in part 1, the funds collected by state historic preservation programs for document reproduction and services and application fees are appropriated for all expenses necessary to provide the required services. These funds are available for expenditure when they are received and may be carried forward into the succeeding fiscal year.

Sec. 1053. Tax capture revenues collected in accordance with written agreements under the good jobs for Michigan program and transferred from the general fund for deposit into the good jobs for Michigan fund, and for both calculated payments from the good jobs for Michigan fund to authorized businesses and distributions to the Michigan strategic fund for administrative expenses, are appropriated pursuant to the provisions of chapter 8D of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090g to 125.2090j.

Sec. 1054. Tax capture revenues collected in accordance with written agreements under the employment opportunity program and transferred from the general fund for deposit into the employment opportunity fund, and for both calculated payments from the employment opportunity fund to authorized businesses and distributions to the Michigan strategic fund for administrative expenses, are appropriated pursuant to the provisions of chapter 8F of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090t to 125.2090w.

EMPLOYMENT SERVICES

Sec. 1057. From the funds appropriated in part 1, the Michigan occupational safety and health administration shall maintain physical or electronic records of notes and documents in accordance with this state's record retention policies pertaining to cases in which an employer was issued a citation or a fine, or both, for a violation of the Michigan occupational safety and health act, 1974 PA 154, MCL 408.1001 to 408.1094.

Sec. 1058. From the funds appropriated in part 1, the department shall, in accordance with the Wagner-Peyser Act, 29 USC 49 to 49L-2, and the settlement agreement arising out of *Michigan v. Herman*, 81 F Supp 2d 840 (WD Mich, 1998), continue to use local merit staff and the Michigan Works! agencies to deliver employment services.

WORKFORCE DEVELOPMENT AND UNEMPLOYMENT

Sec. 1059. (1) From the funds appropriated in part 1 for the Tri-share child care program, \$2,500,000.00 shall be awarded for the continuation of the child care pilot project originally initiated and funded in section 1047(31) of article 5 of 2020 PA 166.

(2) The funding appropriated in part 1 must be used to fund existing child care facilitator hubs.

(3) Any child care facilitator receiving funds under this section must be a nonprofit, limited liability company, C-corporation, S-corporation, or a sole proprietor.

(4) Not more than \$100,000.00 may be used for administration of the program.

Sec. 1060. The department shall administer the PATH training program in accordance with the requirements of section 407(d) of title IV of the social security act, 42 USC 607, the state social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, and all other applicable laws and regulations.

Sec. 1061. From the funds appropriated in part 1 for workforce programs subgrantees, the department may allocate funding for grants to nonprofit organizations that offer programs pursuant to the workforce innovation and opportunity act, 29 USC 3101 to 3361, eligible youth focusing on apprenticeship readiness, pre-apprenticeship and apprenticeship activities, entrepreneurship, work-readiness skills, job shadowing, and financial literacy. Organizations eligible for funding under this section must have the capacity to provide similar programs in urban areas, as determined by the United States Bureau of the Census, according to the most recent federal decennial census. Additionally, programs eligible for funding under this section must include the participation of local business partners. The department shall develop other appropriate eligibility requirements to ensure compliance with applicable federal rules and regulations.

Sec. 1062. From the funds appropriated in part 1, the department shall make available, in person or by telephone, 1 disabled veterans outreach program specialist or local veterans employment representative to Michigan Works! service centers, as resources permit, during hours of operation, and shall continue to make the appropriate placement of veterans and disabled veterans a priority.

Sec. 1063. (1) In addition to the funds appropriated in part 1, any unencumbered and unrestricted federal workforce innovation and opportunity act, 29 USC 3101 to 3361, or trade adjustment assistance funds available from prior fiscal years are appropriated for the purposes originally intended.

(2) The department shall report by February 15 to the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director on the amount by fiscal year of federal workforce innovation and opportunity act, 29 USC 3101 to 3361, funds appropriated under this section.

Sec. 1064. From the funds appropriated in part 1, the department shall provide a report on going pro expenditures, by program or grant type, for the prior fiscal year. In addition, the report shall include projected expenditures, by program or grant type, for the current fiscal year. The report shall be posted online and distributed to the chairpersons of the senate and house of representatives standing committees on appropriations, the chairpersons of the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director by March 15.

Sec. 1065. The department shall publish data and reports on March 15 and September 30 on the department website concerning the status of career technology and going pro funded in part 1. The report shall include the following:

(a) The number of awardees participating in the program and the names of those awardees organized by major industry group.

(b) The amount of funding received by each awardee under the program.

(c) Amount of funding leveraged from each awardee.

(d) Training models established by each awardee.

(e) The number of individuals enrolled in classroom training, on-the-job training, or new USDOL registered apprentices.

(f) The number of qualified employees who completed the approved training.

(g) The number of applications received and the number of grants awarded for each region.

(h) The number of individuals hired and trained.

(i) The department shall expand workforce training and reemployment services to better connect workers to in-demand jobs and identify specific outcomes with performance metrics for this initiative, including, but not limited to, new apprenticeships, individuals to be hired and trained, current employees trained, training completed, and employment retention rate at 6 months, and hourly wage at 6 months.

Sec. 1066. To the extent consistent with sections 7 and 9 of the going pro talent fund act, 2018 PA 260, MCL 408.157 and 408.159, the department shall administer the program as follows:

(a) The department shall work cooperatively with grantees to maximize the amount of funds from part 1 that are available for direct training.

(b) The department, workforce development partners, including regional Michigan Works! agencies, and employers shall collaborate and work cooperatively to prioritize and streamline the expenditure of the funds appropriated in part 1. The department shall ensure that going pro provides a collaborative statewide network of workforce and employee skill development partners that addresses the employee talent needs throughout this state.

(c) The department shall ensure that grants are utilized for individual skill enhancement and to address in-demand talent needs in Michigan.

(d) The department shall develop program goals and detailed guidance for prospective participants to follow to qualify under the program. The program goals and detailed guidance shall be posted on the

department website and distributed to workforce development partners, including local Michigan Works! agencies, by October 1. Periodic assessments of employer and employee needs shall be evaluated on a regional basis, and the department shall identify solutions and goals to be implemented to satisfy those needs. The department shall notify the senate and house of representatives standing committees on appropriations, the relevant senate and house of representatives appropriations subcommittees, the senate and house fiscal agencies, and the state budget director on any program goal, solution, or guidance changes not fewer than 14 days prior to the finalization and publication of the changes. Revenue received by the department for going pro may be expended for the purpose of those programs.

(e) Up to \$5,000,000.00 of the funds may be expended to match federal funds to improve and increase the skill level of employees in skilled trades and manufacturing processes within the changing manufacturing environment.

(f) Up to \$250,000.00 of the funds shall be awarded to a national, nonprofit program that connects National Guard, reserve, retired, and transitioning active-duty military service members with skilled training and quality career opportunities in the construction industry. Grant funding must be used to recruit and assist veterans to transition into apprenticeship programs in this state.

Sec. 1067. The funds appropriated in part 1 for MiSTEM advisory council shall be used to support the staff for the MiSTEM network, and for administrative, training, and travel costs related to the MiSTEM council. The staff for the MiSTEM network shall do all of the following:

(a) Serve as a liaison among and between the department, the department of education, the MiSTEM council, the governor's workforce development board, the MiSTEM regions, and any other relevant organization or entity in a manner that creates a robust statewide STEM culture, that empowers STEM teachers, that integrates business and education into the STEM network, and that ensures high-quality STEM experiences for pupils.

(b) Coordinate the implementation of a marketing campaign, including, but not limited to, a website that includes dashboards of outcomes, to build STEM awareness and communicate STEM needs and opportunities to pupils, parents, educators, and the business community.

(c) Work with the department of education and the MiSTEM council to coordinate, award, and monitor MiSTEM state and federal grants to the MiSTEM network regions and conduct reviews of grant recipients, including, but not limited to, pupil experience and feedback.

(d) Report to the governor, the legislature, and the MiSTEM council annually on the activities and performance of the MiSTEM network regions.

(e) Coordinate recurring discussions and work with regional staff to ensure that a network or loop of feedback and best practices are shared, including funding, programming, professional learning opportunities, discussion of MiSTEM strategic vision, and regional objectives.

(f) Coordinate major grant application efforts with the MiSTEM council to assist regional staff with grant applications on a local level. The MiSTEM council shall leverage private and nonprofit relationships to coordinate and align private funds in addition to funds appropriated under this section.

(g) Train state and regional staff in the STEMworks rating system, in collaboration with the MiSTEM council and the department of education.

(h) Hire MiSTEM network region staff in collaboration with the network region fiscal agent.

Sec. 1068. (1) Of the funds appropriated in part 1 for the workforce training programs, the department shall provide a report by March 15 to the relevant senate and house of representatives appropriation subcommittees, the state budget director, and the senate and house fiscal agencies on the status of the workforce training programs. The report shall include the following:

(a) The amount of funding allocated to each Michigan Works! agency and the total funding allocated to the workforce training programs statewide by fund source.

(b) The number of participants enrolled in education or training programs by each Michigan Works! agency.

(c) The average duration of training for training program participants by each Michigan Works! agency.

(d) The number of participants enrolled in remedial education programs and the number of participants enrolled in literacy programs.

(e) The number of participants enrolled in programs at 2-year institutions.

(f) The number of participants enrolled in programs at 4-year institutions.

(g) The number of participants enrolled in proprietary schools or other technical training programs.

(h) The number of participants that have completed education or training programs.

(i) The number of participants who secured employment in Michigan within 1 year of completing a training program.

(j) The number of participants who completed a training program and secured employment in a field related to their training.

(k) The average wage earned by participants who completed a training program and secured employment within 1 year.

(f) The actual revenues received by the fund source and fund appropriated for each discrete workforce development program area.

(2) Data collection for the report shall be for the prior state fiscal year.

Sec. 1069. (1) Funds appropriated in part 1 for workforce development programs may be used for employment and training-related services and to assist Healthy Michigan plan recipients to secure and maintain training and employment. The department shall work with the department of health and human services to coordinate with and complement existing employment-related services for Healthy Michigan plan recipients.

(2) Funds appropriated in part 1 for workforce development programs may also be used to hire additional department field staff to educate impacted Healthy Michigan plan recipients on requirements and available services, make referrals, assess and address barriers to employment, and manage other caseload-related impacts resulting from the implementation of sections 107a and 107b of the social welfare act, 1939 PA 280, MCL 400.107a and 400.107b.

(3) The department shall report quarterly to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget director on the implementation of work engagement requirement employment supports and services. The report shall include, but need not be limited to, all of the following:

(a) The number of recipients currently receiving employment supports and services under this section.

(b) The total year-to-date number of recipients who have received employment supports and services under this section.

(c) The number of recipients who secured employment in this state after receiving employment supports and services under this section.

(d) The total year-to-date number of field staff hired to provide supports and services under this section.

(e) A summary of employment supports and services provided under this section.

Sec. 1070. (1) From the funds appropriated in part 1 for graduation alliance, \$2,500,000.00 must be awarded for a program to assist adults over the age of 23 in obtaining high school diplomas and placement in career training programs.

(2) For purposes of this section, an eligible program provider may be a public, nonprofit, or private accredited diploma-granting institution, but must have at least 2 years of experience providing dropout recovery services in this state.

(3) The department shall issue a request for qualifications for eligible program providers to participate in the pilot program. To be considered a qualified program provider, the institution must possess all of the following:

(a) Experience providing dropout reengagement services.

(b) Ability to provide academic intake assessments.

(c) Capacity to provide an integrated learning plan.

(d) Course catalog that includes access to all graduation requirements.

(e) Capability to provide remediation coursework.

(f) Means to provide academic resilience assessment and intervention.

(g) Capacity to provide employability skills development.

(h) Ability to provide WorkKeys preparation.

(i) Ability to provide industry credentials.

(j) Capability to provide credit for on-the-job training.

(k) Access to a robust support framework, including technology, social support, and academic support accredited by a recognized accrediting body.

(4) The department shall announce qualified program providers no later than January 1, 2023. Qualified program providers must start providing programming by February 1, 2023.

(5) The department shall reimburse qualified program providers for each month of satisfactory monthly progress as described in section 23a of the state school aid act, 1979 PA 94, MCL 388.1623a, at a rate of \$500.00 per month. A payment shall be made to a qualified program provider for the completion of the following by a pupil:

(a) \$500.00 for the completion of an employability skills certification program equal to at least 1 unit of high school credit obtained through classroom or online instruction.

(b) \$250.00 for the attainment of an industry-recognized credential requiring up to 50 hours of training.

(c) \$500.00 for the attainment of an industry-recognized credential requiring 50 to 100 hours of training.

(d) \$750.00 for the attainment of an industry-recognized credential requiring more than 100 hours of training.

(e) \$1,000.00 for attainment of a high school diploma.

(f) \$2,500.00 for placement in a job in an in-demand career pathway.

(6) The department shall develop policies and guidelines to implement this section.

Sec. 1071. From the funds appropriated in part 1 for at-risk youth grants, \$4,750,000.00 must be awarded to the Michigan franchise holder of the national Jobs for America's Graduates program for the administration of the Jobs for Michigan's Graduates program.

Sec. 1072. (1) The funds appropriated in part 1 for the high school equivalency-to-school program shall be used for the purpose of funding the cost of high school equivalency testing and certification as provided by this section. The department shall administer a Michigan high school equivalency-to-school program, which shall cover the cost of providing the high school equivalency test free of charge to individuals who meet all of the following requirements:

(a) The individual has not previously been administered a high school equivalency test free of charge under this section.

(b) The individual meets at least 1 of the following requirements:

(i) Prior to taking the high school equivalency test, the individual successfully completed a department-approved high school equivalency preparation program.

(ii) Prior to taking the high school equivalency test, the individual completed the official high school equivalency practice test and the individual's score indicated that he or she is likely to pass.

(2) A department-approved high school equivalency preparation program shall include all of the following:

(a) Instructional and tutorial assistances.

(b) High school equivalency test practice.

(c) Required attendance at program instructional sessions.

(d) A curriculum that prepares students for opportunities in postsecondary education and the job market.

(e) Information on potential postsecondary and career pathways.

(f) Counseling on preparing for and applying to college.

(g) Personal and job readiness skills development.

(h) Comprehensive information on college costs and financial aid.

(i) College and career assessments.

(j) Computer-based instruction, practice, or remediation.

(3) The department shall post online an announcement of the Michigan high school equivalency-to-school program, minimum standards for high school equivalency preparation program approval, and approval procedures.

(4) The department shall do all of the following:

(a) Develop procedures consistent with this section under which individuals can take the high school equivalency test without charge.

(b) Provide program information for educators and students on the department website, including explanations of the procedures developed under this subsection, and contact information for questions about the program.

(c) Provide an estimate of the full-year cost of the program to the senate and house appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget director.

(5) By September 30, the department shall report to the relevant senate and house appropriations subcommittees, the senate and house fiscal agencies, and the state budget director on utilization of the high school equivalency incentive program, including numbers of high school equivalency certifications issued by location, year-to-date expenditures, and numbers of participants qualifying under subsection (1)(b)(i) or (ii), or both.

Sec. 1073. The funds appropriated in part 1 for the Michigan reconnect grant program shall be distributed pursuant to the Michigan reconnect grant act, 2020 PA 84, MCL 390.1701 to 390.1709. In compliance with section 5 of the Michigan reconnect grant act, 2020 PA 84, MCL 390.1705, the funds appropriated in part 1 shall be expended to award grants, administer the program, and support the duties outlined in section 5 of the Michigan reconnect grant act, 2020 PA 84, MCL 390.1705.

Sec. 1074. The unemployment insurance agency shall provide a report updated at least quarterly that includes, but is not limited to, fiscal year-to-date expenditures by division and program unit. Each quarterly report shall be transmitted within 60 days after the end of the quarter. The report shall be provided to the house and senate chairpersons of the relevant subcommittees, the house and senate appropriations committees, the house and senate fiscal agencies, and the state budget director.

Sec. 1075. (1) From the funds appropriated in part 1, the department on behalf of the unemployment insurance agency shall provide a quarterly report within 15 days after the end of each quarter to the members of the senate and house committees on appropriations, the senate and house fiscal agencies, and the state budget director that includes, but is not limited to, the following:

(a) The 4-week average number of unique claimants.

(b) The 4-week average number of eligible claimants with certification.

(c) The 4-week average number of claims paid.

(d) The total amount of standard unemployment insurance payments paid for the month.

- (e) The total amount of unemployment insurance tax generated for the quarter.
- (f) The balance of the Michigan unemployment trust fund at the end of the quarter.

(2) The department shall include the same information required in subsection (1) for the previous 12 months. The department shall include the most recent quarterly report on the department's webpage.

Sec. 1076. From the funds appropriated in part 1, the department shall provide a quarterly report within 15 days after the end of each quarter to the members of the senate and house committees on appropriations, the senate and house fiscal agencies, and the state budget director that includes, but is not limited to, the following:

- (a) The number of new fraudulent and noncompliant cases that have been identified or issued by the unemployment insurance agency, classified by employer or claimant, during the quarter.
- (b) The total amount of penalties and interest issued on fraudulent and noncompliant cases during the quarter.
- (c) The total amount of penalties and interest dollars received during the quarter by employer or claimant.
- (d) The total amount of penalties and interest still owed to this state by employer or claimant.
- (e) The number of fraudulent and noncompliant cases that have been appealed by an employer or claimant during the quarter.

Sec. 1077. The funds appropriated in part 1 for unemployment insurance agency shall be used to staff unemployment insurance agency branch offices for in-person appointments for unemployment insurance agency claimant services.

Sec. 1077a. Funds appropriated in part 1 for the unemployment insurance agency may be used by the unemployment insurance agency to increase capacity by an estimated 500 limited-term employees or contractors only if the unemployment insurance agency provides full-time, in-person services at all existing unemployment insurance local offices.

Sec. 1078. (1) From the funds appropriated in part 1 for the unemployment insurance agency, the department shall maintain customer service standards for employers and claimants making use of the various means by which they can access the system.

(2) The department shall identify specific outcomes and performance metrics for this initiative, including, but not limited to, the following:

- (a) Unemployment benefit fund balance.
- (b) Process improvement - fiscal integrity.
- (c) Process improvement - determination timeliness.
- (d) Process improvement - determination quality.

Sec. 1079. (1) The department shall provide reporting regarding the interagency agreement with the department of health and human services, which concerns TANF funding to provide job readiness and welfare-to-work programming. The reporting shall include specific outcome and performance reporting requirements as described in this section. TANF funding provided to the department in the current fiscal year is contingent on compliance with the data and reporting requirements described in this section. The department shall provide all of the following items for the previous year to the senate and house appropriations committees and the senate and house fiscal agencies by January 1 of the current fiscal year:

- (a) An itemized spending report on TANF funding, including all of the following:
 - (i) Direct services to clients.
 - (ii) Administrative expenditures.
- (b) The number of family independence program clients served through the TANF funding, including all of the following:
 - (i) The number and percentage who obtained employment through Michigan Works!
 - (ii) The number and percentage who fulfilled their TANF work requirement through other job readiness programming.
 - (iii) Average TANF spending per client.
 - (iv) The number and percentage of clients who were referred to Michigan Works! but did not receive a job or job readiness placement and the reasons why.

(2) Not later than March 15 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house appropriations subcommittees on health and human services, the senate and house fiscal agencies, and the senate and house policy offices an annual report on the following matters itemized by Michigan Works! agency: the number of referrals to Michigan Works! job readiness programs, the number of referrals to Michigan Works! job readiness programs who became a participant in the Michigan Works! job readiness programs, the number of participants who obtained employment, and the cost per participant case.

REHABILITATION SERVICES

Sec. 1081. The Michigan rehabilitation services and bureau of services for blind persons shall work collaboratively with service organizations and government entities to identify allowable match dollars to secure available federal vocational rehabilitation funds.

Sec. 1082. From the funds appropriated in part 1, the department shall provide an annual report by February 1 to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget director on efforts taken to improve the Michigan rehabilitation services. The report shall include all of the following line items:

- (a) Reductions and changes in administration costs and staffing.
- (b) Service delivery plans and implementation steps achieved.
- (c) Reorganization plans and implementation steps achieved.
- (d) Plans to integrate Michigan rehabilitative services programs into other services provided by the department.
- (e) Quarterly expenditures by major spending category.
- (f) Employment and job retention rates from both Michigan rehabilitation services and its nonprofit partners.
- (g) Success rate of each district in achieving the program goals.

Sec. 1083. (1) From the funds appropriated in part 1 for Michigan rehabilitation services, the department shall allocate funding along with available federal match to support the provision of vocational rehabilitation services to eligible agricultural workers with disabilities. Authorized services shall assist agricultural workers with disabilities in acquiring or maintaining quality employment and independence.

(2) By March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget director on the total number of clients served and the total amount of federal matching funds obtained throughout the duration of the program.

Sec. 1084. (1) It is the intent of the legislature that Michigan rehabilitation services shall not implement an order of selection for vocational and rehabilitative services. If the department is at risk of entering into an order of selection for services, the department shall notify the chairs of the senate and house appropriations subcommittees on the department budget and the senate and house fiscal agencies and policy offices within 2 weeks of receiving notification.

(2) It is the intent of the legislature that the department coordinate with Michigan rehabilitation services, Michigan Works!, local technological and trade schools and programs, local community mental health offices, and other local entities, public and private, in order to fully utilize open Michigan rehabilitation services programming space, regardless of eligibility criteria.

Sec. 1085. From the funds appropriated in part 1 for Michigan rehabilitation services, the department shall allocate \$6,100,300.00, including federal matching funds, to service authorizations with community-based rehabilitation organizations for an array of needed services throughout the rehabilitation process.

Sec. 1086. (1) Funds appropriated in part 1 for independent living shall be used to support the general operations of centers for independent living in delivering mandated independent living services in compliance with federal rules and regulations for the centers, by existing centers for independent living to serve underserved areas, and for projects to build the capacity of centers for independent living to deliver independent living services. Applications for the funds shall be reviewed in accordance with criteria and procedures established by the department. The funds appropriated in part 1 may be used to leverage federal vocational rehabilitation innovation and expansion funds consistent with 34 CFR 361.35, up to \$5,543,000.00, if available. If the possibility of matching federal funds exists, the centers for independent living network will negotiate a mutually beneficial contractual arrangement with Michigan rehabilitation services. Funds shall be used in a manner consistent with the state plan for independent living. Services provided should assist people with disabilities to move toward self-sufficiency, including support for accessing transportation and health care, obtaining employment, community living, nursing home transition, information and referral services, education, youth transition services, veterans, and stigma reduction activities and community education. This includes the independent living guide services that specifically focus on economic self-sufficiency.

(2) In partnership with service providers, the department shall provide a report by March 1 of the current fiscal year to the relevant subcommittees, the house and senate appropriations committees, the house and senate fiscal agencies, the house and senate policy offices, and the state budget director on direct customer and system outcomes and performance measures.

Sec. 1087. (1) The appropriation in part 1 for the bureau of services for blind persons includes funds for case services. These funds may be used for tuition payments for blind clients.

(2) Revenue collected by the bureau of services for blind persons and from private and local sources that is unexpended at the end of the fiscal year may carry forward to the subsequent fiscal year.

Sec. 1088. The bureau of services for blind persons may provide and enter into agreements to provide general services, training, meetings, information, special equipment, software, facility use, and technical consulting services to other principal executive departments, state agencies, local units of government, the judicial branch of government, other organizations, and patrons of department facilities. The department may charge fees for these services that are reasonably related to the cost of providing the services. In addition

to the funds appropriated in part 1, funds collected by the department for these services are appropriated for all expenses necessary. The funds appropriated under this section are allotted for expenditure when they are received by the department of treasury.

Sec. 1089. (1) The funds appropriated in part 1 for a regional or subregional library shall not be released until a budget for that regional or subregional library has been approved by the department for expenditures for library services directly serving the blind and persons with disabilities.

(2) In order to receive subregional state aid as appropriated in part 1, a regional or subregional library's fiscal agency shall agree to maintain local funding support at the same level in the current fiscal year as in the fiscal agency's preceding fiscal year. If a reduction in expenditures equally affects all agencies in a local unit of government that is the regional or subregional library's fiscal agency, that reduction shall not be interpreted as a reduction in local support and shall not disqualify a regional or subregional library from receiving state aid under part 1. If a reduction in income affects a library cooperative or district library that is a regional or subregional library's fiscal agency or a reduction in expenditures for the regional or subregional library's fiscal agency, a reduction in expenditures for the regional or subregional library shall not be interpreted as a reduction in local support and shall not disqualify a regional or subregional library from receiving state aid under part 1.

COMMISSIONS

Sec. 1090. From the funds appropriated in part 1, the office of global Michigan is to coordinate with the Asian Pacific American affairs commission, the Commission on Middle Eastern American affairs, and the Hispanic/Latino commission of Michigan to produce a report by January 31 that is to be transmitted to the senate and house subcommittee chairpersons of the relevant subcommittees, the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget director. The report shall include, but is not limited to, the following:

- (a) Total number of people with whom each commission directly interacts through programming.
- (b) Total number of public events that each commission conducted.
- (c) Description of the activities that the commissions initiated to promote cooperation between the commissions.
- (d) Total number of meetings that each commission held with foreign diplomats.
- (e) Programmatic costs of each commission.

Sec. 1091. An expenditure of funds appropriated in part 1 by the Asian Pacific American affairs commission, the commission on Middle Eastern American affairs, or the Hispanic/Latino commission of Michigan for a commission event must be directly related to the mission statement of that commission.

Sec. 1092. The office of global Michigan must produce a report by January 31 and transmit the report to the subcommittees, the senate and house fiscal agencies, and the state budget director. The report may include other information, but it must include all of the following:

- (a) A description of the major programs and activities of the office of global Michigan and the number of individuals served through those programs.
- (b) The number of refugee arrivals, the job placement rate of those refugees actively receiving services under the global Michigan grants, and the average wage and initial job placements for those refugees.
- (c) The number of job seekers and the number of employers that the office has served through the Michigan international talent solutions program.
- (d) The number of program, partner, and employer referrals conducted through the Michigan international talent solutions program.
- (e) A description of the activities that the office has conducted to attract and retain international, advanced degree, and entrepreneurial talent.

ONE-TIME APPROPRIATIONS

Sec. 1094e. From the funds appropriated in part 1 for Focus: HOPE, \$1,000,000.00 may be awarded to Focus: HOPE for education and workforce development programming, early childhood education, youth development, food assistance, or community empowerment and advocacy.

Sec. 1094f. (1) From the funds appropriated in part 1 for the blight elimination program, \$53,450,000.00 shall be awarded to the following projects:

(a) \$20,000,000.00 shall be awarded for the demolition of a former correctional facility located in a city with a population of between 13,300 and 13,400 and in a county with a population of between 66,500 and 67,000 according to the most recent federal decennial census.

(b) \$25,000,000.00 shall be awarded for an industrial land assembly project located in a city with a population of greater than 600,000 according to the most recent federal decennial census. The project is intended to transform blighted and contaminated vacant property into neighborhood assets. Funds should be used to support site demolition and readiness for up to 8 industrial land opportunities.

(c) \$450,000.00 is allocated for vacant building demolition at the site of a former hospital in a city with a population of between 7,900 and 8,000 located in a county with a population of between 60,900 and 61,000 according to the most recent federal decennial census.

(d) \$8,000,000.00 is allocated for vacant building demolition at the site of a former hospital in a city with a population of between 20,600 and 20,700 located in a county with a population of between 66,000 and 66,100 according to the most recent federal decennial census.

(2) From the funds appropriated in part 1 for the blight elimination program, \$21,550,000.00 shall be used for a competitive grant program to address eligible properties in this state. The state land bank authority shall establish grant and distribution criteria that are consistent with the requirements in this section and shall administer the program. Grants issued under the program may be used for the following activities for eligible properties:

(a) Demolition of vacant residential, commercial, or industrial structures, including reasonable and necessary costs directly related to demolition, including, but not limited to, title work, due care demolition plans, acquisition, utility disconnect fees, permit fees, abatement of hazardous materials, air monitoring at demolition sites, the replacement of damaged sidewalk or recurb at the street, and seeding.

(b) Stabilization of vacant residential, commercial, or industrial structures identified for future rehabilitation. Eligible stabilization costs may include debris removal, exterior security materials to deter trespassing and vandalism, and interior and exterior repairs needed to protect against further deterioration and meet local exterior property maintenance requirements.

(c) Matching or gap funds for environmental remediation needed to comply with department of environment, Great Lakes, and energy standards and limited site preparation costs to remove other predevelopment hurdles on publicly owned residential, commercial, or industrial parcels.

(d) Project administration directly related to activities under subdivisions (a), (b), or (c) for up to 8% of an applicant's total grant award.

(3) Grants may be issued to a land bank authority, county, city, village, or township. In areas served by a county or city land bank, the land bank shall act as the lead applicant for grants within its jurisdiction. In areas not served by a county or city land bank, a county, city, village, or township may apply for a grant directly.

(4) Grants shall be distributed on a competitive basis, subject to the following:

(a) The authority shall ensure that not less than 5% of total program funds are allocated to each of the state's prosperity regions.

(b) Rural counties are eligible for a guaranteed minimum allocation of \$200,000.00. In a rural county served by a land bank authority, the land bank authority must serve as the lead applicant for the guaranteed minimum allocation.

(c) County or city land bank authorities operating outside a rural county are eligible for a guaranteed minimum allocation of \$200,000.00.

(d) A rural county or land bank authority may apply for grants above the guaranteed minimum of \$200,000.00.

(5) The unexpended funds appropriated in part 1 for the blight elimination program are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and are available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide grants to land bank authorities and local units of government to address blighted properties.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is \$50,000,000.00.

(d) The tentative completion date is September 30, 2024.

(6) As used in this section:

(a) "Authority" means the Michigan state land bank authority.

(b) "Eligible properties" means:

(i) Any property owned or under the control of a land bank fast track authority under the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774.

(ii) Any vacant residential, commercial, or industrial property that is blighted. A property is considered blighted if it meets any of the following criteria:

(A) The property has been declared a public nuisance in accordance with a local housing, building, plumbing, fire, or other related code or ordinance.

(B) The property has had utilities, plumbing, heating, or sewerage disconnected, destroyed, removed, or rendered ineffective for a period of 1 year or more, rendering the property unfit for its intended use.

(C) The property is tax-reverted and owned by this state, a county, or a municipality.

(c) "Rural county" means a county with a population of 50,000 or less, according to the most recent decennial census.

Sec. 1094j. From the funds appropriated in part 1 for seawall project, the department of labor and economic opportunity shall allocate \$1,000,000.00 to a city with a population of between 35,000 and 39,000, according

to the most recent federal decennial census for the completion of a seawall to provide public access for recreation purposes. Funds allocated under this section are subject to, and do not constitute a future guarantee of, permitting approval for any project.

Sec. 1094k. (1) From the funds appropriated in part 1 for Michigan enhancement grants, \$7,800,000.00 shall be awarded to an opportunity center associated with a community center that is located in a city with a population of between 20,400 and 20,500 and in a county with a population of between 154,800 and 154,900 according to the most recent federal decennial census for the renovation of the facilities and surrounding land.

(2) From the funds appropriated in part 1 for Michigan enhancement grants, \$1,000,000.00 shall be awarded for an expansion project at a museum associated with a state university located in a county with a population of between 39,700 and 39,800 according to the most recent federal decennial census.

(3) From the funds appropriated in part 1 for Michigan enhancement grants, \$2,500,000.00 shall be awarded to a city with a population of between 5,200 and 5,300 located in a county with a population of between 880,000 and 890,000 according to the most recent federal decennial census for police, fire, and public infrastructure projects.

(4) From the funds appropriated in part 1 for Michigan enhancement grants, \$10,000,000.00 shall be awarded for a road project involving a United States highway and a local road located in a county with a population of between 406,200 and 406,300 according to the most recent federal decennial census.

(5) From the funds appropriated in part 1 for Michigan enhancement grants, \$2,000,000.00 shall be awarded to a city with a population of between 109,000 and 111,000 located in a county with a population greater than 1,700,000 according to the most recent federal decennial census for infrastructure upgrades at a publicly owned recreational facility focused on affordable and accessible recreation opportunities for individuals of all ages located in a charter township.

(6) From the funds appropriated in part 1 for Michigan enhancement grants, \$6,000,000.00 shall be awarded to a city with a population of between 109,000 and 110,000 located in a county with a population greater than 1,700,000 according to the most recent federal decennial census for the construction or renovation of community pools.

(7) From the funds appropriated in part 1 for Michigan enhancement grants, \$5,000,000.00 shall be awarded to and administered by a charter township with a population of between 98,600 and 98,700 located in a county with a population greater than 1,700,000 according to the most recent federal decennial census for the total pavement reconstruction of 1 mile of 5-lane concrete pavement, including stone base and storm drainage improvements, and improvements to pedestrian pathways.

(8) From the funds appropriated in part 1 for Michigan enhancement grants, \$3,000,000.00 shall be awarded to a city with a population of between 20,600 and 20,700 located in a county with a population of between 99,000 and 100,000 according to the most recent federal decennial census to work with the city's downtown development authority to remove blight; incentivize new residential development; create new parks, open spaces, trails, and other public amenities; and provide for river cleanup to improve recreation and drinking water.

(9) From the funds appropriated in part 1 for Michigan enhancement grants, \$3,100,000.00 shall be awarded to a village with a population of between 1,200 and 1,300 located in a county with a population of between 5,800 and 5,900 according to the most recent federal decennial census to assist the village with necessary municipal employee retirement system obligations.

(10) From the funds appropriated in part 1 for Michigan enhancement grants, \$250,000.00 shall be awarded to the public service commission for a study on the feasibility of nuclear power generation in this state. The public service commission shall engage an outside consulting firm to conduct the feasibility study on nuclear energy generation in this state.

(11) From the funds appropriated in part 1 for Michigan enhancement grants, \$750,000.00 shall be awarded to a city with a population of between 26,000 and 26,100 located in a county with a population greater than 1,700,000 according to the most recent federal decennial census to repair and replace damaged sidewalks by eliminating hazardous conditions and installing mandated ADA-compliant ramps for individuals with disabilities.

(12) From the funds appropriated in part 1 for Michigan enhancement grants, \$500,000.00 shall be awarded to a nonprofit charitable watershed council dedicated to protecting lakes, streams, wetlands, and groundwater and that is incorporated in a county with a population of between 175,000 and 176,000 and in a city with a population of between 25,000 and 26,000 according to the most recent federal decennial census.

(13) From the funds appropriated in part 1 for Michigan enhancement grants, \$500,000.00 shall be awarded to a nonprofit that provides wigs and support services at no charge to children and young adults experiencing hair loss located in a city with a population of between 58,500 and 59,000 and in a county with a population of between 850,000 and 900,000 according to the most recent federal decennial census to provide grants to compensate state-certified hair restoration technicians who provide cranial hair prosthesis

to an eligible individual who is less than 19 years of age and has cranial hair loss as a result of a medical condition or as a result of a treatment for a medical condition. The amount of the grant shall not exceed \$1,000.00 per individual, per calendar year and only residents of the state of Michigan shall qualify.

(14) From the funds appropriated in part 1 for Michigan enhancement grants, \$4,000,000.00 shall be awarded to a limited liability company specializing in coronary artery computed tomography angiography plus fractional flow reserve – computed tomography scans to increase their operations to serve underserved areas including scans, virtual cardiac consultations, and educational awareness campaigns for Michigan's most vulnerable populations, and for the acquisition of a facility and the creation of at least 20 jobs.

(15) From the funds appropriated in part 1 for Michigan enhancement grants, \$2,000,000.00 shall be awarded to a county drain commissioner located in a county with a population of between 657,000 and 658,000 according to the most recent federal decennial census for the maintenance, improvement, and consolidation of drains, including intercounty drains.

(16) From the funds appropriated in part 1 for Michigan enhancement grants, \$350,000.00 shall be awarded to the lead economic development organization for the Grand Traverse region located in a city with a population of between 15,500 and 16,000 and in a county with a population of between 95,000 and 96,000 according to the most recent federal decennial census for targeted marketing initiatives.

(17) From the funds appropriated in part 1 for Michigan enhancement grants, \$250,000.00 shall be awarded to a nonprofit that cultivates youth development in underserved communities by encouraging a desire for excellence, respect, teamwork, leadership, integrity, and perseverance through the instruction of quality wrestling programs located in a city with a population greater than 600,000 according to the most recent federal decennial census for programming.

(18) From the funds appropriated in part 1 for Michigan enhancement grants, \$1,000,000.00 shall be awarded for a sewer project located in a township with a population of between 2,200 and 2,300 and in a county with a population of between 64,300 and 64,400 according to the most recent federal decennial census.

(19) From the funds appropriated in part 1 for Michigan enhancement grants, \$3,000,000.00 shall be awarded to a city with a population of between 76,500 and 77,000 located in a county with a population of between 1,250,000 and 1,300,000 according to the most recent federal decennial census for the repair of roads owned by the city.

(20) From the funds appropriated in part 1 for Michigan enhancement grants, \$1,000,000.00 shall be awarded to a city with a population of between 25,100 and 25,200 located in a county with a population of greater than 1,700,000 according to the most recent federal decennial census for sidewalk repairs.

(21) From the funds appropriated in part 1 for Michigan enhancement grants, \$910,000.00 shall be awarded for a handicap accessibility gateway project at a park located in a city with a population of between 6,100 and 6,200 that is located in a county with a population of between 1,250,000 and 1,300,000 and in a county with a population of greater than 1,700,000 according to the most recent federal decennial census.

(22) From the funds appropriated in part 1 for Michigan enhancement grants, \$1,000,000.00 shall be awarded to a city with a population of between 9,200 and 9,400 located within a county with a population of between 109,000 and 110,000 according to the most recent federal decennial census for fire equipment.

(23) From the funds appropriated in part 1 for Michigan enhancement grants, \$1,000,000.00 shall be awarded to a city with a population of between 134,000 and 134,500 located in a county with a population of between 880,000 and 885,000 according to the most recent federal decennial census for the purchase of a vacant elementary school to build a new recreational center.

(24) From the funds appropriated in part 1 for Michigan enhancement grants, \$2,000,000.00 shall be awarded to a nonprofit community house dedicated to increasing the ability of children, youth, adults, and families to succeed in a diverse community that is located in a city with a population of between 198,000 and 200,000 and in a county with a population of between 650,000 and 660,000 according to the most recent federal decennial census to support improvements to facilities that provide affordable housing and child care services.

(25) From the funds appropriated in part 1 for Michigan enhancement grants, \$800,000.00 shall be awarded to a city with a population of between 16,000 and 16,100 located in a county with a population of between 655,000 and 660,000 according to the most recent federal decennial census for the purchase of a new fire truck.

(26) From the funds appropriated in part 1 for Michigan enhancement grants, \$1,700,000.00 shall be awarded to a township with a population of between 17,500 and 17,600 located in a county with a population of between 370,000 and 375,000 according to the most recent federal decennial census for pathway and road improvements.

(27) From the funds appropriated in part 1 for Michigan enhancement grants, \$650,000.00 shall be awarded to a nonprofit that connects leaders and organizations with essential tools and services that free up focus for mission-related work located in a city with a population of between 123,000 and 124,000 and in a county with a population of between 370,000 and 375,000 according to the most recent federal decennial census for building improvements and programming.

(28) From the funds appropriated in part 1 for Michigan enhancement grants, \$590,000.00 shall be awarded to a nonprofit with a mission to help homeless and high-risk girls and young women avoid violence, teen pregnancy, and exploitation, and help them explore and access the support, resources, and opportunities necessary to be safe, to grow strong, and to make positive choices in their lives that is located in a city with a population greater than 600,000 according to the most recent federal decennial census to expand services to homeless and at-risk women in the city.

(29) From the funds appropriated in part 1 for Michigan enhancement grants, \$550,000.00 shall be awarded for an EGLE-permitted, shovel-ready project that would provide protection and restoration of Asylum Lake. The project would be administered by a state university and associated management council located in a city with a population of between 73,000 and 74,000 and in a county with a population of between 260,000 and 263,000 according to the most recent federal decennial census.

(30) From the funds appropriated in part 1 for Michigan enhancement grants, \$1,300,000.00 shall be awarded for a wharf project located in a county with a population of between 175,000 and 176,000 and in a city with a population of between 38,000 and 39,000 according to the most recent federal decennial census.

(31) From the funds appropriated in part 1 for Michigan enhancement grants, \$750,000.00 shall be awarded to a city with a population of between 83,500 and 84,000 located in a county with a population of between 1,250,000 and 1,300,000 according to the most recent federal decennial census for the development of a community innovation center at a former high school building.

(32) From the funds appropriated in part 1 for Michigan enhancement grants, \$2,000,000.00 shall be awarded to a county with a population of between 1,250,000 and 1,300,000 according to the most recent federal decennial census for economic development site validation.

(33) From the funds appropriated in part 1 for Michigan enhancement grants, \$500,000.00 shall be awarded to a nonprofit that develops people, places, and plans for sustainable growth on Detroit's east side that is located in a city with a population greater than 600,000 according to the most recent federal decennial census for the engineering phase of the Mack Avenue corridor improvement plan.

(34) From the funds appropriated in part 1 for Michigan enhancement grants, \$500,000.00 shall be awarded to a nonprofit providing free, after-school academic and athletic programming centered around student achievement and social justice that is located in a city with a population greater than 600,000 according to the most recent federal decennial census to increase program capacity by accepting more students and to decrease the overall learning loss gap due to the COVID-19 pandemic.

(35) From the funds appropriated in part 1 for Michigan enhancement grants, \$1,200,000.00 shall be awarded to a city with a population of between 10,100 and 10,200 located in a county with a population greater than 1,700,000 according to the most recent federal decennial census for seawall and road repairs.

(36) From the funds appropriated in part 1 for Michigan enhancement grants, \$500,000.00 shall be awarded to a foundation promoting the power of education, community service, and the arts within the community that is located in a charter township with a population of between 44,000 and 44,500 and in a county with a population of between 1,250,000 and 1,300,000 according to the most recent federal decennial census for education and workforce programming for disadvantaged youth in underserved neighborhoods.

(37) From the funds appropriated in part 1 for Michigan enhancement grants, \$1,100,000.00 shall be awarded to a city with a population of between 48,500 and 49,000 located in a county with a population of between 260,000 and 265,000 according to the most recent federal decennial census for the replacement of an aerial fire apparatus.

(38) From the funds appropriated in part 1 for Michigan enhancement grants, \$500,000.00 shall be awarded to a city with a population of between 95,000 and 96,000 located in a county with a population greater than 1,700,000 according to the most recent federal decennial census for a tree canopy initiative.

(39) From the funds appropriated in part 1 for Michigan enhancement grants, \$4,000,000.00 shall be awarded to a historical society located in a city with a population greater than 600,000 for operational support.

(40) From the funds appropriated in part 1 for Michigan enhancement grants, \$500,000.00 shall be awarded to an Yemeni American association dedicated to empowering communities, individuals, families, groups, and businesses to achieve their maximum goals through direct services and wide-ranging social services that is located in a county with a population greater than 1,700,000 and in a city with a population of between 109,500 and 110,000 according to the most recent federal decennial census.

(41) From the funds appropriated in part 1 for Michigan enhancement grants, \$750,000.00 shall be awarded to a charter township with a population of between 98,500 and 98,700 located in a county with a population greater than 1,700,000 according to the most recent federal decennial census for sidewalk and road infrastructure improvements.

(42) From the funds appropriated in part 1 for Michigan enhancement grants, \$500,000.00 shall be awarded for the renovation of affordable senior housing operated by a housing commission located in a city with a population of between 123,000 and 124,000 and in a county with a population of between 372,000 and 373,000 according to the most recent federal decennial census.

(43) From the funds appropriated in part 1 for Michigan enhancement grants, \$700,000.00 shall be awarded to a city with a population of between 15,100 and 15,300 located in a county with a population of between 1,250,000 and 1,300,000 according to the most recent federal decennial census for heating, ventilation, and air conditioning projects.

(44) From the funds appropriated in part 1 for enhancement grants, \$500,000.00 shall be awarded to a children's museum in a county with a population between 406,000 and 406,500 according to the most recent federal decennial census.

(45) From the funds appropriated in part 1 for enhancement grants, \$2,000,000.00 shall be awarded to a zoo in a county with a population between 284,700 and 285,200 according to the most recent federal decennial census.

(46) From the funds appropriated in part 1 for enhancement grants, \$6,000,000.00 shall be awarded to an African American history museum in a city with a population greater than 600,000 according to the most recent federal decennial census.

(47) From the funds appropriated in part 1 for enhancement grants, \$800,000.00 shall be awarded to a lighthouse restoration project, involving 1 or more lighthouses, in a county with a population between 175,600 and 176,100 according to the most recent federal decennial census.

(48) From the funds appropriated in part 1 for enhancement grants, \$1,000,000.00 shall be awarded to the Detroit/Wayne County Port Authority for planning activities to improve port facilities and support sustainable environmental best practices.

(49) From the funds appropriated in part 1 for Michigan enhancement grants, \$800,000.00 shall be awarded to a zoo located in a city with a population between 50,000 and 53,000 according to the most recent federal decennial census to support recreational improvements to the facility.

(50) From the funds appropriated in part 1 for Michigan enhancement grants, \$1,000,000.00 shall be awarded to a township with a population between 4,100 and 4,110 in a county with a population between 26,500 and 27,000 according to the most recent federal decennial census. Of this amount, \$650,000.00 must be used for infrastructure updates and pavement replacement, and \$350,000.00 must be used for park improvements.

(51) From the funds appropriated in part 1 for Michigan enhancement grants, \$500,000.00 shall be awarded to a nonprofit 501(c)(3) corporation that focuses on trauma reduction in children that is located in a county with a population between 85,000 and 90,000 according to the most recent federal decennial census to support the expansion of the corporation's facility.

(52) From the funds appropriated in part 1 for Michigan enhancement grants, \$1,400,000.00 shall be awarded to a county road commission that serves a county with a population between 53,000 and 53,500 according to the most recent federal decennial census for bridge replacement.

(53) From the funds appropriated in part 1 for Michigan enhancement grants, \$2,000,000.00 shall be awarded to a county road commission in a county with a population between 185,000 and 192,000 according to the most recent federal decennial census to support phase 2 of the restoration of Dixie Highway.

(54) From the funds appropriated in part 1 for Michigan enhancement grants, \$11,000,000.00 shall be awarded to a public museum that is located in a city with a population between 190,000 and 200,000 in a county with a population between 600,000 and 700,000 according to the most recent federal decennial census to expand the museum according to its master plan.

(55) From the funds appropriated in part 1 for Michigan enhancement grants, \$500,000.00 shall be awarded to a charter township with a population between 39,500 and 40,000 according to the most recent federal decennial census to support restoration of Baldwin Road.

(56) From the funds appropriated in part 1 for Michigan enhancement grants, \$2,400,000.00 shall be awarded to a township with a population between 15,260 and 15,290 according to the most recent federal decennial census to support the extension of Lehman Drive and Taylor Drive.

(57) From the funds appropriated in part 1 for Michigan enhancement grants, \$300,000.00 shall be awarded to a performance venue listed on the National Register of Historic Places that is located in a city with a population between 13,500 and 14,000 according to the most recent federal decennial census to support renovation of the facility.

(58) From the funds appropriated in part 1 for Michigan enhancement grants, \$100,000.00 shall be awarded to a county sheriff's department serving a county with a population between 150,000 and 154,500 according to the most recent federal decennial census to support the purchase of a patrol boat, and \$100,000.00 shall be awarded to a county sheriff's department serving a county with a population between 50,000 and 52,000 according to the most recent federal decennial census to support the purchase of a patrol boat.

(59) From the funds appropriated in part 1 for Michigan enhancement grants, \$2,000,000.00 shall be awarded to a military museum that is located in a charter township with a population between 24,000 and 25,000 according to the most recent federal decennial census to improve roadways and vehicle access to the museum.

(60) From the funds appropriated in part 1 for Michigan enhancement grants, \$2,000,000.00 shall be awarded to a city with a population between 5,210 and 5,240 according to the most recent federal decennial census for the improvement of the city's downtown streetscape.

(61) From the funds appropriated in part 1 for Michigan enhancement grants, \$1,800,000.00 shall be awarded to a nonprofit 501(c)(3) corporation that operates under a lease with the department of natural resources in a state recreation area located in a county with a population between 1,000,000 and 1,300,000 according to the most recent federal decennial census to support the rebuild of a historic residence.

(62) From the funds appropriated in part 1 for Michigan enhancement grants, \$1,879,200.00 shall be awarded to a health system based in a city with a population between 2,300 and 2,325 in a county with a population between 10,800 and 11,000 according to the most recent federal decennial census to support the purchase and service of a surgical robot.

(63) From the funds appropriated in part 1 for Michigan enhancement grants, \$339,300.00 shall be awarded to a nonprofit 501(c)(3) corporation that transcribes documents into braille and that is located in a city with a population between 31,000 and 32,000 according to the most recent federal decennial census to support new or existing services.

(64) From the funds appropriated in part 1 for Michigan enhancement grants, \$1,000,000.00 shall be awarded to a nonprofit 501(c)(3) corporation founded in 1985 that focuses on economic development and business services and that is located in a city with a population between 42,000 and 43,000 according to the most recent federal decennial census for road work, utility work, purchase of easements, and other site preparation for an industrial park.

(65) From the funds appropriated in part 1 for Michigan enhancement grants, \$4,500,000.00 shall be awarded to the Michigan capitol commission to support construction of an equipment garage on the grounds of the State Capitol Building.

(66) From the funds appropriated in part 1 for Michigan enhancement grants, \$4,381,000.00 shall be awarded to a city with a population between 20,646 and 21,000 according to the most recent federal decennial census to support environmental remediation.

(67) From the funds appropriated in part 1 for Michigan enhancement grants, \$5,000,000.00 shall be awarded to a company that provides school transportation services that was originally founded prior to 1960 and is based in a county with a population between 275,000 and 290,000 according to the most recent federal decennial census to hire at least 350 and retain at least 150 school bus drivers.

(68) From the funds appropriated in part 1 for Michigan enhancement grants, \$8,500,000.00 shall be awarded to a nonprofit that advocates for the fitness industry to provide grants to health and fitness businesses in this state to promote health and wellness.

(69) From the funds appropriated in part 1 for Michigan enhancement grants, \$250,000.00 shall be awarded to a charter township with a population between 49,000 and 50,000 according to the most recent federal decennial census to support the renovation of walking paths and upgrades for a park.

(70) From the funds appropriated in part 1 for Michigan enhancement grants, \$500,000.00 shall be awarded to a nonprofit that provides residential treatment, foster care, adoption, independent living services, transitional housing, charter schooling, senior services, and community-based services for children, families, and adults, that was founded prior to 1920 that is based in a charter township with a population between 49,000 and 50,000 and that also operates a location in a city with a population greater than 600,000 according to the most recent federal decennial census for a pediatric mental health and wellness center and day treatment and respite center.

(71) From the funds appropriated in part 1 for Michigan enhancement grants, \$950,000.00 shall be awarded to a nonprofit 501(c)(3) corporation that was founded prior to 1997, that began operating in this state after 2009, that provides low-income schools with year-round support services and conducts professional development workshops for schools and youth organizations, and that is located in a city with a population greater than 600,000 according to the most recent federal decennial census to expand current programming.

(72) From the funds appropriated in part 1 for Michigan enhancement grants, \$500,000.00 shall be awarded to a nonprofit 501(c)(3) corporation that operates in more than 6 counties, provides foster parenting and adoption services, and operates a location in a city with a population between 80,000 and 82,000 according to the most recent federal decennial census to help families succeed and avoid negative involvement in the child welfare system.

(73) From the funds appropriated in part 1 for Michigan enhancement grants, \$500,000.00 shall be awarded to a nonprofit 501(c)(3) corporation founded after 2013 that operates a facility originally constructed prior to 1925 that provides sports, fitness, community, and creative arts opportunities located in a city with a population between 80,000 and 82,000 according to the most recent federal decennial census to support additional programming for sports and field activities.

(74) From the funds appropriated in part 1 for Michigan enhancement grants, \$250,000.00 shall be awarded to a county sheriff serving a county with a population between 400,000 and 500,000 according to the most recent federal decennial census for a program to help inmates obtain an educational certificate or learn a skilled trade.

(75) From the funds appropriated in part 1 for Michigan enhancement grants, \$500,000.00 shall be awarded to a nonprofit 501(c)(3) corporation that offers free year-round programming for children ages 5 through 17, was founded after 2014, operates a facility that was originally constructed prior to 1922, and is located in a city with a population between 80,000 and 82,000 according to the most recent federal decennial census to support a youth sports facility.

(76) From the funds appropriated in part 1 for Michigan enhancement grants, \$250,000.00 shall be awarded to a nonprofit 501(c)(3) corporation founded prior to 1999, that is a part of a larger network of organizations that provide programming and services to children and teenagers, and that is located in a city with a population between 80,000 and 82,000 according to the most recent federal decennial census to support the replacement of a boiler and make other facility and grounds improvements.

(77) From the funds appropriated in part 1 for Michigan enhancement grants, \$500,000.00 shall be awarded to a nonprofit community center that provides suicide awareness and youth and family community outreach programming, and that is located in a city with a population between 80,000 and 82,000 according to the most recent federal decennial census to support new or existing services.

(78) From the funds appropriated in part 1 for Michigan enhancement grants, \$1,500,000.00 shall be awarded to a health network that operates multiple locations in a county with a population between 400,000 and 500,000, and a location in a county with a population between 85,000 and 90,000, according to the most recent federal decennial census, and that received nonprofit 501(c)(3) status after 1980 and prior to 1985 to increase access to medical care for the underserved.

(79) From the funds appropriated in part 1 for Michigan enhancement grants, \$250,000.00 shall be awarded to a nonprofit 501(c)(3) corporation founded prior to 1992 that provides families, children, and homeless persons with emergency food and supplies as well as other services, and that is located in a city with a population between 80,000 and 82,000 according to the most recent federal decennial census to expand programming and make facility improvements.

(80) From the funds appropriated in part 1 for Michigan enhancement grants, \$150,000.00 shall be awarded to a nonprofit 501(c)(3) that was founded prior to 2003, that opened a food pantry after 2013, and that is headquartered in a city with a population between 8,050 and 8,100 according to the most recent federal decennial census to expand services through the purchase of building space, and other program improvements.

(81) From the funds appropriated in part 1 for Michigan enhancement grants, \$500,000.00 shall be awarded to a nonprofit 501(c)(3) that provides food access services in at least 3 counties, has gross annual revenue exceeding \$50,000,000.00 in the corporation's most recent completed fiscal year, and is headquartered in a city with a population greater than 600,000 according to the most recent federal decennial census to expand services through the purchase of building space, and other program improvements.

(82) From the funds appropriated in part 1 for Michigan enhancement grants, \$250,000.00 shall be provided to a county sheriff serving a county with a population between 1,000,000 and 1,500,000 according to the most recent federal decennial census for increased marine patrols.

(83) From the funds appropriated in part 1 for Michigan enhancement grants, \$1,000,000.00 shall be provided to a city with a population between 9,350 and 9,400 according to the most recent federal decennial census for 4 rail grade projects.

(84) From the funds appropriated in part 1 for Michigan enhancement grants, \$300,000.00 shall be awarded to a nonprofit that provides employee support services, is over 60.0% funded by member organizations, was founded prior to 2004, and is located in a city with a population between 76,400 and 76,600 according to the most recent federal decennial census to expand existing employee support services.

(85) From the funds appropriated in part 1 for Michigan enhancement grants, \$500,000.00 shall be awarded to a nonprofit 501(c)(3) that provides health care, wellness, and social services at more than 10 locations, was founded prior to 1910, and is headquartered in a city with a population greater than 600,000 according to the most recent federal decennial census to provide health screenings and promote community wellness.

(86) From the funds appropriated in part 1 for Michigan enhancement grants, \$1,200,000.00 shall be provided to a city with a population between 26,000 and 27,000 according to the most recent federal decennial census for capital improvements to a library.

(87) From the funds appropriated in part 1 for Michigan enhancement grants, \$250,000.00 shall be awarded to a nonprofit 501(c)(3) that advocates for the Arab-American community, was founded prior to 2012, and is located in a city with a population between 100,000 and 110,000 according to the most recent federal decennial census for the continuation of program services.

(88) From the funds appropriated in part 1 for Michigan enhancement grants, \$1,000,000.00 shall be awarded to a nonprofit 501(c)(3) that provides physical and behavioral health services and community and cultural wellness services, was founded prior to 1979, and is located in a city with a population greater than 600,000 according to the most recent federal decennial census for the expansion of a health care facility.

(89) From the funds appropriated in part 1 for Michigan enhancement grants, \$300,000.00 shall be awarded to a nonprofit that provides opportunities for youth baseball and is located in a city with a population between 63,400 and 64,000 according to the most recent federal decennial census for the improvement of sports facilities.

(90) From the funds appropriated in part 1 for Michigan enhancement grants, \$250,000.00 shall be awarded to a city with a population between 3,200 and 3,250 according to the most recent federal decennial census for wastewater treatment plant improvements.

(91) From the funds appropriated in part 1 for Michigan enhancement grants, \$5,000,000.00 shall be provided to a mental health authority serving 3 counties with a combined population between 473,000 and 475,000 according to the most recent federal decennial census to increase crisis stabilization capacity.

(92) From the funds appropriated in part 1 for Michigan enhancement grants, \$350,000.00 shall be awarded to a nonprofit 501(c)(3) that provides nutrition, health care, dental, drug rehabilitation, counseling, and mentoring services, and is located in a city with a population between 110,000 and 120,000 according to the most recent federal decennial census to expand wellness and mentoring services.

(93) From the funds appropriated in part 1 for Michigan enhancement grants, \$900,000.00 shall be awarded to the department of health and human services to support hospice room and board costs.

(94) From the funds appropriated in part 1 for Michigan enhancement grants, \$1,000,000.00 shall be awarded to a nonprofit 501(c)(3) that provides health care, wellness, housing, and other services to lesbian, gay, bi-attractional, transgender, and questioning youth and young adults, was founded prior to 2000, and is located in a city with a population greater than 600,000 according to the most recent federal decennial census to assist with completion of a supported housing project.

(95) From the funds appropriated in part 1 for Michigan enhancement grants, \$3,500,000.00 shall be awarded to a nonprofit 501(c)(3) that provides supportive housing to formerly homeless persons, was founded in 1992, and is located in a city with a population between 120,000 and 125,000 according to the most recent federal decennial census to support new or existing services.

(96) From the funds appropriated in part 1 for Michigan enhancement grants, \$1,000,000.00 shall be awarded to a nonprofit 501(c)(3) corporation that advocates and promotes a healthier environment, job creation, financial independence, safety, and neighborhood revitalization, was founded in 1981, and is located in a city with a population between 70,000 and 75,000 according to the most recent federal decennial census to support construction of new housing and to support career training programs.

(97) From the funds appropriated in part 1 for Michigan enhancement grants, \$1,000,000.00 shall be awarded to a county with a population between 1,000,000 and 1,500,000 according to the most recent federal decennial census for the construction of electric vehicle charging stations on a university campus within that county and on county-owned properties.

(98) From the funds appropriated in part 1 for Michigan enhancement grants, \$600,000.00 shall be awarded to a city with a population between 34,000 and 34,350 according to the most recent federal decennial census for the purchase of a fire truck.

(99) From the funds appropriated in part 1 for Michigan enhancement grants, the department shall allocate \$500,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is located in a county with a population between 160,000 and 160,370 according to the most recent federal decennial census, for operational use as it relates to the state's mission regarding substance use disorder and opioid abuse. To be eligible to receive funding, the organization must have a stated mission to educate the community on opiate abuse and provide support for families and those suffering addiction.

(100) From the funds appropriated in part 1 for Michigan enhancement grants, \$40,000,000.00 must be allocated to a city with a population greater than 600,000 according to the most recent federal decennial census for a 29-mile recreational greenway project connecting multiple neighborhoods and municipalities that promotes and enhances public recreation, equity, tourism, and economic development and recovery.

Sec. 1094I. (1) From the funds appropriated in part 1 for Michigan infrastructure grants, \$32,000,000.00 shall be allocated to a county with a population of between 800,000 and 900,000 according to the most recent federal decennial census for the reconstruction of Mound Road.

(2) From the funds appropriated in part 1 for Michigan infrastructure grants, \$35,000,000.00 shall be allocated to the department of natural resources for improvements to Mackinac Island state park. Of this amount, the department of natural resources shall allocate \$30,000,000.00 to reduce the park's maintenance and repair backlog, \$3,000,000.00 for the completion of the visitors center at Arch Rock, and \$2,000,000.00 for the

renovation of a scout barracks within the park. The unexpended funds described under this subsection are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this subsection until the project has been completed.

(3) From the funds appropriated in part 1 for Michigan infrastructure grants, \$5,000,000.00 shall be allocated to a nonprofit 501(c)(3) health system located in a city with a population of between 42,000 and 43,000 according to the most recent federal decennial census for boiler, electrical, or other facility upgrades.

(4) From the funds appropriated in part 1 for Michigan infrastructure grants, \$20,000,000.00 shall be allocated to a for-profit children's hospital located in a city with a population greater than 600,000 according to the most recent federal decennial census for operational needs of the hospital.

(5) From the funds appropriated in part 1 for Michigan infrastructure grants, \$14,000,000.00 shall be allocated to a marine transportation authority in a county with a population of between 26,000 and 26,500 according to the most recent federal decennial census for the purchase of a passenger ferry.

(6) From the funds appropriated in part 1 for Michigan infrastructure grants, \$1,000,000.00 shall be allocated to the department of transportation to conduct a planning and engineering phase II study as required by the Federal Railroad Administration for future passenger rail service between Ann Arbor, Michigan and Traverse City, Michigan. The study must outline capital infrastructure needs, update market and ridership forecasts, and update industry analysis of rail development. The funding must also enable community engagement, outreach, and feedback with communities along the proposed passenger rail corridor.

(7) From the funds appropriated in part 1 for Michigan infrastructure grants, \$5,000,000.00 shall be allocated to a city with a population of between 2,310 and 2,325 according to the most recent federal decennial census for improvements for water system upgrades.

(8) From the funds appropriated in part 1 for Michigan infrastructure grants, \$1,000,000.00 shall be allocated to a village with a population between 1,840 and 1,860 according to the most recent federal decennial census for extension of the village's water and wastewater systems.

(9) From the funds appropriated in part 1 for Michigan infrastructure grants, \$12,000,000.00 shall be allocated to a nonprofit 501(c)(3) corporation founded in 1968 that provides athletic competition opportunities to intellectually disabled children and adults and is headquartered in a city with a population of between 21,000 and 21,700 according to the most recent federal decennial census to renovate a building for athletic competition.

(10) From the funds appropriated in part 1 for Michigan infrastructure grants, \$25,000,000.00 shall be allocated to a county with a population of between 800,000 and 900,000 according to the most recent federal decennial census for capital investment and improvements to county health department facilities.

(11) From the funds appropriated in part 1 for Michigan infrastructure grants, \$10,000,000.00 shall be allocated to a rehabilitation hospital originally established in 1911 that is headquartered in a city with a population of between 190,000 and 200,000 according to the most recent federal decennial census for construction of a children's rehabilitation hospital.

(12) From the funds appropriated in part 1 for Michigan infrastructure grants, \$10,000,000.00 shall be allocated to a nonprofit 501(c)(3) corporation founded in 1996 that provides acculturation, community development, and cultural preservation services and that is located in a city with a population of between 130,000 and 135,000 according to the most recent federal decennial census to support construction of a new facility that will provide workforce development, housing, social services, or other services.

(13) From the funds appropriated in part 1 for Michigan infrastructure grants, \$800,000.00 shall be allocated to a 501(c)(4) property owners association that experienced damage to a dam spillway in 2020 and that is located in a county with a population of between 15,000 and 15,025 according to the most recent federal decennial census for dam spillway repairs.

(14) From the funds appropriated in part 1 for Michigan infrastructure grants, \$20,000,000.00 shall be allocated to a nonprofit 501(c)(3) corporation that is a nature conservancy headquartered in a city with a population of greater than 600,000 according to the most recent federal decennial census for restoration of river front land in a county with a population between 300,000 and 400,000 according to the most recent federal decennial census.

(15) From the funds appropriated in part 1 for Michigan infrastructure grants, \$15,000,000.00 shall be allocated to a nonprofit 501(c)(3) corporation that focuses on economic development, received tax-exempt status in 2018, and is located in a city with a population of between 20,500 and 20,640 according to the most recent federal decennial census to provide new workforce housing stock, child care, broadband, and talent attraction.

(16) From the funds appropriated in part 1 for Michigan infrastructure grants, \$2,000,000.00 shall be allocated to a nonprofit 501(c)(3) corporation that is located in a city with a population of between 15,500 and 15,690 according to the most recent federal decennial census to purchase and renovate a building for curling.

(17) From the funds appropriated in part 1 for Michigan infrastructure grants, \$5,000,000.00 shall be allocated to a port authority located in a county with a population of between 154,500 and 160,000 according to the most recent federal decennial census to construct and rehabilitate critical infrastructure.

Sec. 1094m. (1) From the funds appropriated in part 1 for economic development and workforce grants, \$28,000,000.00 shall be awarded for business incubator activities. The funds shall be allocated as follows:

(a) \$20,000,000.00 shall be awarded to an international business accelerator located in a city with a population of between 83,500 and 84,000 and in a county with a population of between 1,250,000 and 1,300,000 according to the most recent federal decennial census that supports the growth of the Michigan economy by attracting top international entrepreneurs to establish their companies in Michigan with a focus on next-generation medical services and equipment; agriculture; engineering, design, and development; and other technology-focused industries. Funds shall be used for the establishment of the accelerator and operating support.

(b) \$8,000,000.00 shall be awarded to a nonprofit economic development organization that connects businesses to the resources they need to grow and that is located in a city with a population of between 5,700 and 5,725 and in a county with a population of between 295,000 and 297,000 according to the most recent federal decennial census for the development and operation of a business incubator program or facility.

(2) From the funds appropriated in part 1 for economic development and workforce grants, \$15,000,000.00 shall be awarded to a township with a population of between 7,000 and 7,100 located in a county with a population of between 370,000 and 375,000 according to the most recent federal decennial census with a current utility system project underway to provide infrastructure for all necessary public utilities, including sanitary, stormwater, and freshwater systems; electricity and gas installation; and the acquisition of land needed for the system or project.

(3) From the funds appropriated in part 1 for economic development and workforce grants, \$15,000,000.00 shall be awarded to the Clare-Gladwin regional education service district for the construction of a career and technical education center.

(4) From the funds appropriated in part 1 for economic development and workforce grants, \$13,000,000.00 shall be awarded to a city with a population of between 52,000 and 53,000 located in a county with a population of between 134,000 and 135,000 according to the most recent federal decennial census to support activities associated with a river restoration project.

(5) From the funds appropriated in part 1 for economic development and workforce grants, \$30,000,000.00 shall be awarded to a county convention and arena authority located in a county with a population of between 650,000 and 660,000 according to the most recent federal decennial census for amphitheater construction and renovations.

(6) From the funds appropriated in part 1 for economic development and workforce grants, \$8,000,000.00 shall be awarded to the LIUNA training of Michigan fund to assist with building and retaining a Michigan-based laborer workforce, which includes, but is not limited to, funding for training curriculum; supplies, materials, and equipment; improvements to its training institutes and other real or personal property used for training purposes; instructional costs; COVID-19 costs incurred on or after March 10, 2020; and any other necessary costs incurred to maintain or improve training services.

(7) From the funds appropriated in part 1 for economic development and workforce grants, \$8,000,000.00 shall be awarded for construction career center grants. The funds shall be allocated as follows:

(a) \$2,000,000.00 shall be awarded to a nonprofit serving as a comprehensive construction career center offering outreach, recruitment, and education for individuals pursuing a career in construction, and for those already in the field. The funds must be used for the construction, renovation, and equipping of comprehensive training and education facilities utilized to promote outreach, recruitment, and education for the construction trades. The nonprofit must be headquartered in a county with a population of between 650,000 and 660,000 and in a city with a population greater than 190,000 according to the most recent federal decennial census.

(b) \$3,000,000.00 shall be awarded to a nonprofit serving as a comprehensive construction career center offering outreach, recruitment, and education for individuals pursuing a career in construction, and for those already in the field. The funds must be used for the construction, renovation, and equipping of comprehensive training and education facilities utilized to promote outreach, recruitment, and education for the construction trades. The nonprofit must be headquartered in a county with a population of between 83,000 and 84,000 and in a city with a population of between 42,000 and 43,000 according to the most recent federal decennial census.

(c) \$3,000,000.00 shall be awarded to a nonprofit serving as a comprehensive construction career center offering outreach, recruitment, and education for individuals pursuing a career in construction, and for those already in the field. The funds must be used for the construction, renovation, and equipping of comprehensive training and education facilities utilized to promote outreach, recruitment, and education for the construction trades. The nonprofit must be headquartered in a county with a population of between 1,250,000 and 1,300,000 and in a city with a population of between 28,400 and 28,500 according to the most recent federal decennial census.

(8) From the funds appropriated in part 1 for economic development and workforce grants, \$5,000,000.00 shall be awarded to a nonprofit organization in a city with a population greater than 600,000 according to the most recent federal decennial census focused on equitable local, regional, and statewide economic growth through immigrant inclusion, for programs including, but not limited to, marketing and attracting, licensing, credentialing, placing, training, and accessing education to international entrepreneurs, companies and startups, professionals, and students.

(9) From the funds appropriated in part 1 for economic development and workforce grants, \$10,000,000.00 shall be used by the department for sector strategies in key industries to support the creation of good and promising jobs that make Michigan's economy more resilient by addressing talent shortages in current and future growth sectors in every region of the state. Funds may be used for, but are not limited to, convening and developing employer-led collaboratives to address talent gaps, as well as for training and activities proposed by employer-led collaboratives to address identified workforce needs. Up to 3% of the funds appropriated for this section may be retained by the department for administration.

(10) From the funds appropriated in part 1 for economic development and workforce grants, \$10,000,000.00 shall be used by the department for the employment, reemployment, and removal of barriers for at-risk individuals, including the asset limited income constrained employed population, as defined by the United Way. Employment supports and barrier removal may include, but are not limited to, services focused on transportation, child care, clothing needs, tools for work, and other barriers that prevent individuals from entering and staying in the workforce. Up to 3% of the funds appropriated for this section may be retained by the department for administration.

(11) From the funds appropriated in part 1 for economic development and workforce grants, \$500,000.00 shall be awarded to a national, nonprofit program that connects National Guard, reserve, retired, and transitioning active-duty military service members with skilled training and quality career opportunities in the construction industry. Grant funding must be used to recruit and assist veterans to transition into apprenticeship programs in this state.

(12) From the funds appropriated in part 1 for economic development and workforce grants, \$10,000,000.00 shall be awarded to a nonprofit 501(c)(3) corporation with demonstrated effectiveness in the administration of an apprenticeship readiness program that increases the state's talent pool in building trades and construction, or other skilled trades occupations. The demonstrated effectiveness must include prior experience in administering programs in multiple regions in Michigan. The apprenticeship readiness program shall enroll Michigan residents into pre-apprenticeship training that will assist them in achieving employment in the expanding building trades and construction industry, or skilled trades occupations in other industries. The program shall prioritize pre-apprenticeship training in economically distressed communities and target residents from underrepresented populations, including, but not limited to, unemployed, underemployed, low-income, minorities, and women, providing them with the skills needed for immediate entry into federally registered apprenticeship programs with contractors in the building trades and construction industry, or skilled trades occupations in other industries.

(13) From the funds appropriated in part 1 for economic development and workforce grants, \$5,000,000.00 shall be awarded to a regional skilled trades council focused on engaging K-12 students, teachers, and counselors to expand awareness around skilled trades opportunities and careers, and the ability to engage with industry professionals.

(14) From the funds appropriated in part 1 for economic development and workforce grants, \$5,000,000.00 shall be awarded to a downtown development authority in a city with a population between 112,500 and 113,000 according to the most recent federal decennial census to support the community toward financial stability and economic recovery from 1 or more of the following:

- (a) The departure or disinvestment of employers and their workforces from their community.
- (b) Employment decreases in the community from the transition to remote work or business closures.
- (c) An increase in commercial building vacancies or drop in commercial property values in the area.

(15) From the funds appropriated in part 1 for economic development and workforce grants, \$6,000,000.00 shall be allocated to a city with a population between 10,150 and 10,200 according to the most recent federal decennial census for improvements to the city's drinking water system.

(16) From the funds appropriated in part 1 for economic development and workforce grants, \$3,500,000.00 shall be allocated to a city with a population between 4,250 and 4,290 according to the most recent federal decennial census for improvements to the city's wastewater treatment plant.

(17) From the funds appropriated in part 1 for economic development and workforce grants, \$20,000,000.00 shall be allocated to a charter township with a population between 38,250 and 39,000 according to the most recent federal decennial census for wastewater pipeline upgrades.

(18) From the funds appropriated in part 1 for economic development and workforce grants, \$10,000,000.00 shall be allocated to a charter township with a population between 40,000 and 42,000

according to the most recent federal decennial census for improvements to the township's wastewater treatment plant to assist with economic development and expansion in the region.

(19) From the funds appropriated in part 1 for economic development and workforce grants, \$12,500,000.00 shall be allocated to a commission on aging serving a county with a population between 10,000 and 10,800 according to the most recent federal decennial census for the construction of a community hub.

(20) From the funds appropriated in part 1 for economic development and workforce grants, \$10,000,000.00 shall be allocated to a city with a population between 2,480 and 2,500 according to the most recent federal decennial census for improvements to the city's water treatment system.

(21) From the funds appropriated in part 1 for economic development and workforce grants, \$2,125,000.00 shall be allocated to a city with a population between 630 and 640 according to the most recent federal decennial census for drinking water system improvements.

(22) From the funds appropriated in part 1 for economic development and workforce grants, \$240,000.00 shall be allocated to a county with a population between 800,000 and 900,000 according to the most recent federal decennial census for the construction of a culvert to allow pedestrian access to a county park.

(23) From the funds appropriated in part 1 for economic development and workforce grants, \$2,750,000.00 shall be awarded to a live performance venue originally constructed prior to 1931 that is located in a city with a population between 30,000 and 32,000 according to the most recent federal decennial census.

(24) From the funds appropriated in part 1 for economic development and workforce grants, \$6,000,000.00 shall be allocated to the housing commission of a city with a population between 15,600 and 15,690 according to the most recent federal decennial census for the construction or upgrade of affordable housing facilities.

(25) From the funds appropriated in part 1 for economic development and workforce grants, \$7,000,000.00 shall be allocated to a city with a population between 15,600 and 15,690 according to the most recent federal decennial census for the construction of a multi-use community center.

(26) From the funds appropriated in part 1 for economic development and workforce grants, \$3,860,000.00 shall be allocated to a nonprofit 501(c)(3) corporation that provides social and mental health services, had gross revenues exceeding \$10,000,000.00 in its most recently completed fiscal year, and is headquartered in a city with a population between 190,000 and 200,000 according to the most recent federal decennial census for the construction of affordable housing in a city with a population between 10,150 and 10,250 according to the most recent federal decennial census.

(27) From the funds appropriated in part 1 for economic development and workforce grants, \$5,000,000.00 shall be awarded to support a community center located in a county with a population between 83,000 and 84,000 according to the most recent federal decennial census.

Sec. 1094n. From the funds appropriated in part 1 for cancer institute project, the department of labor and economic opportunity shall allocate \$100,000,000.00 to a research university located in a city with a population over 500,000 according to the most recent federal decennial census. The funding shall be allocated to the university's school of medicine to partner with a cancer institute on the project. The university shall provide information on request to the chairpersons of the relevant appropriations subcommittees, the house and senate fiscal agencies, and the state budget director on the use of these funds until the project is completed.

Sec. 1094o. (1) From the funding appropriated in part 1 for electric vehicle teaching, training, and development center, the department of labor and economic opportunity shall allocate \$130,000,000.00 general fund/general purpose funding for an electric vehicle teaching, training, and development center located at a research university located in a city with a population between 123,850 and 123,900 according to the most recent federal decennial census.

(2) The university shall submit a report by September 30 of the current fiscal year to the chairpersons of the relevant appropriations subcommittees, the house and senate fiscal agencies, and the state budget director. The report shall include information that details how awarded funds were spent, a brief description of projects undertaken by the center, a description of how awarded funds increased educational opportunities specific to electric vehicles, and associated timelines and milestones in the development of an economic development strategy within this state that addresses the emerging electric vehicle market through research, development, and manufacturing jobs.

Sec. 1094p. It is the intent of the legislature that the state budget director designate \$850,000.00 appropriated for Michigan infrastructure grants under 2021 PA 87 as a work project pursuant to section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a, for the purposes described in section 1095(11) of article 5 of 2021 PA 87. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to fund the remediation of a dam and walkway.

(b) The projects will be accomplished by utilizing local employees or contracts with private vendors, or both.

(c) The total estimated cost of the project is \$850,000.00.

(d) The tentative completion date is September 30, 2026.

Sec. 1094q. (1) From the funds appropriated in part 1 for academic research building, the department of labor and economic opportunity shall utilize funds to support a combined research, education, and entrepreneurship initiative anchored by an academic research building in partnership with at least 1 public university, located in a city with a population of between 620,000 and 640,000 according to the most recent federal decennial census. Programs, certifications, and degrees associated with the academic research building shall focus on high-tech research, education, and innovation with the goal of serving as an economic development catalyst and a pipeline for new and recharged talent in this state.

(2) The department of labor and economic opportunity shall award funds under this section to a nonprofit organization affiliated with the initiative. To receive funding under this section, the nonprofit organization affiliated with the initiative shall demonstrate a financial commitment from the initiative or affiliated partners of no less than the funding awarded under this section. The financial commitment shall include plans to ensure the initiative is sustainably funded with ongoing commitments from affiliated partners.

(3) Before the disbursement of funds, the department of labor and economic opportunity shall ensure the grant recipient submits plans and satisfactorily demonstrates at least the following commitments from the initiative where the academic research building will be located:

(a) Plans to expand higher education, employment, and entrepreneurship opportunities in the community and region in which the initiative is located.

(b) Plans for the development of business and technology incubators, research opportunities in critical industries, and emerging technologies that support economic diversification.

(c) Commitment to collaboration with local education, business, and community institutions to increase the availability of workforce training and certification programs.

(d) Identification of project support from education, business, and community partners.

(e) Inclusion of new housing units located at or adjacent to the initiative, including community green spaces.

(f) Construction of a new academic research building that will be owned and operated by a public university as part of the initiative.

(g) Commitment that the initiative will break ground on the project no later than 2023, and provides a construction schedule and planning and engineering documents as requested by the department of labor and economic opportunity.

(4) The department of labor and economic opportunity shall ensure the grant recipient provides regular progress reports on the status of the initiative and completes the plans submitted in subsection (2) required to receive funding.

(5) The department of labor and economic opportunity shall make progress reports publicly available and ensure any trade secrets or proprietary information of the initiative or its affiliated partners is not disclosed.

Sec. 1096. (1) From the funds appropriated in part 1 for Michigan enhancement grants, Michigan infrastructure grants, and economic development and workforce grants, the department shall execute a grant agreement with each recipient, pursuant to subsection (2). All grant funds are considered direct appropriations and, subject to receipt of all information under subsections (2) and (3), shall be disbursed by the department, as determined by the grant agreement. Any funds that are granted to a state department are appropriated in that department for the purpose of the intended grant. An initial disbursement of 50% shall be provided to the grantee upon execution of the grant agreement.

(2) The department shall execute a grant agreement with each recipient in order to receive funding. The grant agreement shall include, but is not limited to, all of the following:

(a) All necessary identifying information for the recipient, including any necessary tax identification information.

(b) A description of the project for which the grant funds will be expended, including tentative timelines and the estimated budget. No expenditures outside of the project purpose, as stated in the executed grant agreement, shall be reimbursed from appropriations in part 1. Funds appropriated in part 1 may only be used for expenditures that occur on or after the effective date of this act, unless specifically authorized in section 1094k, section 1094l, or section 1094m.

(c) A requirement that after the initial 50% disbursement, additional funds shall only be disbursed after verification that the initial payment has been fully expended, in accordance with the project purpose. The remaining funds shall be disbursed in a manner specified in the grant agreement. The grantee must provide sufficient documentation, as determined by the department, to verify that all expenditures were made in accordance with the project purpose.

(d) A requirement for quarterly reports from the recipient to the department that provide the status of the project and an accounting of all funds expended by the recipient.

(e) A claw-back provision that allows this state to recoup or otherwise collect any funds that are declined, unspent, or otherwise misused.

(3) The grantee shall respond to all reasonable information requests from the department related to grant expenditures and retain grant records for a period of not less than 3 years, and the grant may be subject to audit and site visits as determined by the department. The grant agreement required under subsection (2) shall include signed assurance by the chief executive officer or other executive officer of the grant recipient that this requirement will be met.

(4) All funds awarded shall be expended by the recipient, and projects completed, by September 30, 2026. If at that time, as evidenced by the quarterly reports, any unexpended funds remain, those funds shall be returned by the grantee to the state treasury. The state budget director may, on a case-by-case basis, extend this deadline, upon request by a grant recipient.

(5) If a grantee does not provide information sufficient to execute a grant agreement by May 1, 2023, funds associated with that grant shall be returned to the state treasury.

(6) The department shall provide quarterly updates on the accounting and status of each project to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget office.

Sec. 1097. (1) From the funds appropriated in part 1 for Michigan community development financial institution fund grants, \$75,000,000.00 is for grants to eligible community development financial institutions under this section. The legislature finds and declares that the appropriation described in this section is for a public purpose, including promoting community economic revitalization and community development through community financial institutions.

(2) Within 84 days after the effective date of this act, the Michigan strategic fund shall develop a grant application, approval, agreement, and compliance process consistent with this section adopted by a resolution of the board and published and available on the Michigan strategic fund's website.

(3) The application required under subsection (2) must include all of the following:

(a) The name of the community development financial institution applying for a grant.

(b) The location of the principal office of the applicant.

(c) Documentation indicating whether the applicant is a Michigan CDFI or a multistate CDFI.

(d) The amount of the grant sought, not to exceed the maximum eligible amount of the grant under subsections (4) to (6).

(e) If the community development financial institution is a depository institution, the net assets of the depository institution.

(f) If the community development financial institution is not a depository institution, the amount of qualifying commitments made by the community development financial institution during the 3 calendar years immediately preceding the calendar year in which the application is submitted.

(g) A description of the applicant's eligibility for funding under subsections (4) to (6).

(h) A description of the proposed use of the grant award by the applicant for eligible activities consistent with the requirements of this section and the community development banking and institutions act of 1994, 12 USC 4701 to 4719.

(i) Documentation of the applicant's certification as a community development financial institution that meets the eligibility requirements under 12 CFR 1805.201, by the community development financial institutions fund established under section 104 of the community development banking and institutions act of 1994, 12 USC 4703. The documentation required by this subsection may include the list of community development financial institutions in good standing maintained and published by the federal fund.

(j) A statement that the applicant is in compliance with all requirements applicable to the applicant under the community development banking and institutions act of 1994, 12 USC 4701 to 4719.

(4) A community development financial institution that is a depository institution is eligible for a grant award in the following amounts:

(a) Up to \$2,000,000.00 if the depository institution has total net assets of less than \$500,000,000.00.

(b) Up to \$3,000,000.00 if the depository institution has total net assets of between \$500,000,000.00 to \$999,999,999.99.

(c) Up to \$4,000,000.00 if the depository institution has total net assets of between \$1,000,000,000.00 to \$1,999,999,999.99.

(d) Up to \$5,000,000.00 if the depository institution has total net assets of \$2,000,000,000.00 or more.

(5) Except as otherwise provided in subsection (6), a community development financial institution is eligible for a grant award in the following amount:

(a) Up to \$1,000,000.00 if the community development financial institution made qualifying commitments in an amount that averaged less than \$1,000,000.00 per year during the 3 calendar years immediately preceding the calendar year in which an application for a grant is submitted.

(b) Up to \$3,000,000.00 if the community development financial institution made qualifying commitments in an amount that averaged from between \$1,000,000.00 to \$3,999,999.99 per year during the 3 calendar years immediately preceding the calendar year in which an application for a grant is submitted.

(c) Up to \$5,000,000.00 if the community development financial institution made qualifying commitments in an amount that averaged from \$4,000,000.00 to \$5,999,999.99 per year during the 3 calendar years immediately preceding the calendar year in which an application for a grant is submitted.

(d) Up to \$7,000,000.00 if the community development financial institution made qualifying commitments in an amount that averaged from \$6,000,000.00 to \$9,999,999.00 per year during the 3 calendar years immediately preceding the calendar year in which an application for a grant is submitted.

(e) Up to \$8,000,000.00 if the community development financial institution made qualifying commitments in an amount that averaged at least \$10,000,000.00 per year during the 3 calendar years immediately preceding the calendar year in which an application for a grant is submitted.

(6) A grant to a multistate CDFI under subsection (5) must not exceed \$5,000,000.00.

(7) The Michigan strategic fund shall accept initial applications for a grant under this section until April 30, 2023. The Michigan strategic fund shall approve or deny a grant application within 63 days after the receipt of an administratively complete application as determined by the Michigan strategic fund. If the application complies with the requirements of this section, the Michigan strategic fund shall approve the award of the grant in the amount requested by the applicant. The Michigan strategic fund may deny a grant application submitted under this section for only the following reasons:

(a) The applicant does not satisfy all of the requirements described in this section.

(b) Subject to subsection (9), there is insufficient money to pay the grant amount requested.

(c) The applicant is not in compliance with applicable requirements under the community development banking and institutions act of 1994, 12 USC 4701 to 4719.

(8) If the Michigan strategic fund denies an application under subsection (7), the applicant may provide additional information to the Michigan strategic fund within 7 days after the notice of denial. The Michigan strategic fund shall review and reconsider the application and additional information within 28 days.

(9) If there is an insufficient amount of money to pay the grants approved, the amount of each grant shall be reduced proportionately by the Michigan strategic fund based on the amount of money available.

(10) Upon approval of an application, the Michigan strategic fund and the applicant shall sign a written grant agreement that provides for the terms of the grant agreement. A grant agreement must include all of the following:

(a) A requirement that at least 80% of the grant award be used for financial products and financial services.

(b) A restriction that no more than 10% of the grant award be used for technical assistance activities described in 12 CFR 1805.303.

(c) A restriction that no more than 10% of the grant award be used for administration and operations.

(d) A requirement that a grant award be committed under a loan agreement or funding agreement or disbursed by the recipient within 3 years after the date that the recipient receives the grant award.

(e) A requirement that the entire amount of the grant award be expended within this state.

(f) A requirement that the grant award recipient maintain its certification as a community development financial institution under 12 CFR 1805.201, while the grant agreement is in effect.

(g) A requirement that the grant award recipient comply with all requirements applicable under the community development banking and institutions act of 1994, 12 USC 4701 to 4719, while the agreement is in effect.

(h) Provisions authorizing the Michigan strategic fund to enforce the terms of the grant agreement, including a requirement that a noncompliant recipient of a grant award repay the award.

(i) A requirement for the grant award recipient to report on activities consistent with the requirements of subsection (14).

(11) A grant agreement may provide for the community development financial institution that is the recipient of a grant award to serve as an intermediary lender to another community development financial institution consistent with the purposes of this chapter.

(12) A grant agreement must permit a grant award recipient to assign the award to an affiliate and for the affiliate to assume the obligations of the grant award recipient if the affiliate satisfies all of the following:

(a) Is a community development financial institution.

(b) Is organized in the same manner as the grant award recipient.

(c) Is controlled by the grant award recipient in 1 or both of the following ways:

(i) The grant award recipient owns a majority of the stock of the affiliate.

(ii) A majority of the members of the board of the affiliate also are members of the board of the grant award recipient.

(13) Except as otherwise provided in subsection (14), the Michigan strategic fund shall require the recipient of a grant award under this section to report annually to the Michigan strategic fund regarding its activities under this section beginning on the May 1 immediately following the calendar year in which the grant award was received by the recipient. The Michigan strategic fund shall publish on its website a standard

form for the report. Except as otherwise provided in subsection (14), the report must include all of the following information:

(a) A copy of the recipient's most recent confirmation of recertification as a community development financial institution issued by the community development financial institutions fund under 12 CFR 1805.201, which may include the list of community development financial institutions in good standing maintained and published by the federal fund.

(b) A list of financial products and services provided during the prior calendar year that includes all of the following:

(i) The name of each transaction.

(ii) A transition tracking number for each transaction.

(iii) The date of each transaction.

(iv) The amount of each transaction.

(v) The total project cost for each transaction if other funding was involved.

(vi) The physical address of the borrower or customer for each transaction.

(vii) The census tract of the borrower or customer for each transaction.

(viii) An indication of whether the census tract in which the transaction is located is an eligible investment area.

(ix) A description of the projected economic impact of the transaction.

(x) A description of any financial products or financial services provided.

(c) A description of technical assistance provided during the prior calendar year.

(d) A summary of expenditures for administration and operations provided during the prior calendar year that includes all of the following:

(i) A description of administration and operations costs incurred.

(ii) Professional fees and expenses incurred.

(iii) A summary of any other eligible expenses for administration and operation.

(14) A grant award recipient is not required to provide a report under this section for any calendar year in which it did not loan or otherwise commit or disburse grant award money. The Michigan strategic fund shall not include information in the report required under subsection (13) if information that otherwise would be included in a report under subsection (13) is either of the following:

(a) Exempt from disclosure or confidential as proprietary business or financial information under the community development banking and institutions act of 1994, 12 USC 4701 to 4719.

(b) Exempt from disclosure under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(15) Except as otherwise provided in subsection (3), not more than 4% of the appropriation provided may be used for the administering the programs and activities incurred in administering this section.

(16) All grants must be distributed in accordance with this section, the grant guidelines issued as part of the application process, and grant agreements between the Michigan strategic fund and grant recipients.

(17) The unexpended funds appropriated in part 1 for the Michigan community development financial institution fund grants are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section for the project until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide grants to eligible community development financial institutions under this section.

(b) The project will be accomplished by grants to eligible community development financial institutions under this section.

(c) The total estimated cost of the project is \$75,000,000.00.

(d) The tentative completion date is September 30, 2026.

(18) As used in this section:

(a) "CDFI fund" means the Michigan community development financial institutions fund created in subsection (1).

(b) "Community development financial institution" means that term as defined in section 103 of the community development banking and institutions act of 1994, 12 USC 4702, but is limited to a community development financial institution that satisfies all of the following:

(i) Is an entity that meets the eligibility requirements described in 12 CFR 1805.200.

(ii) Is certified as a community development financial institution that meets the eligibility requirements under 12 CFR 1805.201 by the community development financial institutions fund established under section 104 of the community development banking and institutions act of 1994, 12 USC 4703.

(iii) Maintains 1 or more physical offices within this state.

(iv) Employs 2 or more individuals at a physical office within this state, including employees of an affiliate of the community development financial institution that provides services to the community development financial institution.

(v) Is a Michigan CDFI or a multistate CDFI.

(c) "Depository institution" means any of the following:

(i) A bank as that term is defined in section 3(a) of the federal deposit insurance act, 12 USC 1813(a).

(ii) A savings association as that term is defined in section 3(b) of the federal deposit insurance act, 12 USC 1813(b).

(iii) A credit union as that term is defined in section 102 of the credit union act, 2003 PA 215, MCL 490.102.

(iv) A depository institution holding company as that term is defined in 12 CFR 1805.104.

(d) "Eligible activities" means activities described in 12 CFR 1805.301, and includes credit enhancements, loan loss reserves, and equity investments.

(e) "Federal fund" means the federal community development financial institutions fund within the United States Department of Treasury.

(f) "Financial products" means that term as defined in 12 CFR 1805.104.

(g) "Financial services" means that term as defined in 12 CFR 1805.104.

(h) "Michigan CDFI" means a community development financial institution that satisfies all of the following:

(i) Is certified as a community development financial institution that meets the eligibility requirements under 12 CFR 1805.201 by the community development financial institutions fund established under section 104 of the community development banking and institutions act of 1994, 12 USC 4703.

(ii) Is headquartered at an address in this state, as recognized by the federal fund.

(iii) Has a target market that includes this state, as recognized by the federal fund.

(iv) Serves 1 or more targeted populations located within this state.

(i) "Multistate CDFI" means a community development financial institution that is not a Michigan CDFI but is a community development financial institution that committed under a loan agreement or other funding agreement of at least \$10,000,000.00 in financial products and financial services to a target market within this state under the community development banking and institutions act of 1994, 12 USC 4701 to 4719, during the 5 calendar years preceding the calendar year in which an application for a grant is submitted.

(j) "Qualifying commitment" means funding committed by a community development financial institution under a loan agreement or other funding agreement in target markets or targeted populations in this state that is either of the following:

(i) Financial products or financial services committed under the community development banking and institutions act of 1994, 12 USC 4701 to 4719.

(ii) An additional credit enhancement, loan loss reserve, or equity investment committed by the community development financial institution or an affiliate of the community development financial institution.

(k) "Target market" means that term as defined in 12 CFR 1805.104.

(l) "Targeted population" means that term as defined in 12 CFR 1805.104.

Sec. 1098. From the funds appropriated in part 1 for ARP - nonprofit relief grants, the department of labor and economic opportunity shall allocate \$50,000,000.00 to create a nonprofit relief grant program that awards grants to nonprofit community service organizations across this state. The program must be administered by the department of labor and economic opportunity in partnership with the Michigan nonprofit association.

STATE BUILDING AUTHORITY

Sec. 1100. (1) Subject to section 242 of the management and budget act, 1984 PA 431, MCL 18.1242, and upon the approval of the state building authority, the department of treasury may expend from the general fund of this state during the fiscal year an amount to meet the cash flow requirements of those state building authority projects solely for lease to a state agency identified in both part 1 and this section, and for which state building authority bonds or notes have not been issued, and for the sole acquisition by the state building authority of equipment and furnishings for lease to a state agency as permitted by 1964 PA 183, MCL 830.411 to 830.425, for which the issuance of bonds or notes is authorized by a legislative appropriation act that is effective for the immediately preceding fiscal year. Any general fund advances for which state building authority bonds have not been issued shall bear an interest cost to the state building authority at a rate not to exceed that earned by the state treasurer's common cash fund during the period in which the advances are outstanding and are repaid to the general fund of this state.

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

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

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

Sec. 1102. (1) State building authority funding to finance construction or renovation of a facility that collects revenue in excess of money required for the operation of that facility shall not be released to a university or community college unless the institution agrees to reimburse that excess revenue to the state building authority. The excess revenue shall be credited to the general fund to offset rent obligations associated with the retirement of bonds issued for that facility. The auditor general shall annually identify and present an audit of those facilities that are subject to this section. Costs associated with the administration of the audit shall be charged against money recovered pursuant to this section.

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

Sec. 1103. The state building authority shall provide to the JCOS, senate and house fiscal agencies, and state budget director a report relative to the status of construction projects associated with state building authority bonds as of September 30 of each year, on or before October 15, or not more than 30 days after a refinancing or restructuring bond issue is sold. The report shall include, but is not limited to, all of the following:

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

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

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

REVENUE STATEMENT

Sec. 1201. Pursuant to section 18 of article V of the state constitution of 1963, fund balances and estimates are presented in the following statement:

BUDGET RECOMMENDATIONS BY OPERATING FUNDS

	(Amounts in millions)		
	Fiscal Year 2022-2023		
	Beginning Balance	Estimated Revenue	Ending Balance
OPERATING FUNDS			
General fund/general purpose	2,493.3	11,970.4	1.9
School aid fund	535.8	18,788.0	49.4
Federal aid	0.0	26,482.6	0.0
Transportation funds	0.0	7,726.2	0.0
Special revenue funds	2,294.5	7,079.3	2,233.4
Other funds	1,457.2	33.0	1,490.2
TOTALS	\$6,780.8	\$72,079.5	\$3,774.9

ARTICLE 6

DEPARTMENT OF HEALTH AND HUMAN SERVICES

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of health and human services for the fiscal year ending September 30, 2023, from the following funds:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0
Full-time equated classified positions	15,684.5
Average population	798.0
GROSS APPROPRIATION	\$ 33,387,315,600
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	14,696,000
ADJUSTED GROSS APPROPRIATION	\$ 33,372,619,600
Federal revenues:	
Capped federal revenues	506,981,500
Social security act, temporary assistance for needy families	548,874,100

	For Fiscal Year Ending Sept. 30, 2023	
Total other federal revenues	\$	22,637,893,500
Special revenue funds:		
Total local revenues		170,002,300
Total private revenues		185,596,800
Michigan merit award trust fund		61,268,700
Total other state restricted revenues		3,071,324,100
State general fund/general purpose	\$	6,190,678,600
Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	879.4	
Unclassified salaries—FTEs	6.0\$	1,336,600
Administrative hearings officers		10,004,500
Demonstration projects—FTEs	7.0	7,070,800
Departmental administration and management—FTEs	655.4	107,474,100
Legal services		12,300,000
Office of inspector general—FTEs	197.0	25,965,700
Property management		64,701,200
Terminal leave payments		7,092,100
Training and program support—FTEs	20.0	2,616,500
Warehouse operations		1,400,000
Worker's compensation		8,682,500
GROSS APPROPRIATION	\$	248,644,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of education		1,951,100
IDG from department of technology, management, and budget - office of retirement services		600
Federal revenues:		
Social security act, temporary assistance for needy families		24,829,600
Capped federal revenues		18,584,800
Total other federal revenues		73,617,800
Special revenue funds:		
Total local revenues		86,000
Total private revenues		3,847,500
Total other state restricted revenues		1,342,800
State general fund/general purpose	\$	124,383,800
Sec. 103. CHILD SUPPORT ENFORCEMENT		
Full-time equated classified positions	193.7	
Child support enforcement operations—FTEs	187.7\$	25,769,000
Child support incentive payments		24,409,600
Legal support contracts		113,600,300
State disbursement unit—FTEs	6.0	7,365,800
GROSS APPROPRIATION	\$	171,144,700
Appropriated from:		
Federal revenues:		
Capped federal revenues		14,839,600
Total other federal revenues		131,015,800
State general fund/general purpose	\$	25,289,300
Sec. 104. COMMUNITY SERVICES AND OUTREACH		
Full-time equated classified positions	77.6	
Bureau of community services and outreach—FTEs	24.0\$	3,482,700
Child advocacy centers—FTE	0.5	1,407,000
Child advocacy centers - supplemental grants		2,000,000

		For Fiscal Year Ending Sept. 30, 2023
Community services and outreach administration—FTEs	19.0\$	7,345,000
Community services block grant		25,840,000
Crime victim grants administration services—FTEs	17.0	3,045,200
Crime victim justice assistance grants		98,681,900
Crime victim rights services grants		19,869,900
Diaper assistance grant		4,404,400
Domestic violence prevention and treatment—FTEs	15.6	18,357,000
Homeless programs		24,082,500
Housing and support services		13,031,000
Human trafficking intervention services		200,000
Kids' food basket		525,000
Rape prevention and services—FTE	0.5	5,097,300
Runaway and homeless youth grants		7,784,000
School success partnership program		1,525,000
Uniform statewide sexual assault evidence kit tracking system—FTE	1.0	369,500
Weatherization assistance		15,505,000
GROSS APPROPRIATION	\$	252,552,400
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		22,248,700
Capped federal revenues		62,405,000
Total other federal revenues		117,597,800
Special revenue funds:		
Child advocacy centers fund		1,407,000
Compulsive gambling prevention fund		1,040,500
Crime victim's rights fund		18,764,100
Sexual assault victims' prevention and treatment fund		3,000,000
State general fund/general purpose	\$	26,089,300
Sec. 105. CHILDREN'S SERVICES AGENCY - CHILD WELFARE		
Full-time equated classified positions	4,159.2	
Adoption subsidies	\$	214,044,400
Adoption support services—FTEs	10.0	53,602,300
Attorney general contract		5,191,100
Child abuse and neglect - children's justice act—FTE	1.0	627,900
Child care fund		251,063,100
Child care fund - indirect cost allotment		3,500,000
Child legal representation		500,000
Child protection		2,050,300
Child welfare administration travel		390,000
Child welfare field staff - noncaseload compliance—FTEs	353.0	41,350,200
Child welfare institute—FTEs	53.0	9,331,000
Child welfare licensing—FTEs	59.0	7,357,400
Child welfare medical/psychiatric evaluations		10,428,500
Children's protective services - caseload staff—FTEs	1,615.0	171,293,200
Children's protective services supervisors—FTEs	387.0	47,996,600
Children's services administration—FTEs	207.2	26,153,600
Children's trust fund—FTEs	12.0	4,737,600
Contractual services, supplies, and materials		9,567,600
Court-appointed special advocates		1,000,000
Education planners—FTEs	15.0	1,999,400
Family preservation and prevention services administration—FTEs	9.0	1,412,100
Family preservation programs—FTEs	34.0	58,035,600
Foster care payments		292,106,600

	For Fiscal Year Ending Sept. 30, 2023	
Foster care services - caseload staff—FTEs	966.0\$	98,198,500
Foster care services supervisors—FTEs	227.0	31,054,200
Guardianship assistance program	\$	11,956,300
Interstate compact		179,600
Peer coaches—FTEs	45.5	6,291,100
Performance-based funding implementation—FTEs	3.0	1,363,100
Permanency resource managers—FTEs	28.0	3,479,500
Prosecuting attorney contracts		8,142,800
Raise the age fund		13,150,000
Second line supervisors and technical staff—FTEs	126.0	19,848,000
Settlement monitor		2,219,900
Strong families/safe children		12,600,000
Title IV-E compliance and accountability office—FTEs	4.0	458,600
Youth in transition—FTEs	4.5	8,192,500
GROSS APPROPRIATION	\$	1,430,872,600
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of education		244,400
Federal revenues:		
Social security act, temporary assistance for needy families		333,352,100
Capped federal revenues		107,080,700
Total other federal revenues		256,132,400
Special revenue funds:		
Local funds - county chargeback		38,258,900
Private - collections		2,700,000
Children's trust fund		2,895,300
Total other state restricted revenues		2,000,000
State general fund/general purpose	\$	688,208,800
Sec. 106. CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE		
Full-time equated classified positions	120.5	
Bay Pines Center—FTEs	47.0\$	5,856,400
Committee on juvenile justice administration—FTEs	2.5	363,400
Committee on juvenile justice grants		3,000,000
Community support services—FTEs	3.0	2,137,100
County juvenile officers		3,977,600
Juvenile justice, administration and maintenance—FTEs	21.0	3,812,300
Shawono Center—FTEs	47.0	5,893,100
GROSS APPROPRIATION	\$	25,039,900
Appropriated from:		
Federal revenues:		
Capped federal revenues		8,559,300
Special revenue funds:		
Local funds - state share education funds		1,362,600
Local funds - county chargeback		4,526,800
State general fund/general purpose	\$	10,591,200
Sec. 107. PUBLIC ASSISTANCE		
Full-time equated classified positions	1.0	
Emergency services local office allocations	\$	8,813,500
Family independence program		56,843,900
Family independence program - supplemental payment		4,154,400
Food assistance program benefits		4,188,184,600
Food Bank Council of Michigan		2,045,000
Indigent burial		4,369,100

	For Fiscal Year Ending Sept. 30, 2023	
Legal assistance	\$	50,000
Low-income home energy assistance program		174,951,600
Michigan energy assistance program—FTE	1.0	50,000,000
Refugee assistance program		3,054,200
State disability assistance payments		4,314,200
State supplementation		54,739,600
State supplementation administration		1,806,100
GROSS APPROPRIATION	\$	4,553,326,200
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		55,861,700
Capped federal revenues		178,005,800
Total other federal revenues		4,183,474,600
Special revenue funds:		
Child support collections		8,741,900
Low-income energy assistance fund		50,000,000
Public assistance recoupment revenue		4,820,000
Supplemental security income recoveries		1,081,100
State general fund/general purpose	\$	71,341,100
Sec. 108. FIELD OPERATIONS AND SUPPORT SERVICES		
Full-time equated classified positions	5,738.5	
Administrative support workers—FTEs	167.0\$	14,564,000
Adult services field staff—FTEs	530.0	63,788,500
Contractual services, supplies, and materials		25,033,700
Donated funds positions—FTEs	238.0	28,530,400
Elder Law of Michigan MiCAFE contract		350,000
Electronic benefit transfer (EBT)		7,989,000
Employment and training support services		4,219,100
Field policy and administration—FTEs	124.0	19,518,600
Field staff travel		8,252,400
Food assistance reinvestment—FTEs	16.0	7,446,700
Medical/psychiatric evaluations		1,120,100
Nutrition education—FTEs	2.0	33,062,900
Pathways to potential—FTEs	231.0	25,390,700
Public assistance field staff—FTEs	4,430.5	487,126,200
SSI advocacy legal services grant		325,000
GROSS APPROPRIATION	\$	726,717,300
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of corrections		120,200
IDG from department of education		7,772,200
Federal revenues:		
Social security act, temporary assistance for needy families		73,477,200
Capped federal revenues		55,236,500
Total other federal revenues		274,878,500
Special revenue funds:		
Local funds - donated funds		4,251,200
Private funds - donated funds		9,795,000
Private revenues		250,000
State general fund/general purpose	\$	300,936,500
Sec. 109. DISABILITY DETERMINATION SERVICES		
Full-time equated classified positions	585.4	
Disability determination operations—FTEs	581.3\$	116,419,500

		For Fiscal Year Ending Sept. 30, 2023
Retirement disability determination—FTEs	4.1\$	636,800
GROSS APPROPRIATION	\$	117,056,300
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of technology, management, and budget - office of retirement services		813,400
Federal revenues:		
Total other federal revenues		112,224,900
State general fund/general purpose	\$	4,018,000
Sec. 110. BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS		
Full-time equated classified positions	69.0	
Behavioral health program administration—FTEs	38.0\$	43,438,500
Community substance use disorder prevention, education, and treatment—FTEs	9.0	79,705,200
Family support subsidy		13,349,500
Federal and other special projects		2,535,600
Gambling addiction—FTE	1.0	5,518,200
Mental health diversion council		3,850,000
Michigan child collaborative care		3,000,000
Office of recipient rights—FTEs	21.0	2,920,100
Opioid response activities		90,355,600
Protection and advocacy services support		194,400
GROSS APPROPRIATION	\$	244,867,100
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		13,349,500
Total other federal revenues		159,419,400
Special revenue funds:		
Total private revenues		2,904,700
Total other state restricted revenues		31,002,400
State general fund/general purpose	\$	38,191,100
Sec. 111. BEHAVIORAL HEALTH SERVICES		
Full-time equated classified positions	19.0	
Autism services	\$	292,562,600
Behavioral health community supports and services—FTEs	7.0	43,950,800
Certified community behavioral health clinic demonstration		101,252,100
Civil service charges		297,500
Community mental health non-Medicaid services		125,578,200
Court-appointed guardian reimbursements		5,000,000
Federal mental health block grant—FTEs	4.0	20,462,000
Health homes—FTE	1.0	61,337,400
Healthy Michigan plan - behavioral health		570,067,600
Medicaid mental health services		3,044,743,000
Medicaid substance use disorder services		94,321,800
Multicultural integration funding		17,284,900
Nursing home PAS/ARR-OBRA—FTEs	7.0	13,961,700
State disability assistance program substance use disorder services		2,018,800
GROSS APPROPRIATION	\$	4,392,838,400
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		421,000
Capped federal revenues		184,500
Total other federal revenues		2,917,493,300

For Fiscal Year
Ending Sept. 30,
2023

Special revenue funds:		
Total local revenues	\$	10,190,500
Total other state restricted revenues		52,107,500
State general fund/general purpose	\$	1,412,441,600

Sec. 112. STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES

Full-time equated classified positions	2,545.6	
Average population	798.0	
Caro Regional Mental Health Center - psychiatric hospital - adult—FTEs	537.7	\$ 59,284,900
Average population	145.0	
Center for forensic psychiatry—FTEs	622.5	98,443,800
Average population	240.0	
Developmental disabilities council and projects—FTEs	10.0	3,169,400
Gifts and bequests for patient living and treatment environment		1,000,000
Hawthorn Center - psychiatric hospital - children and adolescents—FTEs	369.4	51,474,200
Average population	83.0	
IDEA, federal special education		120,000
Kalamazoo Psychiatric Hospital - adult—FTEs	559.2	70,392,300
Average population	170.0	
Purchase of medical services for residents of hospitals and centers		445,600
Revenue recapture		750,100
Special maintenance		924,600
State hospital administration—FTEs	34.0	5,592,500
Walter P. Reuther Psychiatric Hospital - adult—FTEs	412.8	67,773,700
Average population	160.0	
GROSS APPROPRIATION	\$	359,371,100

Appropriated from:

Federal revenues:		
Total other federal revenues		45,543,000
Special revenue funds:		
Total local revenues		23,283,200
Total private revenues		1,000,000
Total other state restricted revenues		15,189,200
State general fund/general purpose	\$	274,355,700

Sec. 113. HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES

Full-time equated classified positions	40.7	
Bone marrow donor and blood bank programs	\$	750,000
Certificate of need program administration—FTEs	10.8	2,716,700
Michigan essential health provider		3,519,600
Minority health grants and contracts—FTEs	3.0	1,146,200
Nurse education and research program—FTEs	3.0	816,500
Policy and planning administration—FTEs	20.9	2,987,300
Primary care services—FTEs	3.0	3,805,100
Rural health services		175,000
GROSS APPROPRIATION	\$	15,916,400

Appropriated from:

Interdepartmental grant revenues:		
IDG from department of education		2,400
IDG from department of licensing and regulatory affairs		816,500
IDG from department of treasury, Michigan finance authority		117,700
Federal revenues:		
Social security act, temporary assistance for needy families		160,100
Capped federal revenues		13,400

	For Fiscal Year Ending Sept. 30, 2023	
Total other federal revenues	\$	3,092,700
Special revenue funds:		
Total private revenues		865,000
Total other state restricted revenues		3,270,200
State general fund/general purpose	\$	7,578,400
Sec. 114. EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND LABORATORY		
Full-time equated classified positions	416.9	
Bioterrorism preparedness—FTEs	53.0\$	30,841,600
Childhood lead program—FTEs	4.5	2,332,200
Emergency medical services program—FTEs	20.0	10,008,800
Epidemiology administration—FTEs	82.5	26,091,200
Healthy homes program—FTEs	21.0	32,799,400
Laboratory services—FTEs	102.0	29,008,000
Newborn screening follow-up and treatment services—FTEs	10.5	8,363,000
PFAS and environmental contamination response—FTEs	48.0	20,367,600
Vital records and health statistics—FTEs	75.4	11,412,100
GROSS APPROPRIATION	\$	171,223,900
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of environment, Great Lakes, and energy		1,797,800
Federal revenues:		
Capped federal revenues		81,100
Total other federal revenues		77,027,500
Special revenue funds:		
Total private revenues		342,600
Total other state restricted revenues		29,174,400
State general fund/general purpose	\$	62,800,500
Sec. 115. LOCAL HEALTH AND ADMINISTRATIVE SERVICES		
Full-time equated classified positions	165.1	
AIDS prevention, testing, and care programs—FTEs	59.5\$	109,609,200
Cancer prevention and control program—FTEs	18.0	15,870,500
Chronic disease control and health promotion administration—FTEs	28.4	9,573,800
Diabetes and kidney program—FTEs	8.0	4,135,000
Essential local public health services		51,419,300
Implementation of 1993 PA 133, MCL 333.17015		20,000
Local health services—FTEs	3.3	8,707,600
Medicaid outreach cost reimbursement to local health departments		12,500,000
Public health administration—FTEs	6.0	2,065,800
Sexually transmitted disease control program—FTEs	20.0	8,496,800
Smoking prevention program—FTEs	15.0	4,379,200
Violence prevention—FTEs	6.9	12,724,000
GROSS APPROPRIATION	\$	239,501,200
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		2,300
Total other federal revenues		90,282,500
Special revenue funds:		
Total local revenues		5,150,000
Total private revenues		75,689,100
Total other state restricted revenues		10,135,600
State general fund/general purpose	\$	58,241,700

For Fiscal Year
Ending Sept. 30,
2023

Sec. 116. FAMILY HEALTH SERVICES

Full-time equated classified positions	137.1	
Child and adolescent health care and centers		\$ 41,242,700
Dental programs—FTEs	5.3	7,734,400
Drinking water declaration of emergency		4,271,000
Family, maternal, and child health administration—FTEs	56.0	11,864,100
Family planning local agreements		8,810,700
Immunization program—FTEs	15.8	20,659,600
Local MCH services		7,018,100
Maternal navigator pilot program		3,000,000
Maternity home program		4,000,000
Pregnancy prevention program		1,298,800
Pregnancy resource centers		1,500,000
Prenatal care and premature birth avoidance grant		1,000,000
Prenatal care outreach and service delivery support—FTEs	15.0	37,561,800
Special projects		6,289,100
Sudden and unexpected infant death and suffocation prevention program		321,300
Women, infants, and children program administration and special projects—FTEs	45.0	19,547,400
Women, infants, and children program local agreements and food costs		231,285,000
GROSS APPROPRIATION		\$ 407,404,000
Appropriated from:		
Federal revenues:		
Social security act, temporary assistance for needy families		700,000
Total other federal revenues		248,404,100
Special revenue funds:		
Total local revenues		42,817,700
Total private revenues		64,785,700
Total other state restricted revenues		4,050,400
State general fund/general purpose		\$ 46,646,100

Sec. 117. CHILDREN'S SPECIAL HEALTH CARE SERVICES

Full-time equated classified positions	48.8	
Bequests for care and services—FTEs	2.8\$	2,087,100
Children's special health care services administration—FTEs	46.0	9,131,100
Medical care and treatment		286,678,900
Nonemergency medical transportation		921,200
Outreach and advocacy		5,510,000
GROSS APPROPRIATION		\$ 304,328,300
Appropriated from:		
Federal revenues:		
Total other federal revenues		166,666,800
Special revenue funds:		
Total private revenues		1,015,500
Total other state restricted revenues		4,933,300
State general fund/general purpose		\$ 131,712,700

Sec. 118. AGING SERVICES

Community services	\$	53,436,000
Employment assistance		3,500,000
Nutrition services		48,054,200
Respite care program		6,468,700
Senior volunteer service programs		4,765,300
GROSS APPROPRIATION	\$	116,224,200

	For Fiscal Year Ending Sept. 30, 2023
Appropriated from:	
Federal revenues:	
Total other federal revenues	\$ 63,637,400
Special revenue funds:	
Total private revenues	300,000
Michigan merit award trust fund	4,068,700
Total other state restricted revenues	2,000,000
State general fund/general purpose	\$ 46,218,100
Sec. 119. HEALTH AND AGING SERVICES ADMINISTRATION	
Full-time equated classified positions	470.0
Aging services administration—FTEs	43.0\$ 9,525,200
Electronic health record incentive program	8,000,000
Healthy Michigan plan administration—FTEs	33.0 31,826,800
Health services administration—FTEs	394.0 86,361,200
GROSS APPROPRIATION	\$ 135,713,200
Appropriated from:	
Federal revenues:	
Total other federal revenues	91,852,000
Special revenue funds:	
Total local revenues	37,700
Total private revenues	1,721,300
Total other state restricted revenues	336,300
State general fund/general purpose	\$ 41,765,900
Sec. 120. HEALTH SERVICES	
Adult home help services	\$ 495,468,000
Ambulance services	16,391,100
Auxiliary medical services	6,844,700
Dental clinic program	1,000,000
Dental redesign	30,000,000
Dental services	406,819,900
Federal Medicare pharmaceutical program	294,602,400
Health plan services	6,287,941,700
Healthy Michigan plan	5,229,565,200
Home health services	3,383,300
Hospice services	138,384,400
Hospital disproportionate share payments	45,000,000
Hospital services and therapy	776,065,300
Integrated care organizations	381,276,900
Long-term care services	1,792,051,000
Maternal and child health	26,693,700
Medicaid home- and community-based services waiver	444,460,100
Medicare premium payments	815,902,900
Personal care services	7,414,700
Pharmaceutical services	317,782,300
Physician services	196,273,700
Program of all-inclusive care for the elderly	227,102,100
School-based services	144,326,600
Special Medicaid reimbursement	344,211,900
Transportation	16,716,100
GROSS APPROPRIATION	\$ 18,445,678,000
Appropriated from:	
Federal revenues:	
Total other federal revenues	13,273,017,300

	For Fiscal Year Ending Sept. 30, 2023	
Special revenue funds:		
Total local revenues	\$	40,037,700
Total private revenues		15,130,400
Michigan merit award trust fund		57,200,000
Total other state restricted revenues		2,822,021,700
State general fund/general purpose	\$	2,238,270,900
Sec. 121. INFORMATION TECHNOLOGY		
Full-time equated classified positions	11.0	
Bridges information system	\$	63,484,800
Child support automation		44,604,800
Comprehensive child welfare information system		3,373,200
Information technology services and projects		269,853,100
Michigan Medicaid information system—FTE	1.0	101,679,200
Michigan statewide automated child welfare information system		21,542,100
Technology supporting integrated service delivery—FTEs	10.0	16,053,100
GROSS APPROPRIATION	\$	520,590,300
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of education		1,059,700
Federal revenues:		
Social security act, temporary assistance for needy families		24,471,900
Capped federal revenues		21,990,800
Total other federal revenues		332,809,600
Special revenue funds:		
Total private revenues		5,250,000
Total other state restricted revenues		2,010,400
State general fund/general purpose	\$	132,997,900
Sec. 122. ONE-TIME APPROPRIATIONS		
Full-time equated classified positions	6.0	
Autism comprehensive care center	\$	2,500,000
Behavioral health care services and facilities		170,600,000
Behavioral health patient health information tool		600,000
Behavioral health professionals for schools		1,000,000
Child advocacy centers		500,000
Child welfare day treatment pilot program		2,480,000
City of Detroit environmental monitoring		1,000,000
Clinical integration fund		25,000,000
Committee on juvenile justice grants		500,000
Community health campus pilot project		25,000,000
Community house capital grant		1,440,000
Community mental health services programs integration readiness		25,000,000
Comprehensive child welfare information system—FTEs	6.0	28,989,500
Domestic violence prevention and treatment		600,000
E-FMAP redetermination compliance		10,000,000
First responder and public safety staff mental health		2,500,000
Food distribution		700,000
Food security council		3,950,000
Foster care services		2,000,000
Foster youth transition program grant		1,500,000
Great Lakes recovery center		250,000
Health workforce development		6,550,000
Health system project		10,000,000
Home repair and plumbing assistance grants		1,823,300

	For Fiscal Year Ending Sept. 30, 2023
Honor psychiatric residency	\$ 1,000,000
Hospital improvement grant	6,600,000
Human trafficking victims inclusive services grant program	1,250,000
Incompass - COVID-19 grants	3,000,000
Infrastructure grants to enhance pediatric inpatient services	50,000,000
Insight behavioral health	2,500,000
Jail diversion fund	10,000,000
Kinship and the bridge	1,750,000
Mediation services	40,000
MEHP - mental health expansion	10,000,000
Multicultural integration funding	8,600,000
Narcotics awareness program	5,000,000
Parental stress and child mental health program	500,000
Pathway hub	3,400,000
Permanent supportive housing	6,000,000
Program of all-inclusive care for the elderly pandemic relief	15,500,000
Recovery community organization	150,000
Ride-to-work program	1,000,000
Safe harbor	8,333,300
School training and technical assistance	1,000,000
Senior living and healthcare expansion	1,000,000
Sickle cell center	2,500,000
Teen walk-in mental health	50,000
Unified Clinics Resiliency Center for Families and Children	750,000
Upper Peninsula robotic spinal surgery capital cost grant	2,000,000
Uterine fibroid grant	500,000
Weatherization assistance - IJA	40,000,000
Wellness center pilot project	1,000,000
Wrap-around services	400,000
GROSS APPROPRIATION	\$ 508,306,100
Appropriated from:	
Federal revenues:	
Capped federal revenues	40,000,000
Total other federal revenues	19,706,100
State general fund/general purpose	\$ 448,600,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2022-2023

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 2022-2023 is \$9,323,271,400.00 and state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is \$1,885,152,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

CHILD SUPPORT ENFORCEMENT

Child support incentive payments	\$ 10,857,300
Legal support contracts	200

COMMUNITY SERVICES AND OUTREACH

Crime victim grants administration services	395,300
Crime victim rights services grants	12,033,300
Domestic violence prevention and treatment	217,600
Homeless programs	9,200
Housing and support services	121,300

	For Fiscal Year Ending Sept. 30, 2023
CHILDREN'S SERVICES AGENCY – CHILD WELFARE	
Adoption subsidies	\$ 25,400
Child care fund	152,649,000
Child care fund - indirect cost allotment	3,483,000
Child welfare licensing	120,000
Child welfare medical/psychiatric evaluations	20,800
Children's trust fund grants	24,200
Contractual services, supplies, and materials	156,200
Family preservation programs	311,500
Foster care payments	1,274,700
Strong families/safe children	73,800
Youth in transition	2,900
CHILDREN'S SERVICES AGENCY – JUVENILE JUSTICE	
Bay Pines Center	37,100
Community support services	103,300
Shawono Center	1,700
PUBLIC ASSISTANCE	
Emergency services local office allocations	765,600
Family independence program	1,000
Indigent burial	4,800
Legal assistance	50,000
Michigan energy assistance program	216,100
State disability assistance payments	182,700
FIELD OPERATIONS AND SUPPORT SERVICES	
Contractual services, supplies, and materials	64,300
Employment and training support services	7,200
DISABILITY DETERMINATION SERVICES	
Disability determination operations	2,700
BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS	
Behavioral health program administration	599,800
Community substance use disorder prevention, education, and treatment	4,977,700
Gambling addiction	1,376,700
Mental health diversion council	202,200
BEHAVIORAL HEALTH SERVICES	
Autism services	101,747,900
Certified community behavioral health clinic demonstration	19,315,500
Community mental health non-Medicaid services	125,578,200
Court-appointed guardian reimbursements	5,000,000
Health homes	8,033,600
Healthy Michigan plan - behavioral health	57,006,800
Medicaid mental health services	1,057,017,900
Medicaid substance use disorder services	33,286,100
Multicultural integration funding	1,615,900
Nursing home PAS/ARR-OBRA	3,476,200
State disability assistance program substance use disorder services	2,018,000
STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES	
Caro Regional Mental Health Center - psychiatric hospital – adult	195,200
Center for forensic psychiatry	606,500
Hawthorn Center - psychiatric hospital - children and adolescents	60,600
Kalamazoo Psychiatric Hospital - adult	54,600
Walter P. Reuther Psychiatric Hospital - adult	52,100

	For Fiscal Year Ending Sept. 30, 2023
HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES	
Primary care services	\$ 98,000
EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND LABORATORY	
Epidemiology administration	285,100
Healthy homes program	1,333,200
LOCAL HEALTH AND ADMINISTRATIVE SERVICES	
AIDS prevention, testing, and care programs	2,416,200
Cancer prevention and control program	46,900
Essential local public health services	44,364,400
Implementation of 1993 PA 133, MCL 333.17015	400
Local health services	1,537,100
Sexually transmitted disease control program	505,100
Smoking prevention program	201,800
FAMILY HEALTH SERVICES	
Family planning local agreements	253,200
Immunization program	2,197,400
Pregnancy prevention program	28,100
Prenatal care outreach and service delivery support	4,967,400
CHILDREN'S SPECIAL HEALTH CARE SERVICES	
Medical care and treatment	461,000
Outreach and advocacy	2,631,100
HEALTH AND AGING SERVICES ADMINISTRATION	
Aging and adult services administration	1,303,600
Community services	23,833,500
Nutrition services	13,031,400
Respite care program	5,632,700
Senior volunteer service programs	914,800
HEALTH SERVICES	
Adult home help services	139,900
Ambulance services	516,600
Auxiliary medical services	1,300
Dental services	822,000
Healthy Michigan plan	850,200
Home health services	6,500
Hospice services	23,900
Hospital disproportionate share payments	19,900
Hospital services and therapy	2,736,300
Long-term care services	82,997,200
Medicaid home- and community-based services waiver	15,147,800
Personal care services	27,300
Pharmaceutical services	3,600
Physician services	2,015,400
Special Medicaid reimbursement	29,600
Transportation	88,800
ONE-TIME APPROPRIATIONS	
Behavioral health care services and facilities	41,000,000
Behavioral health professionals for schools	1,000,000
City of Detroit environmental monitoring	1,000,000
Community mental health services programs integration readiness	25,000,000
Human trafficking victims inclusive services grant program	250,000
TOTAL OF PAYMENTS TO LOCAL UNITS OF GOVERNMENT	\$ 1,885,152,400

Sec. 202. The appropriations authorized 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. As used in this part and part 1:

- (a) “AIDS” means acquired immunodeficiency syndrome.
- (b) “CMHSP” means a community mental health services program as that term is defined in section 100a of the mental health code, 1974 PA 258, MCL 330.1100a.
- (c) “CMS” means the Centers for Medicare and Medicaid Services.
- (d) “Current fiscal year” means the fiscal year ending September 30, 2023.
- (e) “Department” means the department of health and human services.
- (f) “Director” means the director of the department.
- (g) “DSH” means disproportionate share hospital.
- (h) “EPSDT” means early and periodic screening, diagnosis, and treatment.
- (i) “Federal poverty level” means the poverty guidelines published annually in the Federal Register by the United States Department of Health and Human Services under its authority to revise the poverty line under 42 USC 9902.
- (j) “FQHC” means federally qualified health center.
- (k) “FTE” means full-time equated.
- (l) “GME” means graduate medical education.
- (m) “Health plan” means, at a minimum, an organization that meets the criteria for delivering the comprehensive package of services under the department’s comprehensive health plan.
- (n) “HEDIS” means healthcare effectiveness data and information set.
- (o) “HMO” means health maintenance organization.
- (p) “IDEA” means the individuals with disabilities education act, 20 USC 1400 to 1482.
- (q) “IDG” means interdepartmental grant.
- (r) “MCH” means maternal and child health.
- (s) “Medicaid” means subchapter XIX of the social security act, 42 USC 1396 to 1396w-6.
- (t) “Medicare” means subchapter XVIII of the social security act, 42 USC 1395 to 1395III.
- (u) “MiCAFE” means Michigan’s coordinated access to food for the elderly.
- (v) “MChild” means the program described in section 1670 of this part.
- (w) “MiSACWIS” means Michigan statewide automated child welfare information system.
- (x) “PAS/ARR-OBRA” means the preadmission screening and annual resident review required under the omnibus budget reconciliation act of 1987, section 1919(e)(7) of the social security act, 42 USC 1396r.
- (y) “PFAS” means perfluoroalkyl and polyfluoroalkyl substances.
- (z) “PIHP” means an entity designated by the department as a regional entity or a specialty prepaid inpatient health plan for Medicaid mental health services, services to individuals with developmental disabilities, and substance use disorder services. Regional entities are described in section 204b of the mental health code, 1974 PA 258, MCL 330.1204b. Specialty prepaid inpatient health plans are described in section 232b of the mental health code, 1974 PA 258, MCL 330.1232b.
- (aa) “Previous fiscal year” means the fiscal year ending September 30, 2022.
- (bb) “Quarterly reports” means 4 reports shall be submitted to the required recipients by the following dates: February 1, April 1, July 1, and September 30 of the current fiscal year.
- (cc) “Semiannual basis” means March 1 and September 30 of the current fiscal year.
- (dd) “Settlement” means the settlement agreement entered in the case of *Dwayne B. v Snyder*, docket no. 2:06-cv-13548 in the United States District Court for the Eastern District of Michigan.
- (ee) “SSI” means supplemental security income.
- (ff) “Temporary assistance for needy families” or “TANF” or “title IV-A” means part A of subchapter IV of the social security act, 42 USC 601 to 619.
- (gg) “Title IV-B” means part B of title IV of the social security act, 42 USC 621 to 629m.
- (hh) “Title IV-D” means part D of title IV of the social security act, 42 USC 651 to 669b.
- (ii) “Title IV-E” means part E of title IV of the social security act, 42 USC 670 to 679c.
- (jj) “Title X” means subchapter VIII of the public health service act, 42 USC 300 to 300a-8, which establishes grants to states for family planning services.

Sec. 204. The department shall use the internet to fulfill the reporting requirements of this part. This requirement shall include transmission of reports via email to the recipients identified for each reporting requirement and it shall include placement of reports on an internet site.

Sec. 205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to funds appropriated in part 1:

- (a) The funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 206. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

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

(a) The dates of each travel occurrence.

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

Sec. 208. Funds appropriated in part 1 shall not be used by the department to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

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

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$20,000,000.00 for federal contingency authorization. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393. These funds shall not be made available to increase TANF authorization.

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

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

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

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

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the chairpersons of the senate and house appropriations committees, the chairpersons of the senate and house appropriations subcommittees on the department budget, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the previous fiscal year and the current fiscal year.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the current fiscal year are estimated at \$309,264,700.00. From this amount, total department appropriations for pension-related legacy costs are estimated at \$187,764,100.00. Total department appropriations for retiree health care legacy costs are estimated at \$121,500,600.00.

Sec. 215. If either of the following events occurs, within 30 days after that event the department shall notify the state budget director, the chairs of the house and senate appropriations subcommittees on the department budget, and the house and senate fiscal agencies and policy offices of that fact:

(a) A legislative objective of this part or of a bill or amendment to a bill to amend the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, cannot be implemented because implementation would conflict with or violate federal regulations.

(b) A federal grant, for which a notice of an award has been received, cannot be used, or will not be used.

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

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

Sec. 217. (1) By February 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget director on the detailed name and amounts of estimated federal, restricted, private, and local sources of revenue that support the appropriations in each of the line items in part 1.

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

Sec. 218. As required under part 23 of the public health code, 1978 PA 368, MCL 333.2301 to 333.2321, the department shall provide an annual listing of proposed basic health services by October 1 of the current fiscal year and each succeeding year to ensure that appropriate review and comment occurs in the development of the executive budget recommendations. The listing must be provided by the department to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office.

Sec. 219. (1) The department may contract with the Michigan Public Health Institute for the design and implementation of projects and for other public health-related activities prescribed in section 2611 of the public health code, 1978 PA 368, MCL 333.2611. The department may develop a master agreement with the Michigan Public Health Institute to carry out these purposes for up to a 1-year period.

(2) It is the intent of the legislature that the Michigan Public Health Institute shall not be a passthrough, contract manager, or indirect contract manager for a contract with the department for a project or other public health-related activity.

(3) The department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget director on a semiannual basis all of the following:

(a) A detailed description of each funded project.

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

(c) The expected project duration.

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

(4) On a semiannual basis, the department shall provide to the same parties listed in subsection (1) a copy of all reports, studies, and publications produced by the Michigan Public Health Institute, its subcontractors, or the department with the funds appropriated in the department's budget in the previous fiscal year and allocated to the Michigan Public Health Institute.

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

Sec. 221. According to section 1b of the social welfare act, 1939 PA 280, MCL 400.1b, the department shall treat part 1 and this part as a time-limited addendum to the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.

Sec. 222. (1) The department shall provide written notification to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office of any major policy changes at least 30 days before the implementation date of those policy changes.

(2) The department shall make the entire policy and procedures manual available and accessible to the public via the department website.

(3) The department shall report by April 1 of the current fiscal year on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the senate and house appropriations committees, the senate and house appropriations subcommittees on the department budget, the joint committee on administrative rules, and the senate and house fiscal agencies.

(4) The department shall attach each policy bulletin issued during the prior calendar year to the report issued in subsection (3).

Sec. 223. The department may establish and collect fees for publications, videos and related materials, conferences, and workshops. Collected fees are appropriated when received and shall be used to offset expenditures to pay for printing and mailing costs of the publications, videos and related materials, and costs of the workshops and conferences. The department shall not collect fees under this section that exceed the cost of the expenditures. When collected fees are appropriated under this section in an amount that exceeds the current fiscal year appropriation, within 30 days the department shall notify the chairs of the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies and policy offices, and the state budget director of that fact.

Sec. 224. The department may retain all of the state's share of food assistance overissuance collections as an offset to general fund/general purpose costs. Retained collections shall be applied against federal funds deductions in all appropriation units where department costs related to the investigation and recoupment of food assistance overissuances are incurred. Retained collections in excess of those costs shall be applied against the federal funds deducted in the departmental administration and support appropriation unit.

Sec. 225. (1) For providers and entities receiving funds from the appropriations in part 1, sanctions, suspensions, conditions for provisional license status, and other penalties shall not be more stringent for private service providers than for public entities performing equivalent or similar services.

(2) For services to be provided from the appropriations in part 1, both of the following apply:

(a) Neither the department nor private service providers or licensees shall be granted preferential treatment or considered automatically to be in compliance with administrative rules based on whether they have collective bargaining agreements with direct care workers.

(b) Private service providers or licensees without collective bargaining agreements shall not be subjected to additional requirements or conditions of licensure based on their lack of collective bargaining agreements.

Sec. 226. If the revenue collected by the department from fees and collections exceeds the amount appropriated in part 1, the revenue may be carried forward with the approval of the state budget director into the subsequent fiscal year. The revenue carried forward under this section shall be used as the first source of funds in the subsequent fiscal year.

Sec. 227. The state departments, agencies, and commissions receiving tobacco tax funds and Healthy Michigan fund revenue from part 1 shall report by April 1 of the current fiscal year to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget director on the following:

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

(b) A description of allocations or bid processes including need or demand indicators used to determine allocations.

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

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

Sec. 228. (1) If the department is authorized under state or federal law to collect an overpayment owed to the department, the department may assess a penalty of 1% per month beginning 60 days after notification. If an overpayment is caused by department error, a penalty may not be assessed until 6 months after the initial notification date of the overpayment amount. The department shall not collect penalty interest in an amount that exceeds the amount of the original overpayment. The state share of any funds collected under this section shall be deposited in the state general fund.

(2) By September 30 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on penalty amounts assessed and paid by account during the current fiscal year, the reason for the penalty, and the current status of the account.

Sec. 229. From the \$370,000.00 of TANF revenue appropriated in part 1 for training and program support, the department shall extend the interagency agreement with the office of employment and training within the department of labor and economic opportunity for the duration of the current fiscal year, which concerns TANF funding to provide job readiness and welfare-to-work programming. \$10,000.00 of TANF revenue is appropriated in part 1 for the department to report the following specific outcome and performance measures to the senate and house appropriations subcommittees on the department budget, the senate and house appropriations subcommittees on general government, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by January 1 of the current fiscal year for the previous fiscal year:

- (a) An itemized spending report on TANF funding, including all of the following:
 - (i) Direct services to recipients.
 - (ii) Administrative expenditures.
- (b) The number of family independence program (FIP) recipients served through the TANF funding, including all of the following:
 - (i) The number and percentage who obtained employment through Michigan Works!
 - (ii) The number and percentage who fulfilled their TANF work requirement through other job readiness programming.
 - (iii) Average TANF spending per recipient.
 - (iv) The number and percentage of recipients who were referred to Michigan Works! but did not receive a job or job readiness placement and the reasons why.
- (c) The following data itemized by Michigan Works! agency:
 - (i) The number of referrals to Michigan Works! job readiness programs.
 - (ii) The number of referrals to Michigan Works! job readiness programs who became a participant in the Michigan Works! job readiness programs.
 - (iii) The number of participants who obtained employment, and the cost per participant case.

Sec. 230. By December 31 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget office on the status of the implementation of any noninflationary, noncaseload, programmatic funding increases in the current fiscal year from the previous fiscal year. The report shall confirm the implementation of already implemented funding increases and provide explanations for any planned implementation of funding increases that have not yet occurred. For any planned implementation of funding increases that have not yet occurred, the department shall provide an expected implementation date and the reasons for delayed implementation.

Sec. 231. (1) The department shall not expend the funds appropriated in part 1 to enter into any contract with a Medicaid managed care organization of MI Choice Waiver, MI Health Link, or behavioral health unless the Medicaid managed care organization agrees to do all of the following:

- (a) Continue the direct care wage increase funded at \$2.35 per hour for the services noted in DHHS Medicaid provider letter L 21-76 under the Medicaid managed care organization's relevant program.
- (b) Ensure to the greatest extent possible that the full amount for funds appropriated for a direct care worker wage increase, except for costs incurred by the employer, including payroll taxes, resulting from the increase to direct care worker wages under this section, is provided to direct care workers through maintained increased wages.
- (c) Permit a direct care worker to elect, in writing or electronically, to not receive the wage increase provided in this section.
- (d) Require direct care worker agencies that the Medicaid managed care organization subcontracts with to track and report annually the total amount and percentage of Medicaid reimbursements paid to that direct care worker agency that are used to pay direct care worker wages.
- (e) Require direct care worker agencies that the Medicaid managed care provider subcontracts with to track and report annually the hourly wages paid for each direct care worker hired by the direct care worker agency.
- (f) Track annually the hourly wages paid to each direct care worker hired directly by the Medicaid managed care organization or CMHSP.
- (g) Report annually to the department the information required in subdivisions (d), (e), and (f).

(2) Upon request, the department shall provide to the legislature the report required in subsection (1)(g).

Sec. 232. (1) The department shall provide the approved spending plan for each line item receiving an appropriation in the current fiscal year to the senate and house appropriations subcommittees on the department budget and the senate and house fiscal agencies within 60 days after approval by the department but not later than January 15 of the current fiscal year. Compliance with this section is not met unless a line-item appropriation name is included in all places that a line-item appropriation number is listed. The spending plan shall include the following information regarding planned expenditures for each category: allocation in the previous period, change in the allocation, and new allocation. The spending plan shall include the

following information regarding each revenue source for the line item: category of the fund source indicated by general fund/general purpose, state restricted, local, private, or federal. Figures included in the approved spending plan shall not be assumed to constitute the actual final expenditures, as line items may be updated on an as-needed basis to reflect changes in projected expenditures and projected revenue. The department shall supplement the spending plan information by providing a list of all active contracts and grants in the department's contract system. For amounts listed in the other contracts category of each spending plan, the department shall provide a list of all contracts and grants and amounts for the current fiscal year, and include the name of the line item and the name of the fund source related to each contract or grant and amount. For amounts listed in the all other costs category of each spending plan, the department shall provide a list detailing planned expenditures and amounts for the current fiscal year, and include the name of the line item and the name of the fund source related to each amount and expenditure.

(2) Notwithstanding any other appropriation authority granted in part 1, the department shall not appropriate any additional general fund/general purpose funds or any related federal and state restricted funds without providing a written 30-day notice to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices.

Sec. 233. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this article, 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 article for the particular department, board, commission, office, or institution.

Sec. 234. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 236. (1) From the funds appropriated in part 1, the department shall do all of the following:

(a) Report to the house and senate appropriations committees, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office any amount of severance pay for a department director, deputy director, or other high-ranking department official not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.

(b) Maintain an internet website that posts any severance pay in excess of 6 weeks of wages, regardless of the position held by the former department employee receiving severance pay.

(c) By February 1, report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the total amount of severance pay remitted to former department employees during the previous fiscal year and the total number of former department employees that were remitted severance pay during the previous fiscal year.

(2) As used in this section, "severance pay" means compensation that is both payable or paid upon the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits.

Sec. 237. (1) Any department, agency, board, commission, or public officer that receives funding under part 1 shall not:

(a) Require as a condition of accessing any facility or receiving services that an individual provide proof that he or she has received a COVID-19 vaccine except as provided by federal law or as a condition of receiving federal Medicare or Medicaid funding.

(b) Produce, develop, issue, or require a COVID-19 vaccine passport.

(c) Develop a database or make any existing database publicly available to access an individual's COVID-19 vaccine status by any person, company, or governmental entity.

(d) Require as a condition of employment that an employee or official provide proof that he or she has received a COVID-19 vaccine. This subdivision does not apply to any hospital, congregate care facility, or other medical facility or any hospital, congregate care facility, or other medical facility operated by a local subdivision that receives federal Medicare or Medicaid funding.

(2) A department, agency, board, commission, or public officer may not subject any individual to any negative employment consequence, retaliation, or retribution because of that individual's COVID-19 vaccine status.

(3) Subsection (1) does not prohibit any person, department, agency, board, commission, or public officer from transmitting proof of an individual's COVID-19 vaccine status to any person, company, or governmental entity, so long as the individual provides affirmative consent.

(4) If a department, agency, board, commission, subdivision, or official or public officer is required to establish a vaccine policy due to a federal mandate, it must provide exemptions to any COVID-19 vaccine policy to the following individuals:

(a) An individual for whom a physician certifies that a COVID-19 vaccine is or may be detrimental to the individual's health or is not appropriate.

(b) An individual who provides a written statement to the effect that the requirements of the COVID-19 vaccine policy cannot be met because of religious convictions or other consistently held objection to immunization.

(5) As used in this section, “public officer” means a person appointed by the governor or another executive department official or an elected or appointed official of this state or a political subdivision of this state.

Sec. 238. It is the intent of the legislature that departments maximize the efficiency of the state workforce and, where possible, prioritize in-person work. Each executive branch department, agency, board, or commission that receives funding under part 1 must post its in-person, remote, or hybrid work policy on its website.

Sec. 239. For behavioral and physical health services provided through managed care or the fee-for-service program, the department shall require, for the nonfacility component of the reimbursement rate, at least the same reimbursement for that service, if that service is provided through telemedicine, as if the service involved face-to-face contact between the health care professional and the patient.

Sec. 240. Appropriations in part 1 shall, to the extent possible by the department, not be expended until all existing work project authorization available for the same purposes is exhausted.

Sec. 241. By March 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget director on total actual expenditures in the previous fiscal year for advertising and media outreach, including the purpose, amount, and fund source by program or appropriation line-item.

Sec. 242. From the funds appropriated in part 1 for departmental administration and management, \$100,000.00 is allocated to produce a description of programs report for the current fiscal year by March 1 of the current fiscal year. The report shall be submitted to the senate and house appropriations committees, the senate and house fiscal agencies, and the senate and house policy offices. The report shall include the appropriation unit, the line-item name and number, the appropriation history, the program name, the program overview, the financing detail, and where applicable, the legal basis for the program and program effectiveness and outcomes.

Sec. 243. From the funds appropriated in part 1, the department shall allocate \$50,000.00 to provide notice and information to health care providers and the public that the department shall not use state restricted funds or state general funds, or allow grantees or subcontractors to use those funds, appropriated in part 1 to fund any elective abortion. As used in this section, “elective abortion” means the intentional use of an instrument, drug, or other substance or device to terminate a woman’s pregnancy for a purpose other than to increase the probability of a live birth, to preserve the life or health of the child after live birth, or to remove a fetus that has died as a result of natural causes, accidental trauma, or a criminal assault on the pregnant woman. Elective abortion does not include any of the following:

(a) The use or prescription of a drug or device intended as a contraceptive.

(b) The intentional use of an instrument, drug, or other substance or device by a physician to terminate a woman’s pregnancy if the woman’s physical condition, in the physician’s reasonable medical judgment, necessitates the termination of the woman’s pregnancy to avert her death.

(c) Treatment upon a pregnant woman who is experiencing a miscarriage or has been diagnosed with an ectopic pregnancy.

Sec. 244. On a monthly basis, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on any line-item appropriation for which the department estimates total annual expenditures would exceed the funds appropriated for that line-item appropriation by 5% or more. The department shall provide a detailed explanation for any relevant line-item appropriation exceedance and shall identify the corrective actions undertaken to mitigate line-item appropriation expenditures from exceeding the funds appropriated for that line-item appropriation by a greater amount. This section does not apply for line-item appropriations that are part of the May revenue estimating conference caseload and expenditure estimates.

Sec. 246. Except as otherwise provided in this part, all reports required under this part shall be submitted to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 250. The director or a local health officer shall not issue or enforce any orders or other directives that require an individual in this state who is under the age of 18 to wear a face mask or face covering.

Sec. 251. From the funds appropriated in part 1 for departmental administration and support, the department must develop reports related to emergency orders involving an epidemic issued during the fiscal year ending on September 30, 2023. Within 7 days after the issuance of any emergency order involving an epidemic, a report under this section must be provided to the senate and house appropriations committees and the senate and house fiscal agencies, and posted publicly on the department’s website. A report under this section must contain the following:

(a) An explanation of the nature and scope of the epidemic that the emergency order is intended to address.

(b) A description of each area of the state that the department has determined is threatened by the epidemic.

(c) If applicable, an explanation that contains the evidence relied upon to determine that a procedure established in the emergency order ensures the continuation of essential public health services or the enforcement of health laws.

(d) If applicable, an explanation that contains the evidence relied upon to determine that a prohibition on gathering contained in the emergency order is necessary to protect the public health.

(e) A list of primary experts, organizations, or sources not affiliated with the department that were relied upon to issue the emergency order and any corresponding expenditures by the department associated with any such experts, organizations, or sources.

(f) A list of primary state government personnel responsible for developing the emergency order.

(g) A description of what factors the department will consider when deciding to terminate or modify the order.

Sec. 252. The appropriations in part 1 for Healthy Michigan plan - behavioral health, Healthy Michigan plan administration, and Healthy Michigan plan are contingent on the provisions of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b, that were contained in 2013 PA 107 not being amended, repealed, or otherwise altered to eliminate the Healthy Michigan plan. If that occurs, then, upon the effective date of the amendatory act that amends, repeals, or otherwise alters those provisions, the remaining funds in the Healthy Michigan plan - behavioral health, Healthy Michigan plan administration, and Healthy Michigan plan line items shall only be used to pay previously incurred costs and any remaining appropriations shall not be allotted to support those line items.

Sec. 258. (1) In collaboration with the department of education and the department of state police, the department shall promote and support initiatives in schools and other educational organizations that include, but are not limited to, training for educators, teachers, and other personnel in school settings for all of the following:

(a) The utilization of trauma-informed practices.

(b) Age-appropriate education and information on human trafficking.

(c) Age-appropriate education and information on sexual abuse prevention.

(2) The collaboration shall include the child welfare institute within the department, which provides training and education for public and private employees who work within the child protective services, foster care, adoption, and juvenile justice systems.

(3) The department shall report by March 1 of the current fiscal year on the activities and status of implementation of the requirements described in subsections (1) and (2) to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office.

Sec. 263. (1) Except as otherwise provided in this subsection, before submission of a waiver, a state plan amendment, or a similar proposal to CMS or other federal agency, the department shall provide written notification of the planned submission to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies and policy offices, and the state budget office. This subsection does not apply to the submission of a waiver, a state plan amendment, or similar proposal that does not propose a material change or is outside of the ordinary course of waiver, state plan amendment, or similar proposed submissions.

(2) The department shall provide written reports on a semiannual basis to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office summarizing the status of any new or ongoing discussions with CMS, the United States Department of Health and Human Services, or other federal agency regarding potential or future waiver applications as well as the status of submitted waivers that have not yet received federal approval. If, at the time a semiannual report is due, there are no reportable items, then no report is required to be provided.

Sec. 264. The department shall not take disciplinary action against an employee of the department in the state classified civil service for communicating with a member of the legislature or his or her staff, unless the communication is prohibited by law and the department is exercising its authority as provided by law.

Sec. 270. The department shall advise the legislature of the receipt of a notification from the attorney general's office of a legal action in which expenses had been recovered according to section 106(6) of the social welfare act, 1939 PA 280, MCL 400.106. By February 1 of the current fiscal year, the department shall submit a written report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office that includes, at a minimum, all of the following:

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

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

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

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

Sec. 274. (1) The department, in collaboration with the state budget office, shall submit to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices 1 week after the day the governor submits to the legislature the budget for the ensuing fiscal year a report on spending and revenue projections for each of the capped federal funds listed below. The report shall contain actual spending and revenue in the previous fiscal year, spending and revenue projections for the current fiscal year as enacted, and spending and revenue projections within the executive budget proposal for the fiscal year beginning October 1, 2023 for each individual line item for the department budget. The report shall also include federal funds transferred to other departments. The capped federal funds shall include, but not be limited to, all of the following:

- (a) TANF.
- (b) Title XX social services block grant.
- (c) Title IV-B part I child welfare services block grant.
- (d) Title IV-B part II promoting safe and stable families funds.
- (e) Low-income home energy assistance program.

(2) It is the intent of the legislature that the department, in collaboration with the state budget office, not utilize capped federal funding for economics adjustments for FTEs or other economics costs that are included as part of the budget submitted to the legislature by the governor for the ensuing fiscal year, unless there is a reasonable expectation for increased federal funding to be available to the department from that capped revenue source in the ensuing fiscal year.

(3) By February 15 of the current fiscal year, the department shall prepare an annual report of its efforts to identify TANF maintenance of effort sources and rationale for any increases or decreases from all of the following, but not limited to:

- (a) Other departments.
- (b) Local units of government.
- (c) Private sources.

Sec. 275. (1) On a quarterly basis, the department, with the approval of the state budget director, is authorized to realign sources between other federal, TANF, and capped federal financing authorizations in order to maximize federal revenues. This realignment of financing shall not produce a gross increase or decrease in the department's total individual line item authorizations, nor will it produce a net increase or decrease in total federal revenues, or a net increase in TANF authorization.

(2) On a quarterly basis the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices on the realignment of federal fund sources transacted to date in the current fiscal year under the authority of subsection (1), including the dates, line items, and amounts of the transactions. If, at the time a quarterly report is due, no transactions were made under subsection (1), then no report is required to be provided.

(3) Within 30 days after the date on which year-end book closing is completed, the department shall submit to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices a report on the realignment of federal fund sources that took place as part of the year-end closing process for the previous fiscal year.

Sec. 280. By March 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget director that provides all of the following for each line item in part 1 containing personnel-related costs, including the specific individual amounts for salaries and wages, payroll taxes, and fringe benefits:

- (a) FTE authorization.
- (b) Spending authorization for personnel-related costs, by fund source, under the spending plan.
- (c) Actual year-to-date expenditures for personnel-related costs, by fund source, through the end of the prior month.
- (d) The projected year-end balance or shortfall for personnel-related costs, by fund source, based on actual monthly spending levels through the end of the prior month.
- (e) A specific plan for addressing any projected shortfall for personnel-related costs at either the gross or fund source level.

Sec. 288. (1) Beginning October 1 of the current fiscal year, no less than 90% of a new department contract supported solely from state restricted funds or general fund/general purpose funds and designated in this part or part 1 for a specific entity for the purpose of providing services to individuals shall be expended for those services after the first year of the contract.

(2) The department may allow a contract to exceed the limitation on administrative and services costs under subsection (1) if a grantee can demonstrate to the department that an exception should be made to the provision in subsection (1).

(3) By September 30 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, house and senate fiscal agencies, and state budget office on the rationale for all exceptions made to subsection (1) and the number of contracts terminated due to violations of subsection (1). If, at the time the report is due, no contracts were terminated due to violations of subsection (1) and no exceptions were made under subsection (2), then no report is required to be provided.

Sec. 289. By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices an annual report on the supervisor-to-staff ratio by department divisions and subdivisions.

Sec. 290. Any public advertisement for public assistance shall also inform the public of the welfare fraud hotline operated by the department.

Sec. 296. From the funds appropriated in part 1, the department to the extent permissible under section 8 of 1964 PA 170, MCL 691.1408, is responsible for the necessary and reasonable attorney fees and costs incurred by private and independent legal counsel chosen by current and former classified and unclassified department employees in the defense of the employees in any state or federal lawsuit or investigation related to the water system in a city or community in which a declaration of emergency was issued because of drinking water contamination.

Sec. 297. (1) On a quarterly basis, the department shall report to the senate and house appropriations committees, the senate and house appropriations subcommittees on the department budget, and the senate and house fiscal agencies the following information:

(a) The number of FTE positions in pay status by civil service classification.

(b) A comparison by line item of the number of FTE positions authorized from funds appropriated in part 1 to the actual number of FTE positions employed by the department at the end of the reporting period.

(2) By March 1 of the current fiscal year, the department shall report to the senate and house appropriations committees, the senate and house appropriations subcommittees on the department budget, and the senate and house fiscal agencies the following information:

(a) Number of employees that were engaged in remote work in 2022.

(b) Number of employees of the department authorized to work remotely and the actual number of those working remotely in the current reporting period.

(c) Estimated net cost savings achieved by the department by remote work.

(d) Reduced use of office space associated with remote work.

Sec. 299. (1) No state department or agency shall issue a request for proposal (RFP) for a contract in excess of \$5,000,000.00, unless the department or agency has first considered issuing a request for information (RFI) or a request for qualification (RFQ) relative to that contract to better enable the department or agency to learn more about the market for the products or services that are the subject of the RFP. The department or agency shall notify the department of technology, management, and budget of the evaluation process used to determine if an RFI or RFQ was not necessary prior to issuing the RFP.

(2) From funds appropriated in part 1, for all RFPs issued during the current fiscal year where an existing service received proposals by multiple vendors, the department shall notify all vendors within 30 days after the RFP decision. The notification to vendors shall include details on the RFP process, including the respective RFP scores and the respective cost for each vendor. If the highest scored RFP or lowest cost RFP does not receive the contract for an existing service offered by the department, the notification shall issue an explanation for the reasons that the highest scored RFP or lowest cost RFP did not receive the contract and detail the incremental cost target amount or service level required that was required to migrate the service to a new vendor. Additionally, the department shall include in the notification details as to why a cost or service difference is justifiable if the highest scored or lowest cost vendor does not receive the contract.

(3) The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by September 30 of the current fiscal year, a report that includes the following:

(a) A summary of all RFPs issued for a contract in excess of \$5,000,000.00 including whether an RFI or RFQ was considered, and whether an RFI or RFQ was issued before issuing the RFP or whether the issuance of an RFI or RFQ was determined not to be necessary.

(b) A summary of all RFPs during the current fiscal year if an existing service received proposals by multiple vendors.

(c) A list of all finalized RFPs if there was a divergence from awarding the contract to the lowest-cost or highest-scoring vendor, and details as to why a divergence is justifiable as provided in the notification to vendors under subsection (2).

(d) The cost or service threshold required by department policy that must be satisfied in order for an existing contract to be received by a new vendor.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

Sec. 301. From the funds appropriated in part 1 for terminal leave payments, the department shall not spend in excess of its annual gross appropriation unless it identifies and requests a legislative transfer from another budgetary line item supporting administrative costs, as provided by section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

CHILD SUPPORT ENFORCEMENT

Sec. 401. (1) The appropriations in part 1 assume a total federal child support incentive payment of \$26,500,000.00.

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

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

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

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

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

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

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

Sec. 410. (1) If title IV-D-related child support collections are escheated, the state budget director is authorized to adjust the sources of financing for the funds appropriated in part 1 for legal support contracts to reduce federal authorization by 66% of the escheated amount and increase general fund/general purpose authorization by the same amount. This budget adjustment is required to offset the loss of federal revenue due to the escheated amount being counted as title IV-D program income in accordance with federal regulations at 45 CFR 304.50.

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

COMMUNITY SERVICES AND OUTREACH

Sec. 450. (1) From the funds appropriated in part 1 for school success partnership program, the department shall allocate \$1,525,000.00 of TANF revenue by December 1 of the current fiscal year to support the Northeast Michigan Community Service Agency programming. The department shall require the following performance objectives be measured and reported for the duration of the state funding for the school success partnership program:

(a) Increasing school attendance and decreasing chronic absenteeism.
(b) Increasing academic performance based on grades with emphasis on math and reading.
(c) Identifying barriers to attendance and success and connecting families with resources to reduce these barriers.

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

(2) By July 15 of the current fiscal year, the Northeast Michigan Community Service Agency shall provide reports to the department on the number of children and families served and the services that were provided to families to meet the performance objectives identified in this section. The department shall distribute the reports within 1 week after receipt to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 451. (1) From the funds appropriated in part 1 for crime victim justice assistance grants, the department shall allocate \$102,600.00 of state general fund/general purpose revenue for a sexual assault nurse examiners program at a hospital in a city with a population between 21,600 and 21,700 according to the most recent federal decennial census within a county with a population between 64,300 and 64,400 according to the most recent federal decennial census. Funds must be used to support staff compensation and training, victim needs, and community awareness, education, and prevention programs.

(2) The crime victim services commission may review the uses of funds appropriated in this section to determine if it merits utilization of the crime victim's rights fund on an ongoing basis in subsequent fiscal years.

Sec. 452. From the funds appropriated in part 1 for crime victim justice assistance grants, the department shall continue to support forensic nurse examiner programs to facilitate training for improved evidence collection for the prosecution of sexual assault. The funds shall be used for program coordination and training.

Sec. 453. (1) From the funds appropriated in part 1 for homeless programs, the department shall allocate funds to the emergency shelter program to support efforts of shelter providers to move homeless individuals and households into permanent housing as quickly as possible. Funding provided shall be equal to or exceed the amount a provider would receive if paid a \$19.00 per diem rate per bed night. Expected outcomes are increased shelter discharges to stable housing destinations, decreased recidivism rates for shelter clients, and a reduction in the average length of stay in emergency shelters.

(2) By March 1 of the current fiscal year, the department shall submit to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office a report on the total amount expended for the program in the prior 2 fiscal years, the total number of shelter nights provided, and the average length of stay in an emergency shelter.

Sec. 454. The department shall allocate the full amount of funds appropriated in part 1 for homeless programs to provide services for homeless individuals and families, including, but not limited to, third-party contracts for emergency shelter services.

Sec. 455. As a condition of receipt of federal TANF revenue, homeless shelters and human services agencies shall collaborate with the department to obtain necessary TANF eligibility information on families as soon as possible after admitting a family to the homeless shelter. From the funds appropriated in part 1 for homeless programs, the department is authorized to make allocations of TANF revenue only to the homeless shelters and human services agencies that report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements. Homeless shelters or human services agencies that do not report necessary data to the department for the purpose of meeting TANF eligibility reporting requirements will not receive reimbursements that exceed the per diem amount they received in fiscal year 2000. The use of TANF revenue under this section is not an ongoing commitment of funding.

Sec. 456. From the funds appropriated in part 1 for homeless programs, the department shall allocate \$90,000.00 to reimburse public service agencies that provide documentation of paying birth certificate fees on behalf of category 1 homeless clients at county clerk's offices. Public service agencies shall be reimbursed for the cost of the birth certificate fees quarterly until this allocation is fully spent.

Sec. 457. (1) From the funds appropriated in part 1 for the uniform statewide sexual assault evidence kit tracking system, in accordance with the final report of the Michigan sexual assault evidence kit tracking and reporting commission, \$369,500.00 is allocated to contract for the administration of a uniform statewide sexual assault evidence kit tracking system, and 1.0 FTE to provide administrative support. The system shall include the following:

(a) A uniform statewide system to track the submission and status of sexual assault evidence kits.

(b) A uniform statewide system to audit untested kits that were collected on or before March 1, 2015 and were released by victims to law enforcement.

(c) Secure electronic access for victims.

(d) The ability to accommodate concurrent data entry with kit collection through various mechanisms, including web entry through computer or smartphone, and through scanning devices.

(2) By March 30 of the current fiscal year, the department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a status report on the administration of the uniform statewide sexual assault evidence kit tracking system, including operational status and any known issues regarding implementation.

(3) The sexual assault evidence tracking fund established in section 1451 of 2017 PA 158 shall continue to be maintained in the department of treasury. Money in the sexual assault evidence tracking fund at the close of a fiscal year remains in the sexual assault evidence tracking fund, does not revert to the general fund, and shall be appropriated as provided by law for the development and implementation of a uniform statewide sexual assault evidence kit tracking system as described in subsection (1).

(4) By September 30 of the current fiscal year, the department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a report on the findings of the annual audit of the proper submission of sexual assault evidence kits as required by the sexual assault kit evidence submission act, 2014 PA 227, MCL 752.931 to 752.935. The report must include, but is not limited to, a detailed county-by-county compilation of the number of sexual assault evidence kits that were properly submitted and the number that met or did not meet deadlines established in the sexual assault kit evidence submission act, 2014

PA 227, MCL 752.931 to 752.935, the number of sexual assault evidence kits retrieved by law enforcement after analysis, and the physical location of all released sexual assault evidence kits collected by health care providers in that year, as of the date of the annual draft report for each reporting agency.

Sec. 458. From the funds appropriated in part 1 for crime victim rights services grants, the department shall allocate \$2,000,000.00 from the crime victim's rights fund to maintain increased grant funding to support the further use of crime victim advocates in the criminal justice system. The purpose of the additional funding is to increase available grant funding for crime victim advocates to ensure that the advocates have the resources, training, and funding needed to respond to the physical and emotional needs of crime victims and to provide victims with the necessary services, information, and assistance in order to help them understand and participate in the criminal justice system and experience a measure of safety and security throughout the legal process.

Sec. 459. From the funds appropriated in part 1 for child advocacy centers - supplemental grants, the department shall allocate \$2,000,000.00 to continue to provide additional funding to child advocacy centers to support the general operations of child advocacy centers by allocating the funding to each center proportionally based on the number of children served at each center during the previous fiscal year compared to the number of total children served under this section. The purpose of this additional funding is to increase the amount of services provided to children and their families who are victims of abuse over the amount provided in the previous fiscal year.

Sec. 460. From the funds appropriated in part 1 for kids' food basket, the department shall allocate \$525,000.00 to fund a project with a nonprofit, community-based organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and is located in a city with a population between 185,000 and 200,000 according to the most recent federal decennial census and in a county with a population between 600,000 and 700,000 according to the most recent federal decennial census. The nonprofit organization recipient shall have an existing network of food delivery to low-income children to at least 3 counties in this state. The nonprofit organization shall use the funds for increased operational costs due to the coronavirus pandemic and for expansion of services to additional schools and communities. The funding may be used to cover employee costs, food and supplies, equipment, and other operational costs identified by the organization to support their mission and goals.

Sec. 462. (1) If funding becomes available from the funds appropriated in part 1 for crime victim justice assistance grants, the department shall allocate \$4,000,000.00 to implement 4 trauma recovery center program pilot projects. The pilot projects shall utilize the evidence-informed integrated trauma recovery services model developed by the University of California - San Francisco for service provision and shall be located in a city with a population between 52,700 and 53,300 according to the most recent federal decennial census, in a city with a population between 80,000 and 82,000 according to the most recent federal decennial census, in a city with a population between 150,000 and 200,000 according to the most recent federal decennial census, and in a city with a population greater than 500,000 according to the most recent federal decennial census.

(2) It is the intent of the legislature that each pilot project shall be designed to last at least 3 years.

(3) If funding becomes available, by March 1 of the current fiscal year, the department shall report to the senate and house subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on all of the following:

- (a) The number of participants by pilot project site.
- (b) The number of participants by crime type, broken down by pilot project site.
- (c) The number of direct service providers by pilot project site.
- (d) The number of direct services provided, broken down by type of service and by pilot project site.
- (e) The administrative costs by pilot project site.
- (f) The average length of service provision by pilot project site.
- (g) The average length of service provision, broken down by type of service and by pilot project site.
- (h) The average cost per participant by pilot project site.

(4) The department may explore the development of a mobile trauma recovery center to provide services to rural areas in this state.

Sec. 463. From the funds appropriated in part 1 for runaway and homeless youth grants and domestic violence prevention and treatment, the department is authorized to make allocations of TANF revenue only to agencies that report necessary data to the department to meet TANF eligibility reporting requirements.

Sec. 464. From the funds appropriated in part 1 for diaper assistance payments, \$4,404,400.00 of TANF revenue must be allocated as grants to diaper assistance programs, maternity homes, and other nonprofit agencies that distribute diapers free of charge and were established as of January 1, 2020. The funds must only be used to purchase diapering supplies for children under 36 months of age. Funds must be evenly distributed to all regions of this state as defined by the Michigan economic recovery council.

Sec. 465. (1) From the funds appropriated in part 1 for community services and outreach administration, \$2,950,000.00 must be distributed as provided in subsection (2). The amount distributed under this subsection must not exceed 50% of the total operating expenses of the program described in subsection (2), with the remaining 50% paid by local United Way organizations and other nonprofit organizations and foundations.

(2) Funds distributed under subsection (1) shall be distributed to Michigan 2-1-1, a nonprofit corporation organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and whose mission is to coordinate and support a statewide 2-1-1 system. Michigan 2-1-1 shall use the funds only to fulfill the Michigan 2-1-1 business plan adopted by Michigan 2-1-1 in January 2005.

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

(4) Michigan 2-1-1 shall report annually to the department, the house and senate standing committees with primary jurisdiction over matters relating to human services and telecommunications on 2-1-1 system performance, the senate and house appropriations subcommittees on the department budget, and the senate and house fiscal agencies, including, but not limited to, call volume by health and human service needs and unmet needs identified through caller data and number and percentage of callers referred to public or private provider types.

CHILDREN'S SERVICES AGENCY - CHILD WELFARE

Sec. 501. (1) A goal is established that not more than 25% of all children in foster care at any given time during the current fiscal year, if in the best interest of the child, will have been in foster care for 24 months or more.

(2) By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a report describing the steps that will be taken to achieve the specific goal established in this section and on the percentage of children who currently are in foster care and who have been in foster care a total of 24 or more months.

Sec. 502. From the funds appropriated in part 1 for foster care, the department shall provide 50% reimbursement to Indian tribal governments for foster care expenditures for children who are under the jurisdiction of Indian tribal courts and who are not otherwise eligible for federal foster care cost sharing. The department may provide up to 100% reimbursement to Indian tribal governments that enter into a state-tribal title IV-E agreement allowed under this state's title IV-E state plan.

Sec. 503. (1) In accordance with the final report of the Michigan child welfare performance-based funding task force issued in response to section 503 of article X of 2013 PA 59, the department shall continue to review, update, or develop actuarially sound case rates for necessary child welfare foster care case management services that achieve permanency by the department and private child placing agencies in a prospective payment system under a performance-based funding model.

(2) The department, in conjunction with members from both the house of representatives and senate, private child placing agencies, the courts, and counties shall continue to implement the recommendations that are described in the workgroup report that was provided in section 503 of article X of 2013 PA 59 to establish a performance-based funding model pilot program for public and private child welfare services providers. By July 1 of the current fiscal year, the department shall provide a report on the status of the performance-based contracting model to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, and the senate and house fiscal agencies and policy offices.

Sec. 504. (1) From the funds appropriated in part 1, the department shall implement a 3-year master agreement with an option for 2 additional years with the West Michigan Partnership for Children Consortium to maintain the performance-based child welfare contracting program. The consortium shall consist of a network of affiliated child welfare service providers that will accept and comprehensively assess referred youth, assign cases to members of its continuum or leverage services from other entities, and make appropriate case management decisions during the duration of a case.

(2) As a condition for receiving the funding in part 1, the West Michigan Partnership of Children Consortium shall maintain a contract agreement with the department that supports a global capitated payment model. The capitated payment amount shall be based on historical averages of the number of children served in Kent County and for the costs per foster care case. The West Michigan Partnership for Children Consortium is required to manage the cost of the child population it serves. The administrative portion of the contracted agreement must reflect the cumulative annual percentage change in the Detroit Consumer Price Index from the previous year. The capitated payment amount shall be reviewed and adjusted no less than twice during the current fiscal year or due to any policy changes implemented by the department that

result in a volume of placements that differ in a statistically significant manner from the amount allocated in the annual contract between the department and the West Michigan Partnership for Children Consortium as determined by an independent actuary as well as to account for changes in case volumes and any statewide rate increases that are implemented. The contract agreement requires that the West Michigan Partnership for Children Consortium shall maintain the following stipulations and conditions:

(a) That the service component of the capitated payment will be calculated assuming rates paid to providers under the program are generally consistent with the department's payment policies for providers throughout the rest of this state.

(b) To maintain a risk reserve of at least \$1,500,000.00 to ensure it can meet unanticipated expenses within a given fiscal year.

(c) To cooperate with the department on an independent fiscal analysis of costs incurred and revenues received.

(3) By March 1 of the current fiscal year, the consortium shall provide to the department and the house and senate appropriations subcommittees on the department budget a report on the consortium, including, but not limited to, actual expenditures, number of children placed by agencies in the consortium, fund balance of the consortium, and the outcomes measured.

Sec. 505. By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget office a report on youth referred or committed to the department for care or supervision in the previous fiscal year and in the first quarter of the current fiscal year outlining the number of youth served by the department within the juvenile justice system, the type of setting for each youth, performance outcomes, and financial costs or savings.

Sec. 506. From the funds appropriated in part 1 for attorney general contract, by March 1 of the current fiscal year, the department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office, a report on the juvenile justice system in any county in which funds appropriated in part 1 are expended. The report shall include, but not be limited to, the following:

(a) The number of youth referred or committed to the department for care or supervision in the previous fiscal year and in the first quarter of the current fiscal year.

(b) The number of youth referred or committed to the care or supervision of the county in which funds appropriated in part 1 were expended for the previous fiscal year and the first quarter of the current fiscal year.

(c) The type of setting for each youth referred or committed for care or supervision, any applicable performance outcomes, and identified financial costs or savings.

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

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

(2) For the funds described in subsection (1), the department shall ensure that administrative delays are avoided and the local grant recipients and direct service providers receive money in an expeditious manner. The department and board shall make available the children's trust fund contract funds to grantees within 31 days of the start date of the funded project.

Sec. 509. From the funds appropriated in part 1 for adoption support services, the department shall maintain the increase of contracted rates paid to private child placing agencies, including the \$23.00 per diem for all foster youth from the date of the case acceptance to the date of adoption petition acceptance or for 150 days, whichever occurs sooner, for licensed child placing agencies contracted with the department to provide adoption services for foster youth. The per diem rate is to be separate from the outcome-based reimbursement system and must not be deducted from the total reimbursement an agency receives for the applicable placement or finalization rate of an adoption.

Sec. 510. (1) From the funds appropriated in part 1 for child care fund and foster care payments, the department shall explore alternative payment methods to fund a specified number of beds based on projected program needs for private child caring institutions and privately operated child welfare and juvenile justice residential facilities. If allowable under title IV-E funding guidelines, with or without a federal waiver, a contract entered into for purposes of this subsection shall provide guaranteed payment for anticipated utilization, with the condition that providers shall accept youth up to the contracted capacity who are determined through independent assessment as meeting the program entrance criteria. By March 1 of the current fiscal year, the department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices a report on the department's findings.

(2) The department shall provide reports on a monthly basis to the senate and house appropriations subcommittees on the department budget and the senate and house fiscal agencies and policy offices on the number of children awaiting placement in a child caring institution in this state. The report must include the number of children awaiting placement by child caring institution and must state the reason for the delay in placement including, but not limited to, facility bed shortages, placement process delays, or other reasons.

Sec. 511. The department shall provide reports on a semiannual basis to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, and the senate and house fiscal agencies and policy offices on the number and percentage of children who received timely physical and mental health examinations after entry into foster care. The reports shall also include the new methods the department is using since June 14, 2022, to achieve the stated goal of the program as described in this section. The goal of the program is that at least 85% of children shall have an initial medical and mental health examination within 30 days after entry into foster care.

Sec. 512. By March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the following information for cases of child abuse or child neglect from the previous fiscal year:

(a) The total number of relative care placements.

(b) The total number of relatives with a placement who became licensed.

(c) A list of the reasons from a sample of cases where relatives were denied foster home licensure as documented by the department.

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

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

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

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

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

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

(2) The department shall not expend money for a child placed in an out-of-state facility without approval of the executive director of the children's services agency.

(3) The department shall submit an annual report by March 1 of the current fiscal year to the state court administrative office, the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the number of Michigan children residing in out-of-state facilities in the previous fiscal year and shall include the total cost and average per diem cost of these out-of-state placements to this state, and a list of each such placement arranged by the Michigan county of residence for each child.

Sec. 515. If a child protective services caseworker requests approval for another child protective services caseworker or other department employee to accompany them on a home visit because the caseworker believes it would be unsafe to conduct the home visit alone, the department shall not deny the request.

Sec. 516. From funds appropriated in part 1 for child care fund, the administrative or indirect cost payment equal to 10% of a county's total monthly gross expenditures shall be distributed to the county on a monthly basis and a county is not required to submit documentation to the department for any of the expenditures that are covered under the 10% payment as described in section 117a(4)(b)(ii) and (iv) of the social welfare act, 1939 PA 280, MCL 400.117a.

Sec. 517. The department may ask a state or private child placing agency contracted by the receiving state to carry out required visits and any additional visits that the department finds necessary for a child placed in a family foster care home out of state.

Sec. 519. The department shall permit any private agency that has an existing contract with this state to provide foster care services to be also eligible to provide treatment foster care services.

Sec. 520. (1) The department shall submit a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office by February 15 of the current fiscal year on the number of days of care and expenditures by funding source for the previous fiscal year for out-of-home placements by specific placement programs for child abuse or child neglect and juvenile justice, including, but not limited to, paid relative placement, department direct family foster care, private agency supervised foster care, private child caring institutions, county-supervised facilities, court-supervised facilities, and independent living. The report shall also include the number of days of care for department-operated residential juvenile justice facilities by security classification.

(2) For the purposes of the report in subsection (1), living arrangements include, but are not limited to, paid relative placement, department direct family foster care, private agency supervised foster care, private child caring institutions, county-supervised facilities, court-supervised facilities, and independent living.

Sec. 521. (1) From the funds appropriated in part 1 for child care fund – indirect cost allotment, the department shall allocate \$3,500,000.00 to counties and tribal governments that receive reimbursements in part 1 from child care fund.

(2) The amount described in subsection (1) shall be distributed to each county or tribal government in the same proportion as indirect cost allotments are provided to counties in the manner described in section 117a of the social welfare act, 1939 PA 280, MCL 400.117a.

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

(2) By June 1 of the current fiscal year, the department shall provide a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office that includes the number of youths who applied for scholarships under this section, the number of youths who received scholarships under this section and the amount of each scholarship, and the total amount of funds spent or encumbered in the current fiscal year.

Sec. 523. (1) By February 15 of the current fiscal year, the department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a report on the families first, family reunification, and families together building solutions family preservation programs. The report shall provide population and outcome data based on contractually required follow-up evaluations for families who received family preservation services and shall include information for each program on any innovations that may increase child safety and risk reduction.

(2) By October 1 of the current fiscal year, from the funds appropriated in part 1 for family preservation services, the department shall retain the rates established by the increase provided in section 523(3) of article 6 of 2020 PA 166.

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

Sec. 525. The department shall implement the same on-site evaluation processes for privately operated child welfare and juvenile justice residential facilities as is used to evaluate state-operated facilities. Penalties for noncompliance shall be the same for privately operated child welfare and juvenile justice residential facilities and state-operated facilities.

Sec. 526. From the funds appropriated in part 1 for court-appointed special advocates, the department shall allocate \$1,000,000.00 to fund a project with a nonprofit, community-based organization organized under the laws of this state that are exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, located in a charter township with a population of between 18,000 and 19,000 according to the most recent federal decennial census that is located in a county with a population of between 600,000 and 700,000 according to the most recent federal decennial census. The nonprofit organization recipient shall have an existing network of affiliate programs operating in at least 25 counties in this state. The nonprofit organization shall use the funds to recruit, screen, train, and supervise volunteers who provide advocacy services on behalf of abused and neglected children.

Sec. 527. With the approval of the settlement monitor, for the purposes of calculating adoption worker caseloads for private child placing agencies, the department shall exclude the following case types:

(a) Cases in which there are multiple applicants as that term is defined in section 22(e) of chapter X of the probate code of 1939, 1939 PA 288, MCL 710.22, also known as a competing party case, in which the case has a consent motion pending from Michigan's children's institute or the court for more than 30 days.

(b) Cases in which a birth parent has an order or motion for a rehearing or an appeal as of right that has been pending for more than 15 days.

Sec. 528. From the funds appropriated in part 1 for child care fund, the department shall allocate \$2,366,700.00 to increase the annual basic grant to counties with a population of less than 75,000 according to the most recent federal decennial census as described in section 117e of the social welfare act, 1939 PA 280, MCL 400.117e, and to eligible tribal entities. The basic grant shall be increased from \$15,000.00 per year by equally distributing the \$2,366,700.00 appropriated in part 1 to eligible counties and tribal entities.

Sec. 529. From the funds appropriated in part 1 for family preservation programs, the department shall maintain the total combined funding levels of the families first, family reunification, and families together building solutions family preservation programs at an amount not less than the amount provided as of September 30, 2021. For the current fiscal year as the department moves towards implementation of the federal Family First Prevention Services Act, Public Law 115-123, the funding available to serve families through the existing family preservation programs shall not be reduced.

Sec. 530. (1) All master contracts relating to foster care and adoption services as funded by the appropriations in section 105 of part 1 shall be performance-based contracts that employ a client-centered results-oriented process that is based on measurable performance indicators and desired outcomes and includes the annual assessment of the quality of services provided.

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

Sec. 531. The department shall notify the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices of any changes to a child welfare master contract template, including the adoption master contract template, the independent living plus master contract template, the child placing agency foster care master contract template, and the residential foster care juvenile justice master contract template, not less than 30 days before the change takes effect.

Sec. 532. From the funds appropriated in part 1 for adoption support services, the department shall allocate \$2,000,000.00 to fund a tax credit to adoptive parents. The department shall coordinate with the department of treasury to ensure timely processing and issuance of tax credits to adoptive parents.

Sec. 533. The department shall make payments to child placing facilities for in-home and out-of-home care services and adoption services within 30 days after receiving all necessary documentation from those agencies. It is the intent of the legislature that the burden of ensuring that these payments are made in a timely manner and no payments are in arrears is upon the department.

Sec. 534. The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year a report on the adoption subsidies expenditures from the previous fiscal year. The report shall include, but is not limited to, the range of non-\$0.00 annual adoption support subsidy amounts, for both title IV-E eligible cases and state-funded cases, paid to adoptive families, the number of title IV-E and state-funded cases, the number of cases in which the adoption support subsidy request of adoptive parents for assistance was denied by the department, and the number of adoptive parents who requested a redetermination of adoption support subsidy.

Sec. 535. (1) From the funds appropriated in part 1 for foster care payments, the department shall allocate up to \$1,500,000.00 of private revenues from The New Foster Care Inc. to fund a 3-year culturally competent kinship placement, support, and licensing services pilot program in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census and a county with a population over 1,500,000 according to the most recent federal decennial census based on the work conducted by A Second Chance Inc. The goal of the pilot program is to increase the kinship licensure rate and reduce the average length of stay for children in foster care with the intent to expand the program statewide, contingent on legislative appropriations. Efforts to reach this goal shall include the following:

(a) Locate appropriate kinship family for out-of-home placement of children.

(b) Provide support to kinship care providers and facilitate connections to programs and services to assist them in meeting the needs of children.

(c) Assist kinship care providers in meeting state foster parent licensing requirements.

(d) Support parents to expedite permanency planning.

(2) Subject to part 1 appropriations and pursuant to an annual evaluation, the department through legislative appropriations shall reallocate any savings and revenue stemming from program services that result in a reduction in the length of stay in foster care for the children served by the program compared to the average and maximize federal funds associated with this pilot program.

(3) The agency selected to administer the pilot program will be selected with input from The New Foster Care, Inc. and approved by the executive director of the children's services agency.

Sec. 536. By March 1 of the current fiscal year, the department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the policy offices a report on the status of the department's planned and achieved implementation of the federal family first prevention services act, Public Law 115-123. The report shall include, but not be limited to, an estimate of the 5-year spending plan for administrative and compliance costs, a summary of all historical expenditures

made to date for implementation by line-item appropriation and program type, information regarding compliance with title IV-E prevention requirements, the status of statewide compliance with the qualified residential treatment program requirements, a summary of provider concerns with respect to requirements under the qualified residential treatment program as that term is defined in section 1 of 1973 PA 116, MCL 722.111, a detailed methodology in determining any savings realized or estimated from a reduction in congregate care or residential placements, the department's conformity with federal model licensing standards, the department's plan for tracking and preventing child maltreatment deaths, and the department's plan for extending John H. Chafee foster care independence programs up to age 23.

Sec. 537. By March 1 of the current fiscal year, the department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices a report on the number of unlicensed relative providers with a relative placement denied a foster home license for not meeting the standards established for state licensing for foster care. The report shall also include the status of title IV-E claims for foster care maintenance payments and foster care administrative payments for licensed relative caregivers with placements.

Sec. 538. By October 1 of the current fiscal year, the department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the policy offices a report on the status of the department's program improvement plan associated with round 3 of the child and family services review (CFSR). The report shall also include, but not be limited to, a specific and detailed plan to provide an update on areas of substantial nonconformity identified in the CFSR such as the inadequacy of caseworker training provided by the department, the estimated costs necessary to reduce travel time for service delivery to rural areas, plans to improve caseworker engagement to reduce maltreatment in care, and steps undertaken by the department to emphasize permanency in case planning. Additionally, the department shall include the status for items currently being implemented and the description and cost estimate for the implementation for items that will be implemented in the current fiscal year.

Sec. 539. The department, in collaboration with child placing agencies, shall continue to comply with section 115o of the social welfare act, 1939 PA 280, MCL 400.115o. Department caseworkers responsible for preparing a recommendation to a court concerning a juvenile placement shall provide, as part of the recommendation, information regarding the requirements of section 115o of the social welfare act, 1939 PA 280, MCL 400.115o.

Sec. 540. If a physician or psychiatrist who is providing services to state or court wards placed in a residential facility submits a formal request to the department to change the psychotropic medication of a ward, the department shall, if the ward is a state ward, make a determination on the proposed change within 7 business days after the request or, if the ward is a temporary court ward, seek parental consent within 7 business days after the request. If parental consent is not provided within 7 business days, the department shall petition the court on the eighth business day.

Sec. 541. The department shall explore the implementation of a program to help foster care caseworkers achieve forgiveness for their student loan debt. By July 1 of the current fiscal year, the department shall submit to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices a report on the department's findings.

Sec. 542. (1) The department shall develop strategies to use the input from court-appointed special advocates and foster care parents throughout case management and any legal proceedings for abused and neglected children in foster care.

(2) By September 30 of the current fiscal year, the department shall submit to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices a report on the strategies developed by the department.

Sec. 543. The department shall develop a clear policy that caseworkers ensure that children who are victims of child abuse or child neglect have the ability either in the courtroom or in the judge's chambers to speak directly to, or be interviewed by, the judge or magistrate who is overseeing their case, in order to give children the opportunity to provide input into the legal proceedings.

Sec. 544. The department may require all foster care parents, caseworkers, and guardians ad litem to receive trauma-informed training.

Sec. 545. From the funds appropriated in part 1 for the child welfare institute, the department shall provide training that is consistent with the practices taught under therapeutic crisis intervention training to all department employees responsible for the investigation of complaints and licensing determinations for child caring institutions and shall offer trauma support directly to all department child welfare caseworkers to help deal with the effects of secondary trauma.

Sec. 546. (1) From the funds appropriated in part 1 for foster care payments and from child care fund, the department shall pay providers of general foster care, independent living, and trial reunification services not less than a \$55.20 administrative rate.

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

(3) If required by the federal government to meet title IV-E requirements, providers of foster care services shall submit quarterly reports on expenditures to the department to identify actual costs of providing foster care services.

(4) From the funds appropriated in part 1, the department shall maintain rates that are no less than the rates in place on March 20, 2020 provided to each private provider of residential services.

Sec. 547. (1) From the funds appropriated in part 1 for the guardianship assistance program, the department shall pay a minimum rate that is not less than the approved age-appropriate payment rates for youth placed in family foster care.

(2) The department shall report on an annual basis to the state budget office, the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices quarterly data on the number of children enrolled in the guardianship assistance and foster care – children with serious emotional disturbance waiver programs.

Sec. 548. From the funds appropriated in part 1 for adoption support services, the department shall allocate \$10,000,000.00 to fund marketing programs that promote the adoption of infants and to develop factual educational information materials on adoption as an alternative to abortion, including the ability of the birth mother to establish a prebirth plan. The department shall issue a request for proposal for a contract for the development of marketing programs and information materials. The department shall notify the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices on vendors submitting bids for the contract, vendors receiving the contract, the evaluation process, and criteria used by the department to award the contract for marketing programs.

Sec. 550. (1) The department shall not offset against reimbursement payments to counties or seek reimbursement from counties for charges that were received by the department more than 12 months before the department seeks to offset against reimbursement. A county shall not request reimbursement for and reimbursement payments shall not be paid for a charge that is more than 12 months after the date of service or original status determination when initially submitted by the county.

(2) All service providers shall submit a request for payment within 12 months after the date of service. Any request for payment submitted 12 months or more after the date of service requires the provider to submit an exception request to the county or the department for approval or denial.

(3) The county is not subject to any offset, chargeback, or reimbursement liability for prior expenditures resulting from an error in foster care fund source determinations.

Sec. 551. The department shall respond to counties within 30 days regarding any request for a clarification requested through the department's child care fund management unit email address.

Sec. 552. Sixty days after a county's child care fund on-site review is completed, including the receipt of all requested documentation from the county, the department shall provide the results of the review to the county. The department shall not evaluate the relevancy, quality, effectiveness, efficiency, or impact of the services provided to youth of the county's child care fund programs in the review. Pursuant to state law, the department shall not release the results of the review to a third-party without the permission of the county being reviewed.

Sec. 553. It is the intent of the legislature that a child protective services caseworker shall not be allowed to place an individual on the child abuse and neglect central registry without prior court approval.

Sec. 554. From the funds appropriated in part 1 for foster care payments, the department shall allocate \$50,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, that currently has locations in 3 cities and operates on a 100% volunteer basis with a board of directors consisting of up to 15 members, and are a dedicated community of individuals that give their time, talent, and resources to provide the best quality shopping environment they can to local children in need and provide clothing, shoes, toys, linens, nursery furniture, strollers, car seats, school supplies, hygiene products, and safety equipment to local foster children and their families free of charge.

Sec. 555. The department shall explore the requirement that foster care parents caring for a foster child for whom a petition of adoption has been filed with the court shall continue to receive the regularly scheduled maintenance payments until the child is no longer in their care. By June 1 of the current fiscal year, the department shall report quarterly to the state budget office, the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices on the continuation of maintenance payments. If, at the time a report is due, there are no reportable items, then no report is required to be provided.

Sec. 556. From the funds appropriated in part 1 for child welfare licensing, the department shall work to develop and implement a simpler and more streamlined process for the annual renewal of the license for family foster care homes, and shall explore the development of a simpler and more efficient version of the application form for renewal of the license for family foster care homes.

Sec. 557. If a vehicle that is owned by the state is available and not scheduled for use by other state workers, the department may consider it an allowable use of the vehicle for a child protective services caseworker or a foster care caseworker to drive it to foster home visits or to drive it to their own home if it would be helpful to the worker in conducting their work.

Sec. 558. From the funds appropriated in part 1 for child welfare institute, the department shall train private child placing agency staff in the pre-service training requirements for child welfare caseworkers and supervisors. All private child placing agency staff will be provided an opportunity to complete training at their private child placing agency facilities in a virtual format. A hybrid format that includes virtual and in-person instruction will also be available to all private child placing agency staff according to the preference of a given private child placing agency.

Sec. 559. (1) From the funds appropriated in part 1 for adoption support services, the department shall allocate \$250,000.00 to the Adoptive Family Support Network by December 1 of the current fiscal year to operate and expand its adoptive parent mentor program to provide a listening ear, knowledgeable guidance, and community connections to adoptive parents and children who were adopted in this state or another state.

(2) The Adoptive Family Support Network shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year a report on the program described in subsection (1), including, but not limited to, the number of cases served and the number of cases in which the program prevented an out-of-home placement.

Sec. 560. From funds appropriated in part 1 for foster care payments, the department shall allocate \$100,000.00 to reimburse children in foster care for the costs of extracurricular activities including, but not limited to, athletics, music, band, drama, and other enrichment activities.

Sec. 562. The department shall provide time and travel reimbursements for foster parents who transport a foster child to parent-child visitations. As part of the foster care parent contract, the department shall provide written confirmation to foster parents that states that the foster parents have the right to request these reimbursements for all parent-child visitations. The department shall provide these reimbursements within 60 days after receiving a request for eligible reimbursements from a foster parent.

Sec. 564. (1) The department shall maintain a clear policy for parent-child visitations. The local county offices, caseworkers, and supervisors shall meet an 85% success rate, after accounting for factors outside of the caseworkers' control.

(2) Per the court-ordered number of required meetings between caseworkers and a parent, the caseworkers shall achieve a success rate of 85%, after accounting for factors outside of the caseworkers' control.

(3) By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a report on the following:

(a) The percentage of success rate for parent-child visitations and court-ordered required meetings between caseworkers referenced in subsections (1) and (2) for the previous year.

(b) The barriers to achieve the success rates in subsections (1) and (2) and how this information is tracked.

Sec. 567. The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year a report on transfer of medical passports for children in foster care, including the following:

(a) From the total medical passports transferred, the percentage that transferred within 2 weeks after the date of placement or return to the home.

(b) From the total school records, the percentage that transferred within 2 weeks after the date of placement or return to the home.

(c) The implementation steps that have been taken to improve the outcomes for the measures in subdivision (a).

Sec. 568. (1) The department shall ensure youths transitioning out of foster care are given assistance with obtaining a driver license or state identification card and are issued a copy of their Social Security number as required by department policy. Assistance must be provided to youths who are eligible to obtain a driver license or state identification card and a Social Security card based on the youth's citizenship and legal residency status.

(2) The department shall provide a report by April 1 of the current fiscal year to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the number of youths who received assistance obtaining

a driver license or state identification card, the number of youths who received assistance obtaining a Social Security card, the number of youths eligible for assistance who did not receive it, and an explanation as to why those youths did not receive assistance in obtaining the documents.

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

Sec. 573. (1) From the funds appropriated in part 1 for foster care payments and child care fund, the department shall, if funds become available, pay providers of foster care services a per diem daily administrative rate for every case on a caseworker's caseload for the duration of a case from referral acceptance to the discharge of wardship.

(2) The department shall complete an actuarial study to review case rates paid to private child placing agencies every even-numbered year.

(3) The department shall submit a request to the settlement monitor to define caseload ratios in the settlement to only include active cases or to designate a zero case weight for cases that are routed for case closure but remain open to complete administrative activities.

Sec. 574. (1) From the funds appropriated for foster care payments, \$1,375,000.00 is allocated to support family incentive grants to private and community-based foster care service providers to assist with home improvements and items needed to ensure or obtain compliance with licensing rule requirements, including, but not limited to, payment for physical exams needed by foster families and unlicensed relatives caring for a family member through the child welfare system to accommodate children in foster care.

(2) By March 1 of the current fiscal year, the department shall submit to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office a report on the total amount expended in the previous year for grants to private and community-based foster care service providers for home improvements or physical exams as referenced in subsection (1) and the number of grants issued.

Sec. 575. From the funds appropriated in part 1 for children's services administration, the department shall allocate \$200,000.00 to provide support and coordinated services to the kinship caregiver advisory council. The responsibilities of the council may include all of the following:

(a) Establish a public awareness campaign to educate the public about kinship caregivers and the state's efforts to better serve kinship caregivers.

(b) Consult and coordinate with the kinship caregiver navigator program to collect aggregate data on individuals being served by the kinship caregiver navigator program, including information on what services these individuals need.

(c) Consult and collaborate with the provider of the kinship caregiver navigator program on the design and administration of that program.

(d) Establish, maintain, and update a list of local support groups and programs that provide services to kinship families, and devise a plan of action for engaging with the groups and programs on the list in order to obtain a better understanding of the issues facing kinship families.

(e) Develop methods to promote and improve collaboration between state, county, and local governments and agencies and private stakeholders to obtain a broad understanding of the characteristics and prevalence of kinship caregiving, to improve service delivery, and to include these in the council's recommendations.

Sec. 578. The department shall explore the development and implementation of a foster care worker apprenticeship program for college students majoring in social work or other human services field who are interested in working in child welfare. The goals of the program would be to expose students directly to foster care work and provide work experience to aid in the recruitment of future child welfare caseworkers, and to provide current caseworkers with apprentice support staff. By August 1 of the current fiscal year, the department shall submit to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices a report on the department's recommendation for an apprenticeship program. It is the intent of the legislature that the department develop the program so that it can be implemented in the following year and that students in the apprenticeship program would receive payment for their services, if funding is made available.

Sec. 579. The department shall require caseworkers ensure a motion is filed with the court to request that children who are victims of child abuse or child neglect have court redetermination hearings more frequently than every 90 days when in the best interest of the child. The intent of this language is to decrease the time it will take for permanency to be finalized for the child.

Sec. 580. (1) From the funds appropriated in part 1 for child legal representation, the department shall allocate \$500,000.00 to implement 2 pilot projects to improve the quality of legal representation for children and parents in child protective hearings. The pilot projects must emphasize the reduction of caseloads for lawyer-guardians ad litem, more frequent engagement between the child and the families and the lawyer-guardians ad litem, timely permanency and the expedition of legal milestones in cases, and elevated training requirements and increased compensation for lawyer-guardians ad litem.

(2) From the funding allocated in subsection (1), the department shall allocate \$350,000.00 for a child legal representation pilot project in the circuit court of a county with a population between 600,000 and 700,000 according to the most recent federal decennial census and allocate \$150,000.00 for a child legal representation pilot project in the circuit court of a county with a population between 100,000 and 105,000 according to the most recent federal decennial census.

Sec. 581. From the funds appropriated in part 1 for foster care payments, the department shall allocate \$50,000.00 for caseworkers to provide immediate assistance with urgent needs such as food, clothing, etc., for children upon removal from their home or other dangerous environment, including children who are victims of human trafficking. The department shall develop policies for the use and access to these funds. The department shall track the distribution of the funds and by June 1 of the current fiscal year shall submit to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices a report on the number of funds distributed and the number of children impacted.

Sec. 583. By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, the senate and house fiscal agencies and policy offices, and the state budget office a report that includes all of the following:

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

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

Sec. 585. The department shall make available at least 1 pre-service training class each month in which new caseworkers for private foster care and adoption agencies can enroll.

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

(2) By October 1 of the current fiscal year, the department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the policy offices a detailed plan that will terminate and dismiss with prejudice the settlement by September 30 of the current fiscal year.

Sec. 589. (1) From the funds appropriated in part 1 for child care fund, the department shall pay 100% of the administrative rate for all new cases referred to providers of foster care services.

(2) On a quarterly basis, the department shall report on the monthly number of all foster care cases administered by the department and all foster care cases administered by private providers.

Sec. 592. The department shall submit quarterly reports to the chairs of the house and senate standing oversight committees, the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office that include data from children's protective services staff for each of the following for the most recent 30-day period before the report is submitted:

(a) The percent of investigations commenced within 24 hours after receiving a report.

(b) The percent of central registry reviews performed for required individuals.

(c) The percent of face-to-face contacts made within the established timeframe required by the department.

(d) In appropriate cases, the percent of sibling placement evaluations completed when 1 or more children remain in the home after a child has been removed.

(e) The percent of supervisory reviews performed in a timely manner.

(f) The results of a department survey of child protective services investigators on the number of investigators who are concerned for his or her own personal safety.

(g) The percent of investigators using the mobile application or other tool to document compliance.

Sec. 593. (1) The department shall conduct an annual review in each county to determine if the county has adopted and implemented standard child abuse and child neglect investigation and interview protocols as required in section 8(6) of the child protection law, 1975 PA 238, MCL 722.628.

(2) By March 1 of the current fiscal year, the department shall submit an annual report to the chairs of the house and senate standing oversight committees, the governor's task force on child abuse and neglect, the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the findings of each county's review described in subsection (1).

Sec. 594. From the funds appropriated in part 1 for foster care payments, the department shall support regional resource teams to provide for the recruitment, retention, and training of foster and adoptive parents

and shall expand the Michigan youth opportunities initiative to all Michigan counties. The purpose of this funding is to increase the number of annual inquiries from prospective foster parents, increase the number of nonrelative foster homes that achieve licensure each year, increase the annual retention rate of nonrelative foster homes, reduce the number of older foster youth placed outside of family settings, and provide older youth with enhanced support in transitioning to adulthood.

Sec. 595. (1) Due to the exigent circumstances found in the department's children's protective services (CPS) program by the office of the auditor general (OAG) audit number 431-1285-16, from the funds appropriated in part 1, the department shall expend the funding for children's protective services - caseload staff in order to dedicate resources to CPS investigations. The department shall hire staff from the funds appropriated in part 1 for children's protective services - caseload staff for the department to come into compliance and sustain measured corrective action as determined by the OAG for OAG audit number 431-1285-16.

(2) From the funds appropriated in part 1 for foster care services - caseload staff, the department shall not expend any funds on hiring foster care workers or licensing workers and shall not assume any direct supervisory responsibility of foster care cases unless 1 of the following conditions is met:

(a) An initial review of the case indicated that the case is not eligible for title IV-E reimbursement.

(b) The department is already providing direct foster care service to 1 or more siblings of the child ordered into a placement, and a department direct service provision can provide placement to the entire sibling group.

(c) The court has ordered placement for only some of the children in the family, requiring the department to monitor the children remaining at home.

(3) From the funds appropriated in part 1 for foster care payments, all new foster care cases coming into care shall be placed with a private child placing agency supervision unless any of the conditions in subsection (1) are met or until the statewide ratio of foster care cases is 55% for private child placing agency supervision to 45% department case management supervision respectively.

(4) This section does not require an individual county to meet the case ratio described in subsection (3).

(5) This section does not modify or amend caseload ratios required under the settlement.

Sec. 598. Partial child care fund reimbursements to counties for undisputed charges must be made within 45 business days after the receipt of the required forms and documentation. The department shall commence activity to investigate and resolve a disputed reimbursement charge from a county within 15 business days after receiving the request for reimbursement. The activity to investigate and resolve a disputed reimbursement request may include, but is not limited to, the use of a formal appeals process, pursuant to statute and department chargeback policy. The department shall reimburse for corrected charges within 45 business days after a properly corrected submission by the county.

PUBLIC ASSISTANCE

Sec. 601. Whenever a client agrees to the release of his or her name and address to the local housing authority, the department shall request from the local housing authority information regarding whether the housing unit for which vendoring has been requested meets applicable local housing codes. Vendoring shall be terminated for those units that the local authority indicates in writing do not meet local housing codes until the local authority indicates in writing that local housing codes have been met.

Sec. 602. The department shall conduct a full evaluation of an individual's assistance needs if the individual has applied for disability more than 1 time within a 1-year period.

Sec. 603. For any change in the income of a recipient of the food assistance program, the family independence program, or state disability assistance that results in a benefit decrease, the department must notify the affected recipient of the decrease in benefits amount no later than 15 work days before the first day of the month in which the change takes effect.

Sec. 604. (1) From the funds appropriated in part 1 for state disability assistance payments, the department shall operate a state disability assistance program. Except as provided in subsection (3), persons eligible for this program shall include needy citizens of the United States or aliens exempted from the supplemental security income citizenship requirement who are at least 18 years of age or emancipated minors who meet 1 or more of the following requirements:

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

(b) Is an individual with a physical or mental impairment that meets federal supplemental security income disability standards, except that the minimum duration of the disability shall be 90 days. Substance use disorder alone is not defined as a basis for eligibility.

(c) Is a resident of an adult foster care facility, a home for the aged, a county infirmary, or a substance use disorder treatment center.

(d) Is an individual receiving 30-day postresidential substance use disorder treatment.

(e) Is an individual diagnosed as having acquired immunodeficiency syndrome.

(f) Is an individual receiving special education services through a local intermediate school district.

(g) Is a caretaker of a disabled individual who meets the requirements specified in subdivision (a), (b), (e), or (f).

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

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

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

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

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

Sec. 606. County department offices shall require each recipient of family independence program and state disability assistance who has applied with the social security administration for supplemental security income to sign a contract to repay any assistance rendered through the family independence program or state disability assistance program upon receipt of retroactive supplemental security income benefits.

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

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

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

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

Sec. 610. (1) In developing good cause criteria for the state emergency relief program, the department shall grant exemptions if the emergency resulted from unexpected expenses related to maintaining or securing employment.

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

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

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

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

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

Sec. 613. (1) The department shall provide reimbursements for the final disposition of indigent persons. The reimbursements shall include all of the following:

(a) The maximum allowable reimbursement for the final disposition is \$840.00.

- (b) The adult burial with services allowance is \$765.00.
- (c) The adult burial without services allowance is \$530.00.
- (d) The infant burial allowance is \$210.00.

(2) Reimbursement for a cremation permit fee of up to \$75.00 and for mileage at the standard rate will be made available for an eligible cremation. The reimbursements under this section shall take into consideration religious preferences that prohibit cremation.

(3) The department shall report to the senate and house of representatives appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by January 31 of the current fiscal year on burial services payments issued from the state emergency relief program during the previous fiscal year. The report shall include the number of payments by burial services category for the following:

- (a) Fetus or infant under age 1 month.
- (b) Burial with memorial service.
- (c) Burial without memorial service.
- (d) Cremation with memorial service.
- (e) Cremation without memorial service.
- (f) Transportation of a donated or unclaimed body being cremated.
- (g) Cremation permit fee for an unclaimed body.
- (h) Disposition of an unclaimed body.
- (i) Payment where an irrevocable funeral agreement exists.
- (j) An unclaimed body received by a university.

Sec. 614. The department shall report to the senate and house of representatives appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices by January 15 of the current fiscal year on the number and percentage of state disability assistance recipients who were determined to be eligible for federal supplemental security income benefits in the previous fiscal year.

Sec. 615. Except as required by federal law or regulations, funds appropriated in part 1 shall not be used to provide public assistance to a person who is not a United States citizen, permanent resident alien, or refugee. This section does not prohibit the department from entering into contracts with food banks, emergency shelter providers, or other human services agencies who may, as a normal part of doing business, provide food or emergency shelter.

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

Sec. 618. By July 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office the quarterly number of supervised individuals who have absconded from supervision and whom a law enforcement agency, the department of corrections, or the department is actively seeking according to section 84 of the corrections code of 1953, 1953 PA 232, MCL 791.284.

Sec. 619. The department shall not deny title IV-A assistance and food assistance benefits under 21 USC 862a to any individual who has been convicted of a felony that included the possession, use, or distribution of a controlled substance, for which the act that resulted in the conviction occurred after August 22, 1996, if the individual is not in violation of his or her probation or parole requirements.

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

(2) The department shall provide an annual report to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on families and human services, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the percentage of determinations of Medicaid eligibility that were completed within the required time frame for both applications that include disability as a determination factor and applications that do not include disability as a determination factor, as described under subsection (1), and for medical review team reviews achieved statewide and at each local office by each of the 4 preceding quarters.

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

Sec. 653. From the funds appropriated in part 1 for food assistance program benefits, an individual who is the victim of domestic violence or human trafficking and does not qualify for any other exemption may be exempt from the 3-month in 36-month limit on receiving food assistance under 7 USC 2015. This exemption can be extended an additional 3 months upon demonstration of continuing need.

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

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

Sec. 669. From the funds appropriated in part 1 for family independence program, the department shall allocate \$7,230,000.00 for the annual clothing allowance. The allowance shall be granted to all eligible children in a family independence program group.

Sec. 672. (1) The department's office of inspector general shall report to the senate and house of representatives appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices by February 15 of the current fiscal year on department efforts to reduce inappropriate use of Michigan bridge cards and food assistance program trafficking. The department shall provide information on the number of recipients of services who used their Michigan bridge card inappropriately and the current status of each case, the number of recipients whose benefits were revoked, whether permanently or temporarily, as a result of inappropriate use, and the number of retailers that were fined or removed from the electronic benefit transfer program for permitting inappropriate use of the cards. The report shall also include the number of Michigan bridge card trafficking instances and overall welfare fraud referrals that includes such information as the number of investigations completed, fraud and intentional program violation dollar amounts identified, the number of referrals to prosecutors, the number of administrative hearing referrals and waivers, and the number of program disqualifications imposed. The report shall distinguish between savings and cost avoidance. Savings include receivables established from instances of fraud committed. Cost avoidance includes expenditures avoided due to front-end eligibility investigations and other preemptive actions undertaken in the prevention of fraud.

(2) If a fourth Michigan bridge card has been issued in a 12-month period, the department shall notify the household that they have reached the number of issued cards threshold. At their fifth and each subsequent card replacement request, a card will not be issued until the recipient has spoken directly to the local office district manager or county director. The district manager or county director may issue a new Michigan bridge card under their authority based on their assessment of the recipient's situation and explanation.

(3) As used in this section:

(a) "Food assistance trafficking" means the buying and selling of food assistance benefits for cash or items not authorized under the 2008 food and nutrition act, 7 USC 2036b.

(b) "Inappropriate use" means not used to meet a family's ongoing basic needs, including food, clothing, shelter, utilities, household goods, personal care items, and general incidentals.

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

(2) The department shall provide an annual report, providing quarterly data, to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget director on the number of cases referred to Partnership. Accountability. Training. Hope. (PATH), the current percentage of family independence program cases involved in PATH employment activities, an estimate of the current percentage of family independence program cases that meet federal work participation requirements on the whole, and an estimate of the current percentage of the family independence program cases that meet federal work participation requirements for those cases referred to PATH.

(3) The department shall submit to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office an annual report, providing quarterly data, that include all of the following:

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

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

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

Sec. 678. From the funds appropriated in part 1 for family independence program-supplemental payment, the department shall provide a 1-time \$600.00 supplement for every child under 6 years of age to families receiving cash assistance for the current fiscal year.

Sec. 686. (1) The department shall confirm that individuals presenting personal identification issued by another state seeking assistance through the family independence program, food assistance program, state disability assistance program, or medical assistance program are not receiving benefits from any other state.

(2) The department shall confirm the address provided by any individual seeking family independence program benefits or state disability assistance benefits.

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

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

Sec. 687. (1) The department shall, in quarterly reports, compile and make available on its website all of the following information about the family independence program, state disability assistance, the food assistance program, Medicaid, and state emergency relief:

(a) The number of applications received.

(b) The number of applications approved.

(c) The number of applications denied.

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

(e) The number of cases opened.

(f) The number of cases closed.

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

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

(3) The department shall, in quarterly reports, compile and make available on its website the following family independence program information:

(a) The number of new applicants who successfully met the requirements of the 10-day assessment period for PATH.

(b) The number of new applicants who did not meet the requirements of the 10-day assessment period for PATH.

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

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

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

(f) The number of children ages 0-5 living in family independence program-sanctioned households.

Sec. 688. From the funds appropriated in part 1 for the low-income home energy assistance program, the department shall make an additional \$20.01 payment to each food assistance program case that is not currently eligible for the standard utility allowance to enable each case to receive expanded food assistance benefits through the program commonly known as the heat and eat program.

Sec. 690. (1) From the funds appropriated in part 1 for legal assistance, \$50,000.00 must be distributed to a county legal assistance center located in a city with a population between 5,200 and 5,300 according to the most recent federal decennial census, located within a county with a population between 120,500 and 120,600 according to the most recent federal decennial census. The grantee must provide civil law legal assistance to low-income individuals.

(2) The funds appropriated in part 1 for legal assistance must be disbursed no later than March 1 of the current fiscal year.

CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE

Sec. 701. Unless required from changes to federal or state law or at the request of a provider, the department shall not alter the terms of any signed contract with a private residential facility serving children under state or court supervision without written consent from a representative of the private residential facility.

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

Sec. 707. In order to be reimbursed for child care fund expenditures, counties are required to submit department-developed reports to enable the department to document potential federally claimable expenditures. This requirement is in accordance with the reporting requirements specified in section 117a(12) of the social welfare act, 1939 PA 280, MCL 400.117a.

Sec. 708. (1) As a condition of receiving funds appropriated in part 1 for the child care fund line item, by October 15 of the current fiscal year, counties shall have an approved service spending plan for the current fiscal year. Counties must submit the service spending plan for the following fiscal year to the department by August 15 of the current fiscal year for approval. Upon submission of the county service spending plan, the department shall approve within 30 calendar days after receipt of a properly completed service plan that complies with the requirements of the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b. The department shall notify and submit county service spending plan revisions to any county whose county service spending plan is not accepted upon initial submission. The department shall not request any additional revisions to a county service spending plan outside of the requested revision notification submitted to the county by the department. The department shall notify a county within 30 days after approval that its service plan was approved.

(2) Counties must submit amendments to current fiscal year county service plans to the department no later than August 30. Counties must submit current fiscal year payable estimates to the department no later than September 15.

(3) The department shall submit a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office by February 15 of the current fiscal year on the number of counties that fail to submit a service spending plan by August 15 of the previous fiscal year and the number of service spending plans not approved by October 15. The report shall include the number of county service spending plans that were not approved as first submitted by the counties, as well as the number of plans that were not approved by the department after being resubmitted by the county with the first revisions that were requested by the department.

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

Sec. 715. (1) As a condition of receiving funds appropriated in part 1 for raise the age fund, by deadlines established and advised by the department, counties or tribal entities shall have an approved raise the age fund budget plan for the following fiscal year. Counties must submit the raise the age fund budget plan for the current fiscal year to the department by February 1 of the current fiscal year. The raise the age fund budget plan shall specifically identify the types of costs to be reimbursed, estimated costs for each item, and the total estimated cost to be reimbursed. The types of costs to be reimbursed must comply with the requirements of section 117i of the social welfare act, 1939 PA 280, MCL 400.117i. \$500,000.00 of the raise the age fund shall be reserved for tribal entities. If total raise the age fund requests from tribal entities are less than \$500,000.00, the funding may be allocated to meet requests from counties. From the funds appropriated in part 1 for raise the age fund, each county and tribal entity eligible for reimbursement shall receive a minimum \$10,000.00 allocation from the raise the age fund.

(2) County and tribal entity reimbursement from the raise the age fund is limited to eligible youth and items specifically identified in approved raise the age fund budget plans and shall not exceed the total estimated cost included in the approved raise the age fund budget plan.

(3) Counties and tribal entities must submit amendments to current fiscal year raise the age fund budget plans by deadlines established and advised by the department. Counties must submit current fiscal year payable estimates for raise the age funds to the department by deadlines established and advised by the department.

(4) As used in this section, "eligible youth" includes both of the following:

(a) Pre-adjudication eligible youth: A youth for whom a petition has been filed alleging commission of a status or criminal offense on or after his or her reaching the age of 17, but before reaching the age of 18.

(b) Post-adjudication eligible youth: A youth who has been adjudicated for a status or criminal offense for which a petition was filed alleging commission of a status or criminal offense on or after his or her reaching the age of 17, but before reaching the age of 18.

FIELD OPERATIONS AND SUPPORT SERVICES

Sec. 801. (1) The department shall report monthly to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the most recent food assistance program error rate derived from the active cases, reported to the United States Department of Agriculture – Food and Nutrition Services for the supplemental nutrition assistance program.

(2) The department shall report quarterly on the progress of the corrective action taken utilizing the funds appropriated for food assistance reinvestment in lowering the food assistance program error rate and improving program payment accuracy.

Sec. 802. From the funds appropriated in part 1 for field staff travel, the department shall allocate up to \$100,000.00 annually toward reimbursing the out-of-pocket costs of county board members and county department directors to attend statewide meetings of the Michigan County Social Services Association.

Sec. 807. From the funds appropriated in part 1 for Elder Law of Michigan MiCAFE contract, the department shall allocate not less than \$350,000.00 to the Elder Law of Michigan MiCAFE to assist this state's elderly population in participating in the food assistance program. Of the \$350,000.00 allocated under this section, the department shall use \$175,000.00, which are general fund/general purpose funds, as state matching funds for not less than \$175,000.00 in United States Department of Agriculture funding to provide outreach program activities, such as eligibility screening and information services, as part of a statewide food assistance hotline.

Sec. 808. By March 1 of the current fiscal year, the department shall provide a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the nutrition education program. The report shall include requirements made by the agriculture improvement act of 2018, Public Law 115-334, such as how the department shall use an electronic reporting system to evaluate projects and an accounting of allowable state agency administrative costs. The report shall also include documentation of the steps the department shall take to ensure that projects and subgrantee programs are evidence-based, appropriated for, and meet the criteria for an eligible individual as that term is defined in section 2036a(a) of the food and nutrition act, 7 USC 2036a, and quantitative evidence that the programs contribute to a reduction in obesity or an increase in the consumption of healthy foods. Additionally, the report shall include planned allocation and actual expenditures for the supplemental nutrition assistance program education funding, planned and actual grant amounts for the supplemental nutrition assistance program education funding, the total amount of expected carryforward balance at the end of the current fiscal year for the supplemental nutrition assistance program education funding and for each subgrantee program, a list of all supplemental nutrition assistance program education funding programs by implementing agency, and the stated purpose of each of the programs and each of the subgrantee programs.

Sec. 809. (1) The purpose of the pathways to potential program is to reduce chronic absenteeism, increase graduation rate, and decrease the number of students who repeat grades for schools that are current or future participants in the pathways to potential program. Before any deployment of resources into a participant school, the department and the participant school shall establish performance objectives for each participant school based on a 2-year baseline prior to pathways to potential being established in the participant school and shall evaluate the progress made in the above categories from the established baseline. By March 1 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices a report listing all participant schools, the number of staff assigned to each school by participant school, and the percentage of participating schools that achieved improved performance in each of the 3 outcomes listed above compared to the previous year, by each individual outcome. It is the intent of the legislature that after a 2-year period without attaining an increase in success in meeting the 3 listed outcomes from the established baseline, the department shall work with the participant school to examine the cause of the lack of progress and shall seek to implement a plan to increase success in meeting the identified outcomes. It is the intent of the legislature that progress or the lack of progress made in meeting the performance objectives shall be used as a determinant in future pathways to potential resource allocation decisions.

(2) As used in this section, "baseline" means the initial set of data from the center for educational performance and information in the department of technology, management, and budget of the 3 measured outcomes as described in subsection (1).

Sec. 825. (1) From the funds appropriated in part 1, the department shall provide individuals not more than \$500.00 for vehicle repairs, including any repairs done in the previous 12 months. However, the department may in its discretion pay for repairs up to \$900.00. Payments under this section shall include the combined total of payments made by the department and work participation program.

(2) By November 30 of the current fiscal year, the department shall provide to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices a report detailing the total number of payments for repairs, the number of payments for repairs that exceeded \$500.00, the number of payments for repairs that cost exactly \$500.00, and the number of payments for repairs that cost exactly \$900.00 in the previous fiscal year.

Sec. 826. (1) From the funds appropriated in part 1 for field policy and administration, not less than \$300,000.00 shall be allocated for the department to contract with the Prosecuting Attorneys Association of Michigan to provide the support and services necessary to increase the capability of the state's prosecutors, adult protective service system, and criminal justice system to effectively identify, investigate, and prosecute elder abuse and financial exploitation.

(2) By March 1 of the current fiscal year, the Prosecuting Attorneys Association of Michigan shall provide a report to the department on the efficacy of the contract. The department shall submit the report to the state budget office, the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices within 30 days after receiving the report from the Prosecuting Attorneys Association of Michigan.

Sec. 850. (1) The department shall maintain out-stationed eligibility specialists in community-based organizations, community mental health agencies, nursing homes, adult placement and independent living settings, federally qualified health centers, and hospitals unless a community-based organization, community mental health agency, nursing home, adult placement and independent living setting, federally qualified health centers, or hospital requests that the program be discontinued at its facility.

(2) From the funds appropriated in part 1 for donated funds positions, the department shall enter into contracts with agencies that are able and eligible under federal law to provide the required matching funds for federal funding, as determined by federal statute and regulations.

(3) A contract for an assistance payments donated funds position must include, but not be limited to, the following performance metrics:

(a) Meeting a standard of promptness for processing applications for Medicaid and other public assistance programs under state law.

(b) Meeting required standards for error rates in determining programmatic eligibility as determined by the department.

(4) The department shall only fill additional donated funds positions after a new contract has been signed. That position shall also be abolished when the contract expires or is terminated.

(5) The department shall classify as limited-term FTEs any new employees who are hired to fulfill the donated funds position contracts or are hired to fill any vacancies from employees who transferred to a donated funds position.

(6) By March 1 of the current fiscal year, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies and policy offices, and the state budget office detailing information on the donated funds positions, including the total number of occupied positions, the total private contribution of the positions, and the total cost to the state for any nonsalary expenditure for the donated funds position employees.

Sec. 851. (1) From the funds appropriated in part 1 for adult services field staff, the department shall seek to reduce the number of older adults who are victims of crime and fraud by increasing the standard of promptness in every county, as measured by commencing an investigation within 24 hours after a report is made to the department, establishing face-to-face contact with the client within 72 hours after a report is made to the department, and completing the investigation within 30 days after a report is made to the department.

(2) The department shall report no later than March 1 of the current fiscal year to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices on the services provided to older adults who were victims of crime or fraud in the previous fiscal year. The report shall include, but is not limited to, the following by county: the percentage of investigations commenced within 24 hours after a report is made to the department, the number of face-to-face contacts established with the client within 72 hours after a report is made to the department, the number of investigations completed within 30 days after a report is made to the department, and the total number of older adults that were victims of crime or fraud in the previous fiscal year and were provided services by the department as a result of being victims of crime or fraud.

DISABILITY DETERMINATION SERVICES

Sec. 890. From the funds appropriated in part 1 for disability determination services, the department shall maintain the unit rates in effect on September 30, 2019 for medical consultants performing disability determination services, including physicians, psychologists, and speech-language pathologists.

BEHAVIORAL HEALTH SERVICES ADMINISTRATION AND SPECIAL PROJECTS

Sec. 901. The funds appropriated in part 1 are intended to support a system of comprehensive community mental health services under the full authority and responsibility of local CMHSPs or PIHPs in accordance with the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, the Medicaid provider manual, federal Medicaid waivers, and all other applicable federal and state laws.

Sec. 902. (1) From the funds appropriated in part 1, final authorizations to CMHSPs or PIHPs shall be made upon the execution of contracts between the department and CMHSPs or PIHPs. The contracts shall contain an approved plan and budget as well as policies and procedures governing the obligations and responsibilities of both parties to the contracts. Each contract with a CMHSP or PIHP that the department is authorized to enter into under this subsection shall include a provision that the contract is not valid unless the total dollar obligation for all of the contracts between the department and the CMHSPs or PIHPs entered into under this subsection for the current fiscal year does not exceed the amount of money appropriated in part 1 for the contracts authorized under this subsection.

(2) The department shall immediately report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget director if either of the following occurs:

(a) The department enters into any new contracts with CMHSPs or PIHPs that would affect rates or expenditures.

(b) The department amends any contracts the department has entered into with CMHSPs or PIHPs that would affect rates or expenditures.

(3) The report required by subsection (2) shall include information about the changes to the contracts and their effects on rates and expenditures.

Sec. 904. (1) By May 31 of the current fiscal year, the department shall provide a report on the CMHSPs, PIHPs, and designated regional entities for substance use disorder prevention and treatment to the members of the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget director that includes the information required by this section.

(2) The report required under subsection (1) shall contain, unless otherwise noted, information for each CMHSP, PIHP, and designated regional entity for substance use disorder prevention and treatment, and a statewide summary, each of which shall include at least the following information:

(a) A statewide summary of the demographic description of service recipients that, minimally, shall include reimbursement eligibility, client population, age, ethnicity, housing arrangements, and diagnosis.

(b) Per capita expenditures in total and by client population group.

(c) A statewide summary of Medicaid-funded cost information for the 3 diagnosis groups of adults with a mental illness, children with a serious emotional disturbance, and individuals with an intellectual or developmental disability. The statewide summary must, minimally, include expenditures by service category for each of the 3 diagnosis groups described in this subdivision and cases, units, and cost of each specific service code index or health care common procedure coding system (HCCPS) code for each of the 3 diagnosis groups.

(d) Financial information on non-Medicaid mental health services by general fund cost reporting category.

(e) Information about access to CMHSPs, PIHPs, and designated regional entities for substance use disorder prevention and treatment that includes, but is not limited to, the following:

(i) The number of individuals receiving requested services.

(ii) The number of individuals who requested services but did not receive services.

(f) The number of second opinions requested under the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, and the determination of any appeals.

(g) Lapses and carryforwards during the previous fiscal year for CMHSPs, PIHPs, and designated regional entities for substance use disorder prevention and treatment.

(h) Performance indicator information required to be submitted to the department in the contracts with CMHSPs, PIHPs, and designated regional entities for substance use disorder prevention and treatment.

(i) Administrative expenditures of each CMHSP, PIHP, and designated regional entity for substance use disorder prevention and treatment that include a breakout of the salary, benefits, and pension of each executive-level staff and shall include the director, chief executive, and chief operating officers and other members identified as executive staff.

(3) The report in subsection (1) shall contain the following information from the previous fiscal year on substance use disorder prevention, education, and treatment programs:

(a) The expenditures stratified by department-designated community mental health entity, by fund source, by subcontractor, by population served, and by service type.

(b) The expenditures per state client, with data on the distribution of expenditures reported using a histogram approach.

(c) The number of services provided by subcontractor and by service type. Additionally, data on length of stay, referral source, and participation in other state programs.

(d) The collections from other first- or third-party payers, private donations, or other state or local programs, by department-designated community mental health entity, by subcontractor, by population served, and by service type.

(4) The department shall include data reporting requirements listed in subsections (2) and (3) in the annual contract with each individual CMHSP, PIHP, and designated regional entity for substance use disorder prevention and treatment.

(5) The department shall take all reasonable actions to ensure that the data required are complete and consistent among all CMHSPs, PIHPs, and designated regional entities for substance use disorder prevention and treatment.

Sec. 907. (1) The amount appropriated in part 1 for community substance use disorder prevention, education, and treatment shall be expended to coordinate care and services provided to individuals with severe and persistent mental illness and substance use disorder diagnoses.

(2) The department shall approve managing entity fee schedules for providing substance use disorder services and charge participants in accordance with their ability to pay.

(3) The managing entity shall continue current efforts to collaborate on the delivery of services to those clients with mental illness and substance use disorder diagnoses with the goal of providing services in an administratively efficient manner.

Sec. 908. As a condition of their contracts with the department, PIHPs and CMHSPs, in consultation with the Community Mental Health Association of Michigan, shall work with the department to implement section 206b of the mental health code, 1974 PA 258, MCL 330.1206b, to establish a uniform community mental health services credentialing program.

Sec. 909. From the funds appropriated in part 1 for health homes, the department shall use available revenue from the marihuana regulatory fund established in section 604 of the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27604, to improve physical health, expand access to substance use disorder prevention and treatment services, and strengthen the existing prevention, treatment, and recovery systems.

Sec. 910. The department shall ensure that substance use disorder treatment is provided to applicants and recipients of public assistance through the department who are required to obtain substance use disorder treatment as a condition of eligibility for public assistance.

Sec. 911. (1) The department shall ensure that each contract with a CMHSP or PIHP requires the CMHSP or PIHP to implement programs to encourage diversion of individuals with serious mental illness, serious emotional disturbance, or developmental disability from possible jail incarceration when appropriate.

(2) Each CMHSP or PIHP shall have jail diversion services and shall work toward establishing working relationships with representative staff of local law enforcement agencies, including county prosecutors' offices, county sheriffs' offices, county jails, municipal police agencies, municipal detention facilities, and the courts. Written interagency agreements describing what services each participating agency is prepared to commit to the local jail diversion effort and the procedures to be used by local law enforcement agencies to access mental health jail diversion services are strongly encouraged.

Sec. 912. The department shall contract directly with the Salvation Army Harbor Light program, at an amount not less than the amount provided during the fiscal year ending September 30, 2020, to provide non-Medicaid substance use disorder services if the local coordinating agency or the department confirms the Salvation Army Harbor Light program meets the standard of care. The standard of care shall include, but is not limited to, utilization of the medication assisted treatment option.

Sec. 913. (1) From the funds appropriated in part 1 for behavioral health program administration, the department shall allocate \$1,025,000.00 for the autism navigator program. The department shall require any contractor receiving funds under this section to comply with performance-related metrics to maintain eligibility for funding. The performance-related metrics shall include, but not be limited to, all of the following:

(a) Each contractor shall have accreditations that attest to their competency and effectiveness in providing services.

(b) Each contractor shall demonstrate cost-effectiveness.

(c) Each contractor shall ensure their ability to leverage private dollars to strengthen and maximize service provision.

(d) Each contractor shall provide quarterly reports to the department regarding the number of clients served by PIHP region, units of service provision by PIHP region, and ability to meet their stated goals.

(2) The department shall require an annual report from any contractor receiving funding from this section. The annual report, due to the department 60 days following the end of the contract period, shall include specific information on services and programs provided, the client base to which the services and programs were provided, and the expenditures for those services. The department shall provide the annual reports to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office.

Sec. 914. By June 1 of the current fiscal year, the department shall submit a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on outcomes of the funds provided in part 1 to the Michigan Child Collaborative Care (MC3). The outcomes reported must include, but is not limited to, the number of same-day telephone consultations with primary care providers and the number of local resource recommendations made to primary care providers who are providing medical care to patients who need behavioral health services.

Sec. 915. From the funds appropriated in part 1 for community substance use disorder prevention, education, and treatment and opioid response activities, the department shall, to the extent possible, provide grants, pursuant to federal laws, rules, and regulations, to local public entities that provide substance use disorder services and to 1 private entity that has a statewide contract to provide community-based substance use disorder services.

Sec. 916. From the funds appropriated in part 1 for behavioral health program administration, the department shall allocate \$100,000.00 as a grant to a nonprofit mental health clinic located in a county with a population between 290,000 and 300,000 according to the most recent federal decennial census that provides counseling services, accepts clients regardless of their ability to pay for services through sliding scale copayments and volunteer services, and uses fundraising to support their clinic.

Sec. 917. From the funds appropriated in part 1 for opioid response activities, the department shall allocate \$23,200,000.00 from the Michigan opioid healing and recovery fund created under section 3 of the Michigan trust fund act, 2000 PA 489, MCL 12.253, to create or supplement opioid-related programs and services in a manner consistent with the opioid judgement, settlement, or compromise of claims pertaining to violations, or alleged violations, of law related to the manufacture, marketing, distribution, dispensing, or sale of opioids.

Sec. 918. On a quarterly basis, providing monthly data, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget director on the amount of funding paid to PIHPs to support the Medicaid managed mental health care program. The information shall include the total paid to each PIHP, per capita rate paid for each eligibility group for each PIHP, and number of cases in each eligibility group for each PIHP, and year-to-date summary of eligibles and expenditures for the Medicaid managed mental health care program.

Sec. 920. (1) As part of the Medicaid rate-setting process for behavioral health services, the department shall work with PIHP network providers and actuaries to include any state and federal wage and compensation increases that directly impact staff who provide Medicaid-funded community living supports, personal care services, respite services, skill-building services, and other similar supports and services as part of the Medicaid rate.

(2) It is the intent of the legislature that any increased Medicaid rate related to state minimum wage increases shall also be distributed to direct care employees.

Sec. 924. From the funds appropriated in part 1 for autism services, for the purposes of actuarially sound rate certification and approval for Medicaid behavioral health managed care programs, the department shall maintain a fee schedule for autism services reimbursement rates for direct services. Expenditures used for rate setting shall not exceed those identified in the fee schedule. The rates for behavioral technicians shall not be less than \$52.35 per hour and not more than \$57.35 per hour.

Sec. 926. (1) From the funds appropriated in part 1 for community substance use disorder prevention, education, and treatment, \$500,000.00 is allocated for a specialized substance use disorder detoxification project administered by a 9-1-1 service district in conjunction with a substance use and case management provider and at a hospital within a 9-1-1 services district with at least 600,000 residents and 15 member communities within a county with a population of at least 1,500,000 according to the most recent federal decennial census.

(2) The substance use and case management provider receiving funds under this section shall collect and submit to the department data on the outcomes of the project throughout the duration of the project and the department shall submit a report on the project's outcomes to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office.

Sec. 927. (1) The department shall, in consultation with the Community Mental Health Association of Michigan, establish, maintain, and review as necessary, a uniform community mental health services auditing process for use by CMHSPs and PIHPs.

(2) The uniform auditing process required under this section must do all of the following:

(a) Create uniformity in the collection of data and consistent measurement of the quality, efficacy, and cost effectiveness of provided services and supports.

(b) Establish a uniform audit tool that contains information necessary for the uniform community mental health services auditing process and adheres to national standards.

(c) Strive to meet the needs of community mental health service beneficiaries and meet all statewide audit requirements.

(d) Maintain audit responsibility at the local agency level.

(3) By March 1 of the current fiscal year, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices on the implementation status of the uniform auditing process and any barriers to implementation.

(4) A state department or agency that provides, either directly or through a contract, community mental health services and supports must comply with the uniform auditing process and utilize the audit tool maintained by the department. All forms, processes, and contracts used by the state that relate to the provision of community mental health services and supports must comply with the uniform auditing process.

(5) As used in this section, "national standards" means standards established by a national accrediting entity such as the Joint Commission, Commission on Accreditation of Rehabilitation Facilities, Council on Accreditation, National Committee for Quality Assurance, or other credible body approved by the department.

Sec. 928. (1) Each PIHP shall provide, from internal resources, local funds to be used as a part of the state match required under the Medicaid program in order to increase capitation rates for PIHPs. These funds shall not include either state funds received by a CMHSP for services provided to non-Medicaid recipients or the state matching portion of the Medicaid capitation payments made to a PIHP.

(2) It is the intent of the legislature that any funds that lapse from the funds appropriated in part 1 for Medicaid mental health services shall be redistributed to individual CMHSPs as a reimbursement of local funds on a proportional basis to those CMHSPs whose local funds were used as state Medicaid match. By April 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the lapse by PIHP from the previous fiscal year and the projected lapse by PIHP in the current fiscal year.

(3) It is the intent of the legislature that the amount of local funds used in subsection (1) be phased out and offset with state general fund/general purpose revenue in equal amounts over a 5-year period.

(4) Until the local funds are phased out as described in subsection (3), each PIHP shall not be required to provide local funds, used as part of the state match required under the Medicaid program in order to increase capitation rates for PIHPs, at an amount greater than what each PIHP received from local units of government, either directly or indirectly, during the fiscal year ending September 30, 2018 for this purpose.

Sec. 929. From the funds appropriated in part 1 for Michigan child collaborative care, the department shall allocate at least \$350,000.00 to address needs in a city in which a declaration of emergency was issued because of drinking water contamination.

Sec. 935. A county required under the provisions of the mental health code, 1974 PA 258, MCL 330.1001 to 330.2106, to provide matching funds to a CMHSP for mental health services rendered to residents in its jurisdiction shall pay the matching funds in equal installments on not less than a quarterly basis throughout the fiscal year, with the first payment being made by October 1 of the current fiscal year.

Sec. 940. (1) According to section 236 of the mental health code, 1974 PA 258, MCL 330.1236, the department shall review expenditures for each CMHSP to identify CMHSPs with projected allocation surpluses and to identify CMHSPs with projected allocation shortfalls. The department shall encourage the board of a CMHSP with a projected allocation surplus to concur with the department's recommendation to reallocate those funds to CMHSPs with projected allocation shortfalls.

(2) A CMHSP that has its funding allocation transferred out during the current fiscal year as described in subsection (1) is not eligible for any additional funding reallocations during the remainder of the current fiscal year, unless that CMHSP is responding to a public health emergency as determined by the department.

(3) CMHSPs shall report to the department on any proposed reallocations described in this section at least 30 days before any reallocations take effect.

(4) The department shall notify the chairs of the appropriation subcommittees on the department budget when a request is made and when the department grants approval for reallocation as described in subsection (1). By September 30 of the current fiscal year, the department shall provide a report on the amount of funding reallocated to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 942. A CMHSP shall provide at least 30 days' notice before reducing, terminating, or suspending services provided by a CMHSP to CMHSP clients, with the exception of services authorized by a physician that no longer meet established criteria for medical necessity.

Sec. 950. From the funds appropriated in part 1 for court-appointed guardian reimbursements, the department shall allocate \$5,000,000.00 to reimburse court-appointed public guardians for recipients who also receive CMHSP services, at a reimbursement of \$50.00 per month. The department shall make these funds available to the CMHSPs to reimburse for court-appointed public guardians for those recipients receiving CMHSP services through the CMHSP. It is the intent of the legislature that these funds be used in addition to any other funds currently paid to court-appointed public guardians, but a court-appointed public guardian shall not be compensated more than \$83.00 per month for any CMHSP-eligible recipient regardless of funding source. By September 15 of the current fiscal year, each CMHSP that has provided reimbursement to court-appointed public guardians shall provide the department a report that shall be shared with the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the number of court-appointed public guardians who were reimbursed, the amount of reimbursement for each court-appointed public guardian and the number of court-appointed public guardians who received these funds, the number of court-appointed public guardians who were also reimbursed by the counties, and the per-month reimbursement rates provided by the counties.

Sec. 960. (1) From the funds appropriated in part 1 for autism services, the department shall continue to cover all Medicaid autism services to Medicaid enrollees eligible for the services that were covered on January 1, 2019.

(2) To restrain cost increases in the autism services line item, the department shall do all of the following:

(a) By March 1 of the current fiscal year, develop and implement specific written guidance for standardization of Medicaid PIHPs and CMHSPs autism spectrum disorder administrative services, including, but not limited to, reporting requirements, coding, and reciprocity of credentialing and training between PIHPs and CMHSPs to reduce administrative duplication at the PIHP, CMHSP, and service provider levels.

(b) Require consultation with the client's evaluation diagnostician and PIHP to approve the client's ongoing therapy for 3 years, unless the client's evaluation diagnostician recommended an evaluation before the 3 years or if a clinician on the treatment team recommended an evaluation for the client before the third year.

(c) Limit the authority to perform a diagnostic evaluation for Medicaid autism services to qualified licensed practitioners. Qualified licensed practitioners are limited to the following:

(i) A physician with a specialty in psychiatry or neurology.

(ii) A physician with a subspecialty in developmental pediatrics, development-behavioral pediatrics, or a related discipline.

(iii) A physician with a specialty in pediatrics or other appropriate specialty with training, experience, or expertise in autism spectrum disorders or behavioral health.

(iv) A psychologist with a specialty in clinical child psychology, behavioral and cognitive psychology, or clinical neuropsychology, or other appropriate specialty with training, experience, or expertise in autism spectrum disorders or behavioral health.

(v) A clinical social worker with at least 1 year of experience working within his or her scope of practice who is qualified and experienced in diagnosing autism spectrum disorders.

(vi) An advanced practice registered nurse with training, experience, or expertise in autism spectrum disorders or behavioral health.

(vii) A physician's assistant with training, experience, or expertise in autism spectrum disorders or behavioral health.

(d) Require that a client whose initial diagnosis was performed by a diagnostician with master's level credentials have their diagnosis and treatment recommendations reviewed by a physician, psychiatric nurse practitioner, physician's assistant with training, experience, or expertise in autism spectrum disorders or behavioral health, or fully credentialed psychologist.

(e) Allow and expand the utilization of telemedicine and telepsychiatry to increase access to diagnostic evaluation services.

(f) Coordinate with the department of insurance and financial services on oversight for compliance with the Paul Wellstone and Pete Domenici mental health parity and addiction equity act of 2008, Public Law 110-343, as it relates to autism spectrum disorder services, to ensure appropriate cost sharing between public and private payers.

(g) Require that Medicaid eligibility be confirmed through prior evaluations conducted by physicians, psychiatric nurse practitioners, physician's assistant with training, experience, or expertise in autism spectrum disorders or behavioral health, or fully credentialed psychologists to the extent possible.

(h) Maintain regular statewide provider trainings on autism spectrum disorder standard clinical best practice guidelines for treatment and diagnostic services.

(3) By March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on total autism services spending broken down by PIHP and CMHSP for the previous fiscal year and current fiscal year and total administrative costs broken down by PIHP, CMHSP, and the type of administrative cost for the previous fiscal year and current fiscal year.

Sec. 962. For the purposes of special projects involving high-need children or adults, including the not guilty by reason of insanity population, the department may contract directly with providers of services to these identified populations.

Sec. 964. By October 1 of the current fiscal year, the department shall provide the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office with the standardized fee schedule for Medicaid behavioral health services and supports. The report shall also include the adequacy standards to be used in all contracts with PIHPs and CMHSPs. In the development of the standardized fee schedule for Medicaid behavioral health services and supports during the current fiscal year, the department must prioritize and support essential service providers and must develop a standardized fee schedule for revenue code 0204.

Sec. 965. From the funds appropriated in part 1, the department and the PIHPs shall increase the comparison rates and any associated reimbursement rates of the bundled rate H0020 for the administration and services of methadone to \$19.00.

Sec. 970. The department shall maintain the policies in effect on October 1, 2018 for the federal home and community-based services rule as it relates to skill building assistance services. The skill building assistance services shall remain eligible for federal match until March 17, 2023 as stated in the CMS informational bulletin dated May 9, 2017 and extended in the CMS letter to state Medicaid directors on July 14, 2020. From the funds appropriated in part 1, the department shall continue to seek federal matching funds for skill building assistance services. As a condition of their contracts with the department, CMHSPs shall retain any federally approved skill building assistance services available as of October 1, 2018.

Sec. 972. From the funds appropriated in part 1 for behavioral health program administration, the department shall allocate not less than \$3,000,000.00 general fund/general purpose revenue and any associated federal match or federal grant funding, including, but not limited to, associated federal 988 grant funding for the mental health telephone access line known as the Michigan crisis and access line (MiCAL), to provide primary coverage in regions where a regional national suicide prevention lifeline center does not provide coverage and for statewide secondary coverage, to establish and make available to the public MiCAL in accordance with section 165 of the mental health code, 1974 PA 258, MCL 330.1165.

Sec. 974. The department and PIHPs shall allow an individual with an intellectual or developmental disability who receives supports and services from a CMHSP to instead receive supports and services from another provider if the individual shows that he or she is eligible and qualified to receive supports and services from another provider. Other providers may include, but are not limited to, MiChoice and program of all-inclusive care for the elderly (PACE). The department may contract with an independent person-planning company to coordinate the services described in this section.

Sec. 977. From the funds appropriated in part 1 for community substance use disorder prevention, education, and treatment, \$600,000.00 is allocated as grants to high schools specifically designated for students recovering from a substance use disorder in accordance with section 273a of the mental health code, 1974 PA 258, MCL 330.1273a.

Sec. 978. From the funds appropriated in part 1 for community substance use disorder prevention, education, and treatment, the department shall allocate \$1,200,000.00 as grants for recovery community organizations to offer or expand recovery support center services or recovery community center services to individuals seeking long-term recovery from substance use disorders in accordance with section 273b of the mental health code, 1974 PA 258, MCL 330.1273b.

Sec. 979. If funds become available, the department shall seek the appropriate federal approvals to allow for the utilization of Medicaid funding for services provided at adult psychiatric residential treatment facilities. By March 1 of the current fiscal year, the department shall report on its progress toward receiving the appropriate federal approvals to allow for federal Medicaid reimbursements for services provided at adult psychiatric residential treatment facilities to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office.

Sec. 995. (1) From the funds appropriated in part 1 for mental health diversion council, the department shall allocate \$3,850,000.00 to continue to implement the jail diversion pilot programs intended to address the recommendations of the mental health diversion council.

(2) By March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices on the planned allocation of the funds appropriated for mental health diversion council.

Sec. 996. From the funds appropriated in part 1 for family support subsidy, the department shall make monthly payments of \$300.36 to the parents or legal guardians of children approved for the family support subsidy by a CMHSP.

Sec. 997. The population data used in determining the distribution of substance use disorder block grant funds shall be from the most recent federal data from the United States Census Bureau.

Sec. 998. For distribution of state general funds to CMHSPs, if the department decides to use census data, the department shall use the most recent federal data from the United States Census Bureau.

BEHAVIORAL HEALTH SERVICES

Sec. 1001. By December 31 of the current fiscal year, each CMHSP shall submit a report to the department that identifies populations being served by the CMHSP broken down by program eligibility category. The report shall also include the percentage of the operational budget that is related to program eligibility enrollment. By February 15 of the current fiscal year, the department shall submit the report described in this section to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 1003. The department shall notify the Community Mental Health Association of Michigan when developing policies and procedures that will impact PIHPs or CMHSPs.

Sec. 1004. The department shall provide the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office any rebased formula changes to either Medicaid behavioral health services or non-Medicaid mental health services 90 days before implementation. The notification shall include a table showing the changes in funding allocation by PIHP for Medicaid behavioral health services or by CMHSP for non-Medicaid mental health services.

Sec. 1005. (1) From the funds appropriated in part 1 for health homes, the department shall maintain the number of behavioral health homes in PIHP regions 1, 2, 6, 7, and 8 and maintain the number of substance use disorder health homes in PIHP regions 1, 2, 4, 6, 7, 9, and 10. The department may expand the number of behavioral health homes in PIHP region 5 and the number of substance use disorder health homes in PIHP regions 3, 4, 5, and 8.

(2) On a quarterly basis, the department shall provide a report to the house and senate appropriation subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the number of individuals being served and expenditures incurred by each PIHP region by site.

Sec. 1008. PIHPs and CMHSPs shall do all of the following:

(a) Work to reduce administration costs by ensuring that PIHP and CMHSP responsible functions are efficient in allowing optimal transition of dollars to those direct services considered most effective in assisting individuals served. Any consolidation of administrative functions must demonstrate, by independent analysis, a reduction in dollars spent on administration resulting in greater dollars spent on direct services. Savings resulting from increased efficiencies shall not be applied to PIHP and CMHSP net assets, internal service fund increases, building costs, increases in the number of PIHP and CMHSP personnel, or other areas not directly related to the delivery of improved services.

(b) Take an active role in managing mental health care by ensuring consistent and high-quality service delivery throughout its network and promote a conflict-free care management environment.

(c) Ensure that direct service rate variances are related to the level of need or other quantifiable measures to ensure that the most money possible reaches direct services.

(d) Whenever possible, promote fair and adequate direct care reimbursement, including fair wages for direct service workers.

Sec. 1010. (1) The funds appropriated in part 1 for behavioral health community supports and services must be used to reduce waiting lists at state-operated hospitals and centers through cost-effective community-based and residential services, including, but not limited to, assertive community treatment (ACT), forensic assertive community treatment (FACT), crisis stabilization units in accordance with chapter 9A of the mental health code, 1974 PA 258, MCL 330.1971 to 330.1979, and psychiatric residential treatment facilities in accordance with section 137a of the mental health code, 1974 PA 258, MCL 330.1137a.

(2) From the funds appropriated in part 1 for behavioral health community supports and services, the department shall allocate \$30,450,000.00 to reimburse private providers for intensive psychiatric treatments and services outside of state-operated hospitals and centers and support efforts related to the oversight of community-based programs placement.

(3) If the private provider has an existing wait list for intensive psychiatric treatments and services, any reimbursements to private providers under this section must not be conditional on private providers giving wait-list priority to state-paid individuals.

Sec. 1011. To the extent permissible under section 919 of the mental health code, 1974 PA 258, MCL 330.1919, the funds appropriated in part 1 for behavioral health services may be used to reimburse out-of-state providers of crisis resolution services and outpatient services if the out-of-state provider is enrolled as a state Medicaid provider and the out-of-state provider is located closer to the client's home than an in-state provider.

Sec. 1012. It is the intent of the legislature that the department pursue any and all federal Medicaid waivers to maximize the use of federal Medicaid reimbursements for substance use disorder services and treatments for justice-involved individuals. By March 9 of the current fiscal year, the department shall provide a report on the types of substance use disorder waivers submitted by the department, whether those waivers have been approved by the Centers for Medicare and Medicaid Services, and the steps the department will take to request any and all federal Medicaid waivers to maximize the use of federal Medicaid reimbursements for substance use disorder services and treatments to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office.

Sec. 1013. CMHSPs that operate preadmission screening units, or that have designated a hospital as a preadmission screening unit, may permit a sheriff's office to use a qualified contracted entity to transport an individual for preadmission screening.

Sec. 1014. (1) From the funds appropriated in part 1 to agencies providing physical and behavioral health services to multicultural populations, the department shall award grants in accordance with the requirements of subsection (2). This state is not liable for any spending above the contract amount. The department shall not release funds until reporting requirements under section 1014 of article 6 of 2021 PA 87 are satisfied.

(2) The department shall require each contractor described in subsection (1) that receives greater than \$1,000,000.00 in state grant funding to comply with performance-related metrics to maintain their eligibility for funding. The performance-related metrics shall include, but not be limited to, all of the following:

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

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

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

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

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

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

(3) The department shall require an annual report from the contractors described in subsection (2). The annual report, due 60 days following the end of the contract period, shall include specific information on services and programs provided, the client base to which the services and programs were provided, information on any wraparound services provided, and the expenditures for those services. By February 1 of the current fiscal year, the department shall provide the annual reports to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office.

Sec. 1015. From the funds appropriated in part 1 for federal mental health block grant, the department shall, to the extent possible, provide grants, pursuant to federal laws, rules, and regulations, to local public entities that provide mental health services and to 1 private entity that has a statewide contract to provide community-based mental health services.

STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES

Sec. 1051. The department shall continue a revenue recapture project to generate additional revenues from third parties related to cases that have been closed or are inactive. A portion of revenues collected through project efforts may be used for departmental costs and contractual fees associated with these retroactive collections and to improve ongoing departmental reimbursement management functions.

Sec. 1052. The purpose of gifts and bequests for patient living and treatment environments is to use additional private funds to provide specific enhancements for individuals residing at state-operated facilities. Use of the gifts and bequests shall be consistent with the stipulation of the donor. The expected completion date for the use of gifts and bequests donations is within 3 years unless otherwise stipulated by the donor.

Sec. 1055. (1) The department shall not implement any closures or consolidations of state hospitals, centers, or agencies until CMHSPs or PIHPs have programs and services in place for those individuals currently in those facilities and a plan for service provision for those individuals who would have been admitted to those facilities.

(2) All closures or consolidations are dependent upon adequate department-approved CMHSP and PIHP plans that include a discharge and aftercare plan for each individual currently in the facility. A discharge and aftercare plan shall address the individual's housing needs. A homeless shelter or similar temporary shelter arrangements are inadequate to meet the individual's housing needs.

(3) Four months after the certification of closure required in section 19(6) of the state employees' retirement act, 1943 PA 240, MCL 38.19, the department shall provide a closure plan to the house and senate appropriations subcommittees on the department budget and the state budget director.

(4) Upon the closure of state-run operations and after transitional costs have been paid, the remaining balances of funds appropriated for that operation shall be transferred to CMHSPs or PIHPs responsible for providing services for individuals previously served by the operations.

Sec. 1056. The department may collect revenue for patient reimbursement from first- and third-party payers, including Medicaid and local county CMHSP payers, to cover the cost of placement in state hospitals and centers. The department is authorized to adjust financing sources for patient reimbursement based on actual revenues earned. If the revenue collected exceeds current year expenditures, the revenue may be carried forward with approval of the state budget director. The revenue carried forward shall be used as a first source of funds in the subsequent year.

Sec. 1058. Effective October 1 of the current fiscal year, the department, in consultation with the department of technology, management, and budget, may maintain a bid process to identify 1 or more private contractors to provide food service and custodial services for the administrative areas at any state hospital identified by the department as capable of generating savings through the outsourcing of such services.

Sec. 1059. (1) The department shall identify specific outcomes and performance measures for state-operated hospitals and centers, including, but not limited to, the following:

(a) The average wait time for individuals determined incompetent to stand trial before admission to the center for forensic psychiatry.

(b) The average wait time for individuals determined incompetent to stand trial before admission to other state-operated psychiatric facilities.

(c) The average number of individuals waiting to receive admission into the center for forensic psychiatry.

(d) The average number of individuals waiting to receive admission into the other state-operated hospitals and centers.

(e) The average wait time for individuals awaiting admission into the other state-operated hospitals and centers through the civil admissions process.

(f) The number of individuals determined not guilty by reason of insanity or incompetent to stand trial by an order of a probate court that have been determined to be ready for discharge to the community, and the average wait time between being determined to be ready for discharge to the community and actual community placement.

(g) The number of individuals denied admission into the center for forensic psychiatry.

(h) The number of individuals denied admission into the other state-operated hospitals and centers.

(2) By March 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the outcomes and performance measures in subsection (1).

Sec. 1060. By March 1 of the current fiscal year, the department shall provide a report on mandatory overtime, staff turnover, and staff retention at the state psychiatric hospitals and centers to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office. The report shall include, but is not limited to, the following:

(a) The number of direct care and clinical staff positions that are currently vacant by hospital, and how that compares to the number of vacancies during the previous fiscal year.

(b) A breakdown of voluntary and mandatory overtime hours worked by position and by hospital, and how that compares to the breakdown of voluntary and mandatory overtime hours during the previous fiscal year.

(c) The ranges of wages paid by position and by hospital, and how that compares to wages paid during the previous fiscal year.

Sec. 1061. The funds appropriated in part 1 for Caro Regional Mental Health Center shall only be utilized to support a psychiatric hospital located at its current location. It is the intent of the legislature that the Caro Regional Mental Health Center shall remain open and operational at its current location on an ongoing basis. Capital outlay funding shall be utilized for planning and construction of a new or updated facility at the current location instead of at a new location.

Sec. 1063. (1) From the funds appropriated in part 1 for Hawthorn Center - psychiatric hospital - children and adolescents, the department shall maintain a psychiatric transitional unit and children's transition support team. These programs shall augment the continuum of behavioral health services for high-need youth and provide additional continuity of care and transition into supportive community-based services.

(2) Outcomes and performance measures for these programs include, but are not limited to, the following:

(a) The rate of rehospitalization for youth served through the program at 30 and 180 days.

(b) The measured change in the Child and Adolescent Functional Assessment Scale for children served through these programs.

HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES

Sec. 1140. From the funds appropriated in part 1 for primary care services, \$400,000.00 shall be allocated to free health clinics operating in the state. The department shall distribute the funds equally to each free health clinic. For the purpose of this appropriation, "free health clinics" means nonprofit organizations that use volunteer health professionals to provide care to uninsured individuals.

Sec. 1142. The department shall continue to seek means to increase retention of Michigan medical school students for completion of their primary care residency requirements within this state and ultimately, for some period of time, to remain in this state and serve as primary care physicians. The department is encouraged to work with Michigan institutions of higher education.

Sec. 1143. From the funds appropriated in part 1 for primary care services, the department shall allocate no less than \$675,000.00 for island primary health care access and services including island clinics, in the following amounts:

(a) Beaver Island, \$250,000.00.

(b) Mackinac Island, \$250,000.00.

(c) Drummond Island, \$150,000.00.

(d) Bois Blanc Island, \$25,000.00.

Sec. 1145. The department will take steps necessary to work with Indian Health Service, tribal health program facilities, or Urban Indian Health Program facilities that provide services under a contract with a Medicaid managed care entity to ensure that those facilities receive the maximum amount allowable under federal law for Medicaid services.

Sec. 1146. From the funds appropriated in part 1 for bone marrow donor and blood bank programs, \$250,000.00 shall be allocated to Versiti Blood Center, the partner of the match registry of the national marrow donor program. The funds shall be used to offset ongoing tissue typing expenses associated with donor recruitment and collection services and to expand those services to better serve the citizens of this state.

Sec. 1147. From the funds appropriated in part 1 for bone marrow donor and blood bank programs, \$500,000.00 shall be allocated to Versiti Blood Center for a cord blood bank. The funds shall be used to enhance the collection of fetal umbilical cord blood and stem cells for transplant, expand cord blood laboratory capabilities, and expand the diversity of collections.

Sec. 1148. From the funds appropriated in part 1 for policy and planning administration, \$100,000.00 is allocated for informational materials related to section 27(2)(a) of article I of the state constitution of 1963 regarding human embryo and embryonic stem cell research.

Sec. 1151. (1) The department shall coordinate with the department of licensing and regulatory affairs, the department of the attorney general, all appropriate law enforcement agencies, and the Medicaid health plans to work with local substance use disorder agencies and addiction treatment providers to help inform Medicaid beneficiaries of all medically appropriate treatment options for opioid addiction when their treating physician stops prescribing prescription opioid medication for pain, and to address other appropriate recommendations of the prescription drug and opioid abuse task force outlined in its report of October 2015.

(2) By October 1 of the current fiscal year, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on how the department is working with local substance use disorder agencies and addiction treatment providers to ensure that Medicaid beneficiaries are informed of all available and medically appropriate treatment options for opioid addiction when their treating physician stops prescribing prescription opioid medication for pain, and to address other appropriate recommendations of the task force. The report shall include any potential barriers to medication-assisted treatment, as recommended by the Michigan medication-assisted treatment guidelines, for Medicaid beneficiaries in both office-based opioid treatment and opioid treatment program facility settings.

EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND LABORATORY

Sec. 1180. From the funds appropriated in part 1 for epidemiology administration and for childhood lead program, the department shall maintain a public health drinking water unit and maintain enhanced efforts to monitor child blood lead levels. The public health drinking water unit shall ensure that appropriate investigations of potential health hazards occur for all community and noncommunity drinking water supplies where chemical exceedances of action levels, health advisory levels, or maximum contaminant limits are identified. The goals of the childhood lead program shall include improving the identification of affected children, the timeliness of case follow-up, and attainment of nurse care management for children with lead exposure, and to achieve a long-term reduction in the percentage of children in this state with elevated blood lead levels.

Sec. 1181. From the funds appropriated in part 1 for epidemiology administration, the department shall maintain a vapor intrusion response unit. The vapor intrusion response unit shall assess risks to public health at vapor intrusion sites and respond to vapor intrusion risks where appropriate. The goals of the vapor intrusion response unit shall include reducing the number of residents of this state exposed to toxic substances through vapor intrusion and improving health outcomes for individuals that are identified as having been exposed to vapor intrusion.

Sec. 1182. (1) From the funds appropriated in part 1 for healthy homes program, no less than \$7,291,000.00 of general fund/general purpose funds and \$18,259,000.00 of federal funds shall be allocated for lead abatement of homes.

(2) By April 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on the expenditures and activities undertaken by the lead abatement program in the previous fiscal year from the funds appropriated in part 1 for the healthy homes program. The report shall include, but is not limited to, a funding allocation schedule, the expenditures by category of expenditure and by subcontractor, the revenues received, a description of program elements, the number of housing units abated of lead-based paint hazards, and a description of program accomplishments and progress.

Sec. 1183. The department shall not require a medical first response service to submit data for purposes of the Michigan emergency medical services information system if the medical first response service is located in a county with a population of less than 85,000 according to the most recent federal decennial census and is composed of only medical first responders who provide services without expecting or receiving

money, goods, or services in return for providing those services. A medical first response service described in this section shall ensure that a medical first responder provides, in writing, at least all of the following information to an emergency medical technician, emergency medical technician specialist, or paramedic, arriving at the scene after the medical first responder:

- (a) The time of the initial medical first responder's arrival at the scene.
- (b) The patient's condition at the time of the initial medical first responder's arrival at the scene.
- (c) Information gathered from a patient assessment, including, but not limited to, the patient's vital signs and level of consciousness.

Sec. 1184. (1) From the funds appropriated in part 1 for emergency medical services program, the department shall, in coordination with the state emergency medical services coordination committee established under section 20915 of the public health code, 1978 PA 368, MCL 333.20915, medical control authorities, and other emergency medical services organizations, review, revise, and improve the process for the consideration, discussion, announcement, and implementation of any changes proposed by the department for emergency medical services system guidance, guidelines, or protocols.

(2) The goal to improve the current process shall be the effective and safe provision of emergency medical services.

(3) The revised and improved process shall include, but not be limited to, the following:

(a) Increased communication, transparency, and collaboration, to culminate in clarity of, and real-time access to, current department guidance, guidelines, or protocols, and the status of any changes being considered.

(b) Formal notification of proposed changes to guidance, guidelines, or protocols from the department to the state emergency medical services coordination committee no less than 30 days before implementation.

(c) Receipt by the department of a recommendation from the state emergency medical services coordination committee regarding the proposed changes to guidance, guidelines, or protocols before implementation by the department of the changes.

(4) The department shall provide access and status updates, including any proposed rules being considered through the administrative rules process, to the public on the department's website, which shall be updated by the department on a weekly basis.

(5) The department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies and policy offices, and the state budget director by April 15 of the current fiscal year on the findings of the review and include summaries of actions undertaken to identify, revise, and improve any weaknesses in the current process.

Sec. 1185. From the funds appropriated in part 1 for emergency medical services program, \$25,000.00 is allocated for a grant to fund a free family emergency readiness public expo event held in a county with a population between 193,000 and 194,000 according to the most recent federal decennial census. The purpose of the event shall be to educate local residents about preparedness in an emergency, disaster, or crisis including planning, assessing specific personal and household needs, and skills to cope, survive, recover, and prevail.

Sec. 1186. (1) From the funds appropriated in part 1 for emergency medical services program, the department shall allocate \$3,000,000.00 for a statewide stroke and STEMI system of care for time-sensitive emergencies. This system must be integrated into the statewide trauma care system within the emergency medical services system and must include at least all of the following:

(a) The designation of facilities as stroke and STEMI facilities based on a verification that national certification or accreditation standards have been met.

(b) A requirement that a hospital is not required to be designated as providing certain levels of care for stroke or STEMI.

(c) The development and utilization of stroke and STEMI registries that utilize nationally recognized data platforms with confidentiality standards.

(2) By March 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies and policy offices, and the state budget office on the expenditures and activities undertaken by the statewide stroke and STEMI system of care for time-sensitive emergencies in the previous fiscal year from the funds appropriated under section 1186(1) of article 6 of 2021 PA 87. The report must include, but is not limited to, a funding allocation schedule, expenditures by category of expenditure and by vendor or grantee, and a description of program accomplishments and progress.

(3) For the purposes of this section, "STEMI" means an ST-elevation myocardial infarction.

LOCAL HEALTH AND ADMINISTRATIVE SERVICES

Sec. 1220. The amount appropriated in part 1 for implementation of the 1993 additions of or amendments to sections 9161, 16221, 16226, 17014, 17015, and 17515 of the public health code, 1978 PA 368, MCL 333.9161, 333.16221, 333.16226, 333.17014, 333.17015, and 333.17515, shall be used to reimburse local health departments for costs incurred related to the implementation of section 17015(18) of the public health code, 1978 PA 368, MCL 333.17015.

Sec. 1221. If a county that has participated in a district health department or an associated arrangement with other local health departments takes action to cease to participate in that arrangement after October 1 of the current fiscal year, the department may assess a penalty from the local health department's operational accounts in an amount equal to no more than 6.25% of the local health department's essential local public health services funding. This penalty shall only be assessed to the local county that requests the dissolution of the health department.

Sec. 1222. (1) Funds appropriated in part 1 for essential local public health services shall be prospectively allocated to local health departments to support immunizations, infectious disease control, sexually transmitted disease control and prevention, hearing screening, vision services, food protection, public water supply, private groundwater supply, and on-site sewage management. Food protection shall be provided in consultation with the department of agriculture and rural development. Public water supply, private groundwater supply, and on-site sewage management shall be provided in consultation with the department of environment, Great Lakes, and energy.

(2) Local public health departments shall be held to contractual standards for the services in subsection (1).

(3) Distributions in subsection (1) shall be made only to counties that maintain local spending in the current fiscal year of at least the amount expended in fiscal year 1992-1993 for the services described in subsection (1).

(4) If a local health officer has an emergency order under section 2453 of the public health code, 1978 PA 368, MCL 333.2453, in effect as of October 1, 2022, the funds appropriated in part 1 for essential local public health services shall not be distributed by the department to that local entity. This subsection does not apply if a county board of commissioners passes a nonbinding resolution by a record roll call vote to support any emergency orders the local health officer has in effect on October 1 of the current fiscal year.

(5) By February 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget director on the planned allocation of the funds appropriated for essential local public health services.

(6) The department shall continue implementation of the distribution formula for the allocation of essential local public health services funding to local health departments as specified by section 1234 of article X of 2018 PA 207.

(7) From the funds appropriated in part 1 for essential local public health services, each local public health department is allocated not less than the amount allocated to that local public health department during the previous fiscal year.

Sec. 1225. The department shall work with the Michigan health endowment fund corporation established under section 653 of the nonprofit health care corporation reform act, 1980 PA 350, MCL 550.1653, to explore ways to fund and evaluate current and future policies and programs.

Sec. 1227. The department shall establish criteria for all funds allocated for health and wellness initiatives. The criteria must include a requirement that all programs funded be evidence-based and supported by research, include interventions that have been shown to demonstrate outcomes that lower cost and improve quality, and be designed for statewide impact. Preference must be given to programs that utilize the funding as match for additional resources, including, but not limited to, federal sources.

Sec. 1231. (1) From the funds appropriated for local health services, up to \$4,750,000.00 shall be allocated for grants to local public health departments to support PFAS response and emerging public health threat activities. A portion of the funding shall be allocated by the department in a collaborative fashion with local public health departments in jurisdictions experiencing PFAS contamination. The remainder of the funding shall be allocated to address infectious and vector-borne disease threats, and other environmental contamination issues such as vapor intrusion, drinking water contamination, and lead exposure. The funding shall be allocated to address issues including, but not limited to, staffing, planning and response, and creation and dissemination of materials related to PFAS contamination issues and other emerging public health issues and threats.

(2) By March 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on actual expenditures in the previous fiscal year and planned spending in the current fiscal year of the funds described in subsection (1), including recipient entities, amount of allocation, general category of allocation, and detailed uses.

Sec. 1232. The department may work to ensure that the United States Department of Defense reimburses the state for costs associated with PFAS and environmental contamination response at military training sites and support facilities.

Sec. 1233. General fund and state restricted fund appropriations in part 1 shall not be expended for PFAS and environmental contamination response where federal funding or private grant funding is available for the same expenditures.

Sec. 1239. The department shall participate in and give necessary assistance to the Michigan PFAS action response team (MPART) pursuant to Executive Order No. 2019-03. The department shall collaborate with MPART and other departments to carry out appropriate activities, actions, and recommendations as coordinated by MPART. Efforts shall be continuous to ensure that the department's activities are not duplicative with activities of another department or agency.

Sec. 1240. From the funds appropriated in part 1 for chronic disease control and health promotion administration, \$70,000.00 is allocated to support a rare disease advisory council and responsibilities of the council, which may include all of the following:

- (a) Developing a list of rare diseases.
- (b) Posting the list of rare diseases on the department's website.
- (c) Updating the list of rare diseases.
- (d) Annually investigating and reporting to the legislature on 1 rare disease on the list, and including legislative recommendations in the report.

FAMILY HEALTH SERVICES

Sec. 1301. (1) Before April 1 of the current fiscal year, the department shall submit a report to the house and senate fiscal agencies and the state budget director on planned allocations from the amounts appropriated in part 1 for local MCH services, prenatal care outreach and service delivery support, family planning local agreements, and pregnancy prevention programs. Using applicable federal definitions, the report shall include information on all of the following:

- (a) Funding allocations.
- (b) Actual number of women, children, and adolescents served and amounts expended for each group for the previous fiscal year.
- (c) A breakdown of the expenditure of these funds between urban and rural communities.
- (2) The department shall ensure that the distribution of funds through the programs described in subsection (1) takes into account the needs of rural communities.
- (3) As used in this section, "rural" means a county, city, village, or township with a population of 30,000 or less, including those entities if located within a metropolitan statistical area.

Sec. 1303. The department shall not contract with an organization that provides elective abortions, abortion counseling, or abortion referrals, for services that are to be funded with state restricted or state general fund/general purpose funds appropriated in part 1 for family planning local agreements. An organization under contract with the department shall not subcontract with an organization that provides elective abortions, abortion counseling, or abortion referrals, for services that are to be funded with state restricted or state general fund/general purpose funds appropriated in part 1 for family planning local agreements.

Sec. 1304. The department shall not use state restricted funds or state general funds, or allow grantees or subcontractors to use those funds, appropriated in part 1 in the pregnancy prevention program or family planning local agreements appropriation line items for abortion counseling, referrals, or services.

Sec. 1305. (1) From the funds appropriated in part 1 for family planning local agreements and the pregnancy prevention program, the department shall not contract with or award grants to an entity that engages in 1 or more of the activities described in section 1(1) of 2002 PA 360, MCL 333.1091, if the entity is located in a county or health district where family planning or pregnancy prevention services are provided by the county, the health district, or a qualified entity that does not engage in any of the activities described in section 1(1) of 2002 PA 360, MCL 333.1091.

(2) The department shall give priority to counties or health districts where no contracts or grants currently exist for family planning or pregnancy prevention services before contracting with or awarding grants to an entity that engages in 1 or more of the activities described in section 1(1) of 2002 PA 360, MCL 333.1091, if that entity is located in a county where family planning and pregnancy prevention services are provided by the county, the health district, or another qualified entity that does not engage in the activities described in section 1(1) of 2002 PA 360, MCL 333.1091.

Sec. 1306. (1) From the funds appropriated in part 1 for the drinking water declaration of emergency, the department shall allocate funds to address needs in a city in which a declaration of emergency was issued because of drinking water contamination. These funds may support, but are not limited to, the following activities:

- (a) Nutrition assistance, nutritional and community education, food bank resources, and food inspections.
- (b) Epidemiological analysis and case management of individuals at risk of elevated blood lead levels.
- (c) Support for child and adolescent health centers, children's healthcare access program, and pathways to potential programming.
- (d) Nursing services, breastfeeding education, evidence-based home visiting programs, intensive services, and outreach for children exposed to lead coordinated through local community mental health organizations.
- (e) Department field operations costs.
- (f) Lead poisoning surveillance, investigations, treatment, and abatement.

(g) Nutritional incentives provided to local residents through the double up food bucks expansion program.

(h) Genesee County health department food inspectors to perform water testing at local food service establishments.

(i) Transportation related to health care delivery.

(j) Senior initiatives.

(k) Lead abatement contractor workforce development.

(2) From the funds appropriated in part 1 for the drinking water declaration of emergency, the department shall allocate \$300,000.00 for Revive Community Health Center for health support services as the center pursues certification as a federally qualified health center.

(3) From the funds appropriated in part 1 for the drinking water declaration of emergency, the department shall allocate \$500,000.00 for rides to wellness through the Flint mass transportation authority.

Sec. 1307. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, \$700,000.00 of TANF revenue shall be allocated for a pregnancy and parenting support services program, which must promote childbirth, alternatives to abortion, and grief counseling. The department shall establish a program with a qualified contractor that will contract with qualified service providers to provide free counseling, support, and referral services to eligible women during pregnancy through 12 months after birth. As appropriate, the goals for client outcomes shall include an increase in client support, an increase in childbirth choice, an increase in adoption knowledge, an improvement in parenting skills, and improved reproductive health through abstinence education. The contractor of the program shall provide for program training, client educational material, program marketing, and annual service provider site monitoring. The department shall submit a report to the house and senate appropriations subcommittees on the department budget and the house and senate fiscal agencies by April 1 of the current fiscal year on the number of clients served.

Sec. 1308. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, not less than \$500,000.00 of funding shall be allocated for evidence-based programs to reduce infant mortality including nurse family partnership programs. The funds shall be used for enhanced support and education to nursing teams or other teams of qualified health professionals, client recruitment in areas designated as underserved for obstetrical and gynecological services and other high-need communities, strategic planning to expand and sustain programs, and marketing and communications of programs to raise awareness, engage stakeholders, and recruit nurses.

Sec. 1309. Funds appropriated for educational and other programs and services primarily pertaining to family planning or reproductive health services, or both, in any line item in section 116 of part 1 for family health services, shall be allocated by the department according to section 1 of 2002 PA 360, MCL 333.1091.

Sec. 1311. From the funds appropriated in part 1 for prenatal care outreach and service delivery support, not less than \$2,750,000.00 state general fund/general purpose funds shall be allocated for a rural home visit program. Equal consideration shall be given to all eligible evidence-based providers in all regions in contracting for rural home visitation services.

Sec. 1312. From the funds appropriated in part 1 for prenatal care and premature birth avoidance grant, the department shall allocate \$1,000,000.00 as a grant to help fulfill contract obligations between the department and a federal Healthy Start Program located in a county with a population between 600,000 and 700,000 according to the most recent federal decennial census. To be eligible to receive funding, the organization must be a partnership between various health agencies, and utilize a social impact bonding strategy approved by the department to enhance support to underserved populations for prenatal care and premature birth avoidance.

Sec. 1313. (1) The department shall continue developing an outreach program on fetal alcohol syndrome services, targeting health promotion, prevention, and intervention.

(2) The department shall explore federal grant funding to address prevention services for fetal alcohol syndrome and reduce alcohol consumption among pregnant women.

(3) By February 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on planned spending of appropriations within the department budget for fetal alcohol syndrome projects and services, including appropriation line item, agency or recipient entities, amount and purpose of allocation, and detailed uses. The report shall include a summary of outcomes accomplished by the funding investments and metrics used to determine outcomes, if available.

Sec. 1314. The department shall seek to enhance education and outreach efforts that encourage women of childbearing age to seek confirmation at the earliest indication of possible pregnancy and initiate continuous and routine prenatal care upon confirmation of pregnancy. The department shall seek to ensure that department programs, policies, and practices promote prenatal and obstetrical care by doing the following:

(a) Supporting access to care.

(b) Reducing and eliminating barriers to care.

(c) Supporting recommendations for best practices.

(d) Encouraging optimal prenatal habits such as prenatal medical visits, use of prenatal vitamins, and cessation of use of tobacco, alcohol, or drugs.

(e) Tracking of birth outcomes to study improvements in prevalence of neonatal substance exposure, fetal alcohol syndrome, and other preventable neonatal disease.

(f) Tracking of maternal increase in healthy behaviors following childbirth.

Sec. 1315. (1) From the funds appropriated in part 1 for dental programs, \$150,000.00 shall be allocated to the Michigan Dental Association for the administration of a volunteer dental program that provides dental services to the uninsured.

(2) By February 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house standing committees on health policy, the senate and house fiscal agencies, and the state budget office the number of individual patients treated, number of procedures performed, and approximate total market value of those procedures from the previous fiscal year.

Sec. 1316. The department shall use revenue from mobile dentistry facility permit fees received under section 21605 of the public health code, 1978 PA 368, MCL 333.21605, to offset the costs of processing and issuing mobile dentistry facility permits.

Sec. 1317. (1) From the funds appropriated in part 1 for dental programs, \$2,750,000.00 of general fund/general purpose revenue and any associated federal match shall be distributed to local health departments who partner with a qualified nonprofit provider of dental services for the purpose of providing high-quality dental homes for seniors, children, adults enrolled in Medicaid, and individuals who are low-income and uninsured.

(2) In order to be considered a qualified nonprofit provider of dental services, the provider must demonstrate the following:

(a) An effective health insurance enrollment process for uninsured patients.

(b) An effective process of charging patients on a sliding scale based on the patient's ability to pay.

(c) Utilization of additional fund sources including, but not limited to, federal Medicaid matching funds.

(3) Providers shall report to the department by September 30 of the current fiscal year on outcomes and performance measures for the program under this section including, but not limited to, the following:

(a) The number of uninsured patients who visited a participating dentist over the previous year, broken down between adults and children.

(b) The number of patients assisted with health insurance enrollment, broken down between adults and children.

(c) A 5-year trend of the number of uninsured patients being served, broken down between adults and children.

(d) The number of unique patient visits by center.

(e) The number of unique Medicaid or Healthy Michigan plan patients served broken down by center.

(f) The number of children, seniors, and veterans served broken down by center.

(g) The total value of services rendered by the organization broken down by center.

(4) Within 15 days after receipt of the report required in subsection (3), the department shall provide a copy of the report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office.

Sec. 1320. It is the intent of the legislature that funds appropriated in part 1 that may be expended for a public media campaign regarding publicly funded family planning or pregnancy prevention services shall not be used to communicate in that media campaign any message that implies, states, or can be interpreted to mean that abortion is a method of family planning or pregnancy prevention.

Sec. 1321. From the funds appropriated in part 1 for the Michigan model for health comprehensive health education curriculum in the family, maternal, and child health administration line item, the department may, in consultation with the department of education, the Michigan domestic and sexual violence prevention and treatment board, and the Michigan Coalition to End Domestic and Sexual Violence, redraft the curriculum for the "Growing Up & Staying Healthy" and "Healthy & Responsible Relationships" modules to include age-appropriate information about each of the following:

(a) The importance of consent, setting and respecting personal boundaries, and the prevention of child sexual abuse as outlined in section 1505 of the revised school code, 1976 PA 451, MCL 380.1505, and consistent with the recommendations and guidelines set by the task force on the prevention of sexual abuse of children created under section 12b of the child protection law, 1975 PA 238, MCL 722.632b.

(b) The prevention of sexual assault and dating violence.

(c) The prevention of human trafficking.

Sec. 1322. (1) The department shall provide a report by April 15 of the current fiscal year to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on state immunization policy and practices. The report shall include all of the following items:

- (a) A list of recommended vaccinations.
- (b) The basis and rationale for inclusion of each listed item.
- (c) The indicators, measures, and performance outcomes that document improvement in human health for each listed item.

(2) From the funds appropriated in part 1 for immunization program, \$50,000.00 shall be allocated for the purpose of publishing and printing the report described in subsection (1) in a summary format to be made available to the public as an informational brochure, provided free of charge through the department's health promotions clearinghouse to providers, groups, or individuals for free distribution.

Sec. 1323. From the funds appropriated in part 1 for maternity home program, the department shall allocate \$4,000,000.00 for grants and other expenditures for safe housing and comprehensive supportive services without charge for pregnant women who are without a safe home and in need statewide, which must include access to health and prenatal care, parenting and life skill development, and services and education for a stable transition to independent living. The department shall provide grants of up to \$50,000.00 to support and expand existing maternity home housing and services programs as described under this section. The department shall conduct a statewide assessment to identify underserved communities in need of greater access to maternity home programs.

Sec. 1341. The department shall utilize income eligibility and verification guidelines established by the Food and Nutrition Service agency of the United States Department of Agriculture in determining eligibility of individuals for the special supplemental nutrition program for women, infants, and children (WIC) as stated in current WIC policy.

Sec. 1342. From the funds appropriated in part 1 for family, maternal, and child health administration, \$500,000.00 shall be allocated for a school children's healthy exercise program to promote and advance physical health for school children in kindergarten through grade 8. The department shall recommend model programs for sites to implement that incorporate evidence-based best practices. The department shall grant the funds appropriated in part 1 for before- and after-school programs. The department shall establish guidelines for program sites, which may include schools, community-based organizations, private facilities, recreation centers, or other similar sites. The program format shall encourage local determination of site activities and shall encourage local inclusion of youth in the decision-making regarding site activities. Program goals shall include children experiencing improved physical health and access to physical activity opportunities, the reduction of obesity, providing a safe place to play and exercise, and nutrition education. To be eligible to participate, program sites shall provide a 20% match to the state funding, which may be provided in full, or in part, by a corporation, foundation, or private partner. The department shall seek financial support from corporate, foundation, or other private partners for the program or for individual program sites.

Sec. 1343. From the funds appropriated in part 1 for dental programs, the department shall allocate \$1,760,000.00 of state and local funds plus any private contributions received to support the program to establish and maintain a dental oral assessment program to provide assessments to school children as provided in section 9316 of the public health code, 1978 PA 368, MCL 333.9316.

Sec. 1345. From the funds appropriated in part 1 for maternal navigator pilot program, the department must establish not less than 2 geographically diverse maternal navigator pilot programs. Eligible maternal navigator pilot program grantees must be a nonprofit counseling or other similar nonprofit service organization that promotes childbirth and alternatives to abortion. The services provided by the maternal navigator pilot programs must include, but are not limited to, all of the following:

- (a) Referral services, and partial or full reimbursement, for counseling for victims of rape and other forms of abuse and violence that result in pregnancy.
- (b) Referral services, and partial or full reimbursement, for specialized substance use disorder services, including residential services.
- (c) Referral services, and partial or full reimbursement, to a hospital or health system for information and services for women of childbearing age who are seeking nutritional, prenatal, childbirth, and postnatal care and who are also in need of assistance with understanding recent advances in prenatal and postnatal medicines.
- (d) Referral services, and partial or full reimbursement, for counseling, emotional support services, genetic counseling, and other services to individuals and couples experiencing difficulties or having genetic concerns related to pregnancy or parenting.

Sec. 1346. (1) From the funds appropriated in part 1 for pregnancy resource centers, the department shall allocate \$1,500,000.00 as grants to pregnancy resource centers operating in the state. The department shall accept applications from pregnancy resource centers through December 31 of the current fiscal year and distribute the grant funds equally to each eligible pregnancy resource center applicant.

(2) As used in this section, “pregnancy resource centers” means private nonprofit organizations that promote childbirth and alternatives to abortion, provide referrals and information, and may also provide other services related to pregnancy or post-pregnancy.

Sec. 1347. The department shall not use state restricted funds or state general funds appropriated in part 1, or allow grantees or subcontractors to use those funds, for abortion counseling, referrals, or services, or for any activities regarding human cloning or research in which a human embryo or embryos are destroyed or discarded.

Sec. 1348. From the funds appropriated in part 1, the department shall submit a report by February 18 of the current fiscal year to the senate and house appropriations committees, the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices on any request for proposals issued by this state for the healthy moms healthy babies program and on any healthy moms healthy babies programs that are established.

Sec. 1349. Subject to federal approval, from the funds appropriated in part 1 for immunization program, the department shall allocate \$740,000.00 of general fund/general purpose plus any available work project funds and federal match through an administered contract with oversight from health services administration and public health administration. The funds shall be used to support a statewide media campaign for improving this state’s immunization rates.

CHILDREN’S SPECIAL HEALTH CARE SERVICES

Sec. 1360. The department may do 1 or more of the following:

- (a) Provide special formulas for eligible clients with specified metabolic and allergic disorders.
- (b) Provide medical care and treatment to eligible patients with cystic fibrosis who are 21 years of age or older.
- (c) Provide medical care and treatment to eligible patients with hereditary coagulation defects, commonly known as hemophilia, who are 21 years of age or older.
- (d) Provide human growth hormone to eligible patients.
- (e) Provide mental health care for mental health needs that result from, or are a symptom of, the individual’s qualifying medical condition.
- (f) Provide medical care and treatment to eligible patients with sickle cell disease who are 21 years of age or older.

Sec. 1361. From the funds appropriated in part 1 for medical care and treatment, the department may spend those funds for the continued development and expansion of telemedicine capacity to allow families with children in the children’s special health care services program to access specialty providers more readily and in a more timely manner. The department may spend funds to support chronic complex care management of children enrolled in the children’s special health care services program to minimize hospitalizations and reduce costs to the program while improving outcomes and quality of life.

Sec. 1363. From the funds appropriated in part 1 for children’s special health care services administration, the department shall allocate \$1,000,000.00 as a grant to an independent biomedical research and science education organization in a county with a population between 600,000 and 700,000 and in a city with a population over 185,000 according to the most recent federal decennial census to be used for matching federal funds, private and nonprofit grants, and private contributions.

AGING SERVICES

Sec. 1402. The department may encourage the Food Bank Council of Michigan to collaborate directly with each area agency on aging and any other organizations that provide senior nutrition services to secure the food access of older adults.

Sec. 1403. (1) By April 1 of the current fiscal year, the department shall require each area agency on aging region to report data to the aging services agency and to the legislature on home-delivered meals waiting lists. The report must include data on all of the following:

- (a) The recipient’s degree of frailty.
- (b) The recipient’s inability to prepare his or her own meals safely.
- (c) Whether the recipient has another care provider available.
- (d) Any other qualifications normally necessary for the recipient to receive home-delivered meals.

(2) The data required in the report under subsection (1) must be recorded only for individuals who have applied for participation in the home-delivered meals program and who are initially determined as likely to be eligible for home-delivered meals.

Sec. 1417. The department shall provide to the senate and house appropriations subcommittees on the department budget, senate and house fiscal agencies, and state budget director a report by March 30 of the current fiscal year that contains all of the following:

- (a) The total allocation of state resources made to each area agency on aging by individual program and administration.
- (b) Detailed expenditures by each area agency on aging by individual program and administration including both state-funded resources and locally funded resources.

Sec. 1421. From the funds appropriated in part 1 for community services, \$1,100,000.00 shall be allocated to area agencies on aging for locally determined needs.

Sec. 1425. The department shall coordinate with the department of licensing and regulatory affairs to ensure that, upon receipt of the order of suspension of a licensed adult foster care home, home for the aged, or nursing home, the department of licensing and regulatory affairs shall provide notice to the department, to the house and senate appropriations subcommittees on the department budget, and to the members of the house and senate that represent the legislative districts of the county in which the facility lies.

HEALTH AND AGING SERVICES ADMINISTRATION

Sec. 1501. (1) From the funds appropriated in part 1 for health services administration, the department shall allocate \$200,000.00 to assess Medicaid reimbursement rates for medical, behavioral, and dental services relative to Medicare reimbursement rates for the same services.

(2) By July 1 of the current fiscal year, the department shall report on the findings of subsection (1) and submit the provider reimbursement rate comparison tables to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office. The provider reimbursement rate comparison tables shall include, but not be limited to, all of the following:

(a) Medicaid reimbursement rates, as of October 1, 2022, itemized by current procedural terminology (CPT) code, by provider type.

(b) Medicare reimbursement rates for Michigan Locality 01, as of October 1 2022, itemized by CPT code, by provider type.

(c) Comparison between Medicaid and Medicare reimbursement rates by CPT code detailing the current Medicaid reimbursement rates as a percentage of the current Medicare reimbursement rates for Michigan Locality 01, by provider type.

(3) As used in this section, "provider type" means all of the following categories of procedure codes, fee screens, or other billing reimbursement information administered by the department:

(a) Ambulance.

(b) Chiropractors.

(c) Dental.

(d) Family planning.

(e) Genetic counselors.

(f) Hearing services and hearing aid dealers.

(g) Home health.

(h) Hospice.

(i) Independent diagnostic testing facilities.

(j) Laboratory.

(k) Maternal infant health program.

(l) Medical suppliers, including, orthotists, prosthetists, and durable medical equipment dealers.

(m) Non-physician behavioral health.

(n) Physicians, practitioners, and medical clinics.

(o) Portable X-ray suppliers.

(p) Private duty nurse.

(q) Occupational, physical, and speech therapies.

(r) Urgent care centers.

(s) Vision.

Sec. 1505. By March 1 of the current fiscal year, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on the actual reimbursement savings and cost offsets that have resulted from the funds appropriated in part 1 for the office of inspector general and third party liability efforts in the previous fiscal year.

Sec. 1507. From the funds appropriated in part 1 for office of inspector general, the inspector general shall audit and recoup inappropriate or fraudulent payments from Medicaid managed care organizations to health care providers. Unless authorized by federal or state law, the department shall not fine, temporarily halt operations of, disenroll as a Medicaid provider, or terminate a managed care organization or health care provider from providing services due to the discovery of an inappropriate payment found during the course of an audit.

Sec. 1509. Due to the circumstances found in the department's Medicaid non-emergency medical transportation (NEMT) services program by the office of the auditor general (OAG) audit number 391-0715-20, the department shall report to the senate and house of representatives appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year on corrective actions taken to correct deficiencies identified in the audit. The report must include, but is not limited to, the following information:

(a) The results of periodic random samplings of NEMT broker records to ensure compliance with provider eligibility documentation requirements.

(b) Actions taken and improvements made as a result of the formal vendor correction action plan implemented between the department and the department of technology, management, and budget with emphasis on improvements made in on-time performance, medical needs form deficiencies, and efforts made for active and ongoing monitoring.

(c) The results of periodic random samplings of NEMT broker records to review documentation requirements with attention paid to trip logs, medical needs forms, and any other information used to support NEMT encounter claims.

(d) The results of periodic random samplings of Medicaid health plans to ensure that NEMT encounter data is complete and accurate and encounter claims are valid.

(e) The amount, if any, of monetary penalties or liquidated damages assessed due to insufficient NEMT claims monitoring procedures.

(f) The rationale and any funding limitations that prevent the department from establishing performance standards and collecting performance data for NEMT services for beneficiaries not covered through a Medicaid health plan contract or an NEMT broker.

Sec. 1510. Due to the circumstances found in the department's Medicaid and Children's Health Insurance Program (CHIP) eligibility determinations processes by the office of the auditor general (OAG) audit number 391-0710-19, the department shall report to the senate and house of representatives appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year on corrective actions taken to reduce improper payments to ineligible beneficiaries, to maintain proper documentation and case files, and improvements made to the department's internal controls. The report must include, but is not limited to, the following information:

(a) The number of beneficiaries by type of assistance (TOA) group whose TOA group was subsequently changed after initial determination and the reasons initial classifications were incorrect in the previous fiscal year.

(b) The number of beneficiaries and the total amount of payments made that were ineligible for federal reimbursement, not due to a mistaken TOA category in the previous fiscal year.

(c) For the previous 3 audit cycles, the total amount and percentage of federal reimbursement identified as improper payments by the Federal Payment Error Rate Measurement audit.

(d) For each of the previous 5 fiscal years, the department's estimate of the net amount of federal reimbursement and state spending made in error.

(e) A list of all of the sources that the department uses to verify income for Medicaid and CHIP eligibility.

(f) A description of the training implemented for caseworkers to improve initial TOA eligibility determinations.

(g) The total number of beneficiaries in the previous fiscal year who received full healthcare coverage but did not have a valid Social Security number.

(h) A list of all changes made to ensure all Medicaid and CHIP beneficiaries have a valid Social Security number to receive full healthcare coverage.

(i) The total number of beneficiaries in the previous fiscal year who received full healthcare coverage but did not have an acceptable alien status.

(j) A list of all changes made to ensure all Medicaid and CHIP beneficiaries have an acceptable alien status to receive full healthcare coverage.

(k) Status update on the establishment of the Medicaid Eligibility Quality Assurance case review process to provide a timelier monitoring process.

Sec. 1511. On a monthly basis, the department shall work with the department of labor and economic opportunity to report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the utilization of workforce development programs by Healthy Michigan plan recipients through Michigan Works! The report shall include, but not be limited to, all of the following:

(a) The number of recipients currently receiving employment supports and services through workforce development programs.

(b) The total year-to-date number of recipients who have received employment supports and services through workforce development programs.

(c) The number of recipients who secured employment in this state after receiving employment supports and services through workforce development programs.

(d) A summary of employment supports and services provided to recipients through workforce development programs.

Sec. 1512. The updated Medicaid utilization and net cost report shall continue to separate nonclinical administrative costs from actual claims and encounter costs.

Sec. 1513. By September 30 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the implementation of recommendations made by the workgroup required by section 1513 of 2019 PA 67. The report shall include, but is not limited to, the following:

- (a) Updates on the recommendations being implemented.
- (b) Updates on the recommendations not being implemented and barriers preventing implementation.

Sec. 1514. From the funds appropriated in part 1 for health services administration, the department shall allocate \$300,000.00 general fund/general purpose revenue and any associated federal match to support a predictive modeling tool to improve provider billing accuracy and reduce fraud, waste, and abuse in the Medicaid program. The tool must provide a prepayment cost avoidance solution that uses statistical predictive modeling techniques to identify outlier claims.

Sec. 1515. A qualified job placement agency may request contact information from the department for Healthy Michigan plan recipients for the geographic region the agency services. This contact information shall not include personal health information or extensive personal identifying information. As used in this section, a “qualified job placement agency” means a regional Michigan Works! agency or another nonprofit, governmental, or quasi-governmental body that provides job placement assistance as designated by the department.

Sec. 1517. By October 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the progress of the implementation of the specialty Medicaid managed care health plan for children in foster care, as required under section 1517 of article 6 of 2021 PA 87.

HEALTH SERVICES

Sec. 1601. The cost of remedial services incurred by residents of licensed adult foster care homes and licensed homes for the aged shall be used in determining financial eligibility for the medically needy. Remedial services include basic self-care and rehabilitation training for a resident.

Sec. 1605. The protected income level for Medicaid coverage determined pursuant to section 106(1)(b)(iii) of the social welfare act, 1939 PA 280, MCL 400.106, shall be 100% of the related public assistance standard.

Sec. 1606. For the purpose of guardian and conservator charges, the department may deduct up to \$83.00 per month as an allowable expense against a recipient’s income when determining Medicaid eligibility and patient pay amounts.

Sec. 1607. (1) An applicant for Medicaid, whose qualifying condition is pregnancy, shall immediately be presumed to be eligible for Medicaid coverage unless the preponderance of evidence in her application indicates otherwise. The applicant who is qualified as described in this subsection shall be allowed to select or remain with the Medicaid participating obstetrician of her choice.

(2) All qualifying applicants shall be entitled to receive all medically necessary obstetrical and prenatal care without preauthorization from a health plan. All claims submitted for payment for obstetrical and prenatal care shall be paid at the Medicaid fee-for-service rate in the event a contract does not exist between the Medicaid participating obstetrical or prenatal care provider and the managed care plan. The applicant shall receive a listing of Medicaid physicians and managed care plans in the immediate vicinity of the applicant’s residence.

(3) In the event that an applicant, presumed to be eligible under subsection (1), is subsequently found to be ineligible, a Medicaid physician or managed care plan that has been providing pregnancy services to an applicant under this section is entitled to reimbursement for those services until they are notified by the department that the applicant was found to be ineligible for Medicaid.

(4) If the preponderance of evidence in an application indicates that the applicant is not eligible for Medicaid, the department shall refer that applicant to the nearest public health clinic or similar entity as a potential source for receiving pregnancy-related services.

(5) The department shall develop an enrollment process for pregnant women covered under this section that facilitates the selection of a managed care plan at the time of application.

(6) The department shall mandate enrollment of women, whose qualifying condition for Medicaid is pregnancy, into Medicaid managed care plans.

(7) The department shall encourage physicians to provide women, whose qualifying condition for Medicaid is pregnancy, with a referral to a Medicaid participating dentist at the first pregnancy-related appointment.

Sec. 1611. (1) For care provided to Medicaid recipients with other third-party sources of payment, Medicaid reimbursement shall not exceed, in combination with such other resources, including Medicare, those amounts established for Medicaid-only patients. The Medicaid payment rate shall be accepted as payment in full. Other than an approved Medicaid co-payment, no portion of a provider’s charge shall be billed to the recipient or any person acting on behalf of the recipient. This section does not affect the level of payment from a third-party source other than the Medicaid program. The department shall require a nonenrolled provider to accept Medicaid payments as payment in full.

(2) Notwithstanding subsection (1), Medicaid reimbursement for hospital services provided to dual Medicare/Medicaid recipients with Medicare part B coverage only shall equal, when combined with payments for Medicare and other third-party resources, if any, those amounts established for Medicaid-only patients, including capital payments.

Sec. 1615. (1) To minimize errors and overpayments, and to ensure the quality of actuarial rate setting of capitated rates, the department shall provide effective oversight and ensure the integrity of encounter claims submitted to the department by Medicaid health plans.

(2) The department may require Medicaid health plans to provide medical records to support claims data, upon request by the department. This subsection shall not require the disclosure of personal identifying information or any information that would be in violation of the health insurance portability and accountability act of 1996, Public Law 104-191.

(3) It is the intent of the legislature that the department perform annual internal audits of Medicaid claims provided by Medicaid health plans and report the findings to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office. Internal audits performed under this subsection shall be conducted utilizing quantitative methodologies that provide for valid statistical results to include, but not be limited to, minimizing the impact of selection bias and insufficient sample sizes.

(4) If an internal audit performed in accordance with this section identifies discrepancies in the quality of actuarial rates, the department shall develop and implement actuarial procedures to reconcile encounter claims data and shall provide for a publicly available explanation of these procedures on the department's website.

Sec. 1616. (1) By September 30 of the current fiscal year, the department shall seek federal authority to formally enroll and recognize community health workers as providers and to utilize Medicaid matching funds for community health worker services, including the potential of leveraging of a Medicaid state plan amendment, waiver authorities, or other means to secure financing for community health worker services. The appropriate federal approval must allow for community health worker services on a statewide basis and must not be a limited geography waiver. The authority should allow the application of community health worker services statewide and maximize their utility by providing financing that includes fee-for-service reimbursement, value-based payment, or a combination of both fee-for-service reimbursement and value-based payment for all services commensurate to their scope of training and abilities as provided by evidence-based research and programs.

(2) By September 30 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the progress of meeting the requirements in subsection (1).

Sec. 1617. (1) The department shall evaluate the merits of transitioning the Medicaid reimbursement methodology for federally qualified health centers from a prospective payment system to an alternative payment methodology. The alternative payment methodology must be a population-based capitated payment system that is based on a per-patient per-month reimbursement for each Medicaid recipient assigned to each federally qualified health center.

(2) By September 30 of the current fiscal year, the department shall report on the findings of the evaluation required under subsection (1) to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office.

Sec. 1620. (1) For fee-for-service Medicaid claims, the professional dispensing fee for drugs indicated as specialty medications on the Michigan pharmaceutical products list is \$20.02 or the pharmacy's submitted dispensing fee, whichever is less.

(2) For fee-for-service Medicaid claims, for drugs not indicated as specialty drugs on the Michigan pharmaceutical products list, the professional dispensing fee for medications is as follows:

(a) For medications indicated as preferred on the department's preferred drug list, \$10.80 or the pharmacy's submitted dispensing fee, whichever is less.

(b) For medications not on the department's preferred drug list, \$10.64 or the pharmacy's submitted dispensing fee, whichever is less.

(c) For medications indicated as nonpreferred on the department's preferred drug list, \$9.00 or the pharmacy's submitted dispensing fee, whichever is less.

(3) The department shall require a prescription co-payment for Medicaid recipients not enrolled in the Healthy Michigan plan or with an income less than 100% of the federal poverty level of \$1.00 for a generic drug or any drug indicated as preferred on the department's preferred drug list and \$3.00 for a brand-name drug not indicated as preferred on the department's preferred drug list, except as prohibited by federal or state law or regulation.

(4) The department shall require a prescription co-payment for Medicaid recipients enrolled in the Healthy Michigan plan with an income of at least 100% of the federal poverty level of \$4.00 for a generic drug or any drug indicated as preferred on the department's preferred drug list and \$8.00 for a brand-name drug not indicated as preferred on the department's preferred drug list, except as prohibited by federal or state law or regulation.

Sec. 1625. The department shall not enter into any contract with a Medicaid managed care organization that relies on a pharmacy benefit manager that does not do all of the following:

(a) For pharmacies with not more than 7 retail outlets, utilizes a pharmacy reimbursement methodology of the national average drug acquisition cost plus a professional dispensing fee comparable to the applicable professional dispensing fee provided through section 1620. The pharmacy benefit manager or the involved pharmacy services administrative organization shall not receive any portion of the additional professional dispensing fee. The department shall identify the pharmacies this subdivision applies to and provide the list of applicable pharmacies to the Medicaid managed care organizations.

(b) For pharmacies with not more than 7 retail outlets, utilizes a pharmacy reimbursement methodology, when a national average drug acquisition cost price is not available, for brand drugs of the lesser of the wholesale acquisition cost, the average wholesale price less 16.7% plus a professional dispensing fee comparable to the applicable professional dispensing fee provided through section 1620, or the usual and customary charge by the pharmacy. The department shall identify the pharmacies this subdivision applies to and provide the list of applicable pharmacies to the Medicaid managed care organizations.

(c) For pharmacies with not more than 7 retail outlets, utilizes a pharmacy reimbursement methodology, when a national average drug acquisition cost price is not available, for generic drugs of the lesser of wholesale acquisition cost plus a professional dispensing fee comparable to the applicable professional dispensing fee provided through section 1620, average wholesale price less 30.0% plus a professional dispensing fee comparable to the applicable professional dispensing fee provided through section 1620, or the usual and customary charge by the pharmacy. The department shall identify the pharmacies this subdivision applies to and provide the list of applicable pharmacies to the Medicaid managed care organizations.

(d) Reimburses for a legally valid claim at a rate not less than the rate in effect at the time the original claim adjudication as submitted at the point of sale.

(e) Agrees to move to a transparent "pass-through" pricing model, in which the pharmacy benefit manager discloses the administrative fee as a percentage of the professional dispensing costs to the department.

(f) Agrees to not create new pharmacy administration fees and to not increase current fees more than the rate of inflation. This subdivision does not apply to any federal rule or action that creates a new fee.

(g) Agrees to not terminate an existing contract with a pharmacy with not more than 7 retail outlets for the sole reason of the additional professional dispensing fee authorized under this section.

Sec. 1626. (1) By January 15 of the current fiscal year, each pharmacy benefit manager that receives reimbursements, either directly or through a Medicaid health plan, from the funds appropriated in part 1 for medical services must submit all of the following information to the department for the previous fiscal year:

(a) The total number of prescriptions that were dispensed.

(b) The aggregate wholesale acquisition cost for each drug on its formulary.

(c) The aggregate amount of rebates, discounts, and price concessions that the pharmacy benefit manager received for each drug on its formulary. The amount of rebates shall include any utilization discounts the pharmacy benefit manager receives from a manufacturer.

(d) The aggregate amount of administrative fees that the pharmacy benefit manager received from all pharmaceutical manufacturers.

(e) The aggregate amount identified in subdivisions (b) and (c) that were retained by the pharmacy benefit manager and did not pass through to the department or to the Medicaid health plan.

(f) The aggregate amount of reimbursements the pharmacy benefit manager pays to contracting pharmacies.

(g) Any other information considered necessary by the department.

(2) By March 1 of the current fiscal year, the department shall submit the information provided under subsection (1) to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office.

(3) Any nonaggregated information submitted under this section shall be confidential and shall not be disclosed to any person by the department. Such information is not considered a public record of the department.

Sec. 1627. By April 1 of the current fiscal year, the department shall provide a report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices on both of the following:

(a) The cost per Medicaid prescription for the fee-for-service population and separately the cost per Medicaid prescription for the managed care population for the fiscal years ending September 30, 2017 through the previous fiscal year.

(b) Projected cost per Medicaid prescription for the fee-for-service population and projected cost per Medicaid prescription for the managed care population for the current fiscal year.

Sec. 1628. From the funds appropriated in part 1 for hospital services and therapy and Healthy Michigan plan, the department shall allocate \$3,000,000.00 in general fund/general purpose revenue and any associated federal match to increase the Medicaid reimbursement rate for dental services provided at ambulatory surgical centers and outpatient hospitals. The funding provided in this section must be used to increase the minimum rate for dental services provided in ambulatory surgical centers to \$1,495.00 and increase the minimum rate for dental services provided in outpatient hospitals to \$2,300.00.

Sec. 1629. The department shall utilize maximum allowable cost pricing for generic drugs that is based on wholesaler pricing to providers that is available from at least 2 wholesalers who deliver in this state.

Sec. 1630. (1) From the funds appropriated in part 1 for dental redesign, the department shall design and implement a redesign in the administration of Medicaid-funded adult dental services. The redesign must meet all of the following requirements:

(a) Fund sufficient reimbursement rates for Medicaid dental services to ensure provider participation in the Medicaid program.

(b) Improve Medicaid recipient access to an adequate network of Medicaid-enrolled dentists.

(c) Provide Medicaid recipients access to necessary utilization management and care coordination.

(d) Reduce administrative burden for participating dental practices in provider enrollment, claims processing, and payment.

(e) Not increase state general fund/general purpose expenditures above the amount appropriated for adult dental services in the current fiscal year.

(2) By November 1 of the current fiscal year, the department must share the details of the redesign detailed in subsection (1) with the house and senate appropriations committees, the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office.

(3) Upon receipt of the report detailed in subsection (2), the house and senate appropriations committees have until November 30 or 30 days of receipt of the report detailed in subsection (2), whichever is later, to disapprove the redesign required in subsection (1) by a majority vote in both committees. If a majority vote of both appropriations committees disapproving the plan detailed in subsection (2) fails, the department shall implement the redesign upon receipt of all necessary federal approvals.

Sec. 1631. (1) The department shall require co-payments on dental, podiatric, and vision services provided to Medicaid recipients, except as prohibited by federal or state law or regulation.

(2) Except as otherwise prohibited by federal or state law or regulation, the department shall require Medicaid recipients not enrolled in the Healthy Michigan plan or with an income less than 100% of the federal poverty level to pay not less than the following co-payments:

(a) Two dollars for a physician office visit.

(b) Three dollars for a hospital emergency room visit.

(c) Fifty dollars for the first day of an inpatient hospital stay.

(d) Two dollars for an outpatient hospital visit.

(3) Except as otherwise prohibited by federal or state law or regulation, the department shall require Medicaid recipients enrolled in the Healthy Michigan plan with an income of at least 100% of the federal poverty level to pay the following co-payments:

(a) Four dollars for a physician office visit.

(b) Eight dollars for a hospital emergency room visit.

(c) One hundred dollars for the first day of an inpatient hospital stay.

(d) Four dollars for an outpatient hospital visit or any other medical provider visit to the extent allowed by federal or state law or regulation.

Sec. 1641. An institutional provider that is required to submit a cost report under the Medicaid program shall submit cost reports completed in full within 5 months after the end of its fiscal year.

Sec. 1644. (1) From the funds appropriated in part 1, the department shall continue the direct care wage increase funded at \$2.35 per hour to direct care workers employed by skilled nursing facilities for the current fiscal year. This funding must include all costs incurred by the employer, including payroll taxes, due to the wage increase. As used in this subsection, "direct care workers" means a registered professional nurse, licensed practical nurse, competency-evaluated nursing assistant, and respiratory therapist.

(2) From the funds appropriated in part 1, the department shall continue the direct care wage increase funded at \$2.35 per hour to direct care workers employed by licensed adult foster care facilities and licensed homes for the aged that provide Medicaid-funded fee-for-service personal care services that were not eligible for any direct care worker pay adjustment under Medicaid-funded managed care. This funding must include all costs incurred by the employer, including payroll taxes, due to the wage increase.

Sec. 1645. (1) It is the intent of the legislature that the department establish the class I nursing facility current asset value bed limit based on the rolling 15-year history of new construction.

(2) It is the intent of the legislature that, for the fiscal year beginning October 1, 2023, the department modify the class I nursing facility current asset value bed limit based on the rolling 15-year history of new construction. The increase in the current asset value bed limit shall not exceed 4% of the limit for the fiscal year beginning October 1, 2022.

Sec. 1646. (1) From the funds appropriated in part 1 for long-term care services, the department shall continue to administer a nursing facility quality measure initiative program. The initiative shall be financed through the quality assurance assessment for nursing homes and hospital long-term care units, and the funds shall be distributed according to the following criteria:

(a) The department shall award more dollars to nursing facilities that have a higher CMS 5-star quality measure domain rating, then adjusted to account for both positive and negative aspects of a patient satisfaction survey.

(b) A nursing facility with a CMS 5-star quality measure domain star rating of 1 or 2 must file an action plan with the department describing how it intends to use funds appropriated under this section to increase quality outcomes before funding shall be released.

(c) The total incentive dollars must reflect the following Medicaid utilization scale:

(i) For nursing facilities with a Medicaid participation rate of above 63%, the facility shall receive 100% of the incentive payment.

(ii) For nursing facilities with a Medicaid participation rate between 50% and 63%, the facility shall receive 75% of the incentive payment.

(iii) For nursing facilities with a Medicaid participation rate of less than 50%, the facility shall receive a payment proportionate to their Medicaid participation rate.

(iv) For nursing facilities not enrolled in Medicaid, the facility shall not receive an incentive payment.

(d) Facilities designated as special focus facilities are not eligible for any payment under this section.

(e) Number of licensed beds.

(2) The department and nursing facility representatives shall evaluate the quality measure incentive program's effectiveness on quality, measured by the change in the CMS 5-star quality measure domain rating since the implementation of quality measure incentive program. By March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices on the findings of the evaluation.

Sec. 1647. By January 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the status of *Maple Manor Rehab Center of Wayne v Mich Dep't of Treasury*, Docket No. 359235.

Sec. 1657. (1) Reimbursement for Medicaid to screen and stabilize a Medicaid recipient, including stabilization of a psychiatric crisis, in a hospital emergency room shall not be made contingent on obtaining prior authorization from the recipient's HMO. If the recipient is discharged from the emergency room, the hospital shall notify the recipient's HMO within 24 hours of the diagnosis and treatment received.

(2) If the treating hospital determines that the recipient will require further medical service or hospitalization beyond the point of stabilization, that hospital shall receive authorization from the recipient's HMO prior to admitting the recipient.

(3) Subsections (1) and (2) do not require an alteration to an existing agreement between an HMO and its contracting hospitals and do not require an HMO to reimburse for services that are not considered to be medically necessary.

Sec. 1662. (1) The department shall ensure that an external quality review of each contracting HMO is performed that results in an analysis and evaluation of aggregated information on quality, timeliness, and access to health care services that the HMO or its contractors furnish to Medicaid beneficiaries.

(2) The department shall require Medicaid HMOs to provide EPSDT utilization data through the encounter data system, and HEDIS well child health measures in accordance with the National Committee for Quality Assurance prescribed methodology.

(3) The department shall provide a copy of the analysis of the Medicaid HMO annual audited HEDIS reports and the annual external quality review report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget director, within 30 days after the department's receipt of the final reports from the contractors.

Sec. 1670. (1) The appropriation in part 1 for the MICHild program is to be used to provide comprehensive health care to all children under age 19 who reside in families with income at or below 212% of the federal poverty level, who are uninsured and have not had coverage by other comprehensive health insurance within 6 months of making application for MICHild benefits, and who are residents of this state. The department shall develop detailed eligibility criteria through the health and aging services administration public concurrence process, consistent with the provisions of this part and part 1.

(2) The department may provide up to 1 year of continuous eligibility to children eligible for the MICHild program unless the family fails to pay the monthly premium, a child reaches age 19, or the status of the children's family changes and its members no longer meet the eligibility criteria as specified in the state plan.

(3) The department may make payments on behalf of children enrolled in the MICHild program as described in the MICHild state plan approved by the United States Department of Health and Human Services, or from other medical services.

Sec. 1673. The department may establish premiums for MICHild eligible individuals in families with income at or below 212% of the federal poverty level. The monthly premiums shall be \$10.00 per month.

Sec. 1677. The MICHild program shall provide, at a minimum, all benefits available under the Michigan benchmark plan that are delivered through contracted providers and consistent with federal law, including, but not limited to, the following medically necessary services:

(a) Inpatient mental health services, other than substance use disorder treatment services, including services furnished in a state-operated mental hospital and residential or other 24-hour therapeutically planned structured services.

(b) Outpatient mental health services, other than substance use disorder services, including services furnished in a state-operated mental hospital and community-based services.

(c) Durable medical equipment and prosthetic and orthotic devices.

(d) Dental services as outlined in the approved MICHild state plan.

(e) Substance use disorder treatment services that may include inpatient, outpatient, and residential substance use disorder treatment services.

(f) Care management services for mental health diagnoses.

(g) Physical therapy, occupational therapy, and services for individuals with speech, hearing, and language disorders.

(h) Emergency ambulance services.

Sec. 1682. (1) In addition to the appropriations in part 1, the department is authorized to receive and spend penalty money received as the result of noncompliance with Medicaid certification regulations. Penalty money, characterized as private funds, received by the department shall increase authorizations and allotments in the long-term care accounts.

(2) Any unexpended penalty money, at the end of the year, shall carry forward to the following year.

(3) By March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on penalty money received by the department as described in subsection (1). The report shall include, but is not limited to, the following information:

(a) The amount of penalty monies received by the department received in the previous fiscal year listed by the assessed entity.

(b) A list of the entities who were assessed penalties in the previous fiscal year with the rationale for each penalty.

Sec. 1692. (1) The department is authorized to pursue reimbursement for eligible services provided in Michigan schools from the federal Medicaid program. The department and the state budget director are authorized to negotiate and enter into agreements, together with the department of education, with local and intermediate school districts regarding the sharing of federal Medicaid services funds received for these services. The department is authorized to receive and disburse funds to participating school districts pursuant to such agreements and state and federal law.

(2) From the funds appropriated in part 1 for health services school-based services payments, the department is authorized to do all of the following:

(a) Finance activities within the health and aging services administration related to this project.

(b) Reimburse participating school districts pursuant to the fund-sharing ratios negotiated in the state-local agreements authorized in subsection (1).

(c) Offset general fund costs associated with the Medicaid program.

Sec. 1693. The special Medicaid reimbursement appropriation in part 1 may be increased if the department submits a Medicaid state plan amendment pertaining to this line item at a level higher than the appropriation. The department is authorized to appropriately adjust financing sources in accordance with the increased appropriation.

Sec. 1694. From the funds appropriated in part 1 for special Medicaid reimbursement, \$1,121,400.00 of general fund/general purpose revenue and any associated federal match shall be distributed for poison control services to an academic health care system that has a high indigent care volume.

Sec. 1697. The department shall require that Medicaid health plans administering Healthy Michigan plan benefits maintain a network of dental providers in sufficient numbers, mix, and geographic locations throughout their respective service areas in order to provide adequate dental care for Healthy Michigan plan enrollees.

Sec. 1698. From the funds appropriated in part 1 for dental services, the department shall allocate \$46,681,500.00 to increase the rates on the department's dental fee schedule for adult fee-for-service Medicaid claims.

Sec. 1699. (1) The department may make separate payments in the amount of \$45,000,000.00 directly to qualifying hospitals serving a disproportionate share of indigent patients and to hospitals providing GME training programs. If direct payment for GME and DSH is made to qualifying hospitals for services to Medicaid recipients, hospitals shall not include GME costs or DSH payments in their contracts with HMOs.

(2) The department shall allocate \$45,000,000.00 in DSH funding using the distribution methodology used in fiscal year 2003-2004.

Sec. 1700. By December 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on the distribution of funding provided, and the net benefit if the special hospital payment is not financed with general fund/general purpose revenue, to each eligible hospital during the previous fiscal year from the following special hospital payments:

(a) DSH, separated out by unique DSH pool.

(b) GME.

(c) Special rural hospital payments provided under section 1802(2) of this part.

(d) Lump-sum payments to rural hospitals for obstetrical care provided under section 1802(1) of this part.

Sec. 1701. (1) The department shall explore the feasibility of obtaining appropriate federal approvals to allow for the utilization of Medicaid funding for the creation of a Medicaid supportive housing services benefit. By March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on all of the following:

(a) The prospective number of eligible individuals.

(b) The anticipated enrolled individuals.

(c) The estimated cost.

(d) The timeline for implementation, if feasible.

(e) The proposed housing-based services and supports for Medicaid beneficiaries eligible for the benefit described in this section.

(2) It is the intent of the legislature that a Medicaid supportive housing services benefit target those Medicaid beneficiaries that experience chronic homelessness, as well as other high-risk individuals that experience lengthy or frequent institutional or adult residential care stays.

Sec. 1702. From the funds appropriated in part 1, the department shall allocate \$2,820,000.00 in general fund/general purpose revenue and any associated federal match to provide a rate increase for private duty nursing services for Medicaid beneficiaries under the age of 21. It is the intent of the legislature for the rate to increase by 30%, but not less than 10%, for the services described under this section. These additional funds must be used to attract and retain highly qualified registered nurses and licensed practical nurses to provide private duty nursing services so that medically fragile individuals can be cared for in the most homelike setting possible.

Sec. 1704. (1) From the funds appropriated in part 1 for health plan services, the department shall maintain the Medicaid adult dental benefit for pregnant women enrolled in a Medicaid program.

(2) By April 15 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office on the following:

(a) The number of pregnant women enrolled in Medicaid who visited a dentist over the previous fiscal year.

(b) The number of dentists statewide who participate in providing dental services to pregnant women enrolled in Medicaid.

Sec. 1757. The department shall obtain proof from all Medicaid recipients that they are United States citizens or otherwise legally residing in this country and that they are residents of this state before approving Medicaid eligibility.

Sec. 1763. It is the intent of the legislature that upon expiration of contract no. 071b7700073, the department shall issue an RFP for a 3-year contract for actuarial services, including, but not limited to, capitation rate setting for Medicaid and the Healthy Michigan plan. The department shall notify the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices on what vendors submitted bids for the contract, which vendor received the contract, the evaluation process, and the criteria used by the department in awarding the contract for actuarial services.

Sec. 1764. The department shall annually certify whether rates paid to Medicaid health plans and specialty PIHPs are actuarially sound in accordance with federal requirements and shall provide a copy of the rate

certification and approval of rates paid to Medicaid health plans and specialty PIHPs for any fiscal year within 10 business days after certification to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office. Following the rate certification, the department shall ensure that no new or revised state Medicaid policy bulletin that is promulgated materially impacts the capitation rates that have been certified.

Sec. 1775. (1) By March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office on progress in implementing the waiver to implement managed care for individuals who are eligible for both Medicare and Medicaid, known as MI Health Link, including any planned expansion into other geographic regions and any problems and potential solutions as identified by the ombudsman described in subsection (2).

(2) The department shall ensure the existence of an ombudsman program that is not associated with any project service manager or provider to assist MI Health Link beneficiaries with navigating complaint and dispute resolution mechanisms and to identify problems in the demonstrations and in the complaint and dispute resolution mechanisms.

Sec. 1786. (1) From the funds appropriated in part 1, the department shall increase Medicaid reimbursement for the administration of injectable vaccines to \$16.13 and administration of oral vaccines to \$12.25.

(2) The intent of the rate increases in subsection (1) of this section is to improve immunization rates among Medicaid beneficiaries and reduce the spread of preventable illness.

Sec. 1788. From the funds appropriated in part 1, the department shall provide Medicaid reimbursement rates, including Medicaid reimbursements from the ambulance provider quality assurance assessment, for ground ambulance services at not less than 100% of the Medicare rates for Locality 01 for those services in effect on the date the services are provided to eligible Medicaid recipients.

Sec. 1790. The department shall maintain the current practitioner rates paid for current procedural terminology (CPT) codes 90791 through 90899 for psychiatric procedures through Medicaid fee-for-service and through the comprehensive Medicaid health plans for psychiatric procedures provided for Medicaid recipients under the age of 21.

Sec. 1791. From the funds appropriated in part 1 for health plan services and physician services, the department shall provide Medicaid reimbursement rates for neonatal services at 100% of the Medicare rate received for those services in effect on the date the services are provided to eligible Medicaid recipients. The current procedural terminology (CPT) codes that are eligible for this reimbursement rate increase are 99468, 99469, 99471, 99472, 99475, 99476, 99477, 99478, 99479, and 99480.

Sec. 1792. By April 30 of the current fiscal year, the department shall evaluate pharmacy encounter data through the first 2 quarters of the fiscal year to determine, in consultation with the Medicaid health plans, if rates must be recertified. By May 30 of the current fiscal year, the department shall report the evaluation results to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, the state budget office, and the Medicaid health plans.

Sec. 1801. (1) From the funds appropriated in part 1 for physician services and health plan services, the department shall continue the increase to Medicaid rates for primary care services provided only by primary care providers. Providers performing a service and whose primary practice is as a non-primary-care subspecialty are not eligible for the increase. The department shall establish policies that most effectively limit the increase to primary care providers for primary care services only. As used in this section, "primary care provider" means a physician, or a practitioner working in collaboration with a physician, who is either licensed under part 170 or part 175 of the public health code, 1978 PA 368, MCL 333.17001 to 333.17097 and 333.17501 to 333.17556, and working as a primary care provider in general practice or board-eligible or certified with a specialty designation of family medicine, general internal medicine, or pediatric medicine, or a provider who provides the department with documentation of equivalency.

(2) From the funds appropriated in part 1 for health plan services and physician services, the department shall allocate \$15,000,000.00 of general fund/general purpose revenue and any associated federal match to provide Medicaid reimbursement rates for primary care services at the greater of either the actual rates paid during the previous fiscal year or at least 95% of the Medicare rate received for those services on the date the service is provided. The current procedural terminology (CPT) codes that are eligible for this reimbursement rate increase are 99202 through 99205, 99211 through 99215, 99381 through 99387, 99391 through 99397, 99421, 99422, 99423, 99441, 99442, and 99443.

Sec. 1802. (1) From the funds appropriated in part 1 for hospital services and therapy, \$7,995,200.00 in general fund/general purpose revenue shall be provided as lump-sum payments to noncritical access hospitals that qualified for rural hospital access payments in fiscal year 2013-2014 and that provide obstetrical care in the current fiscal year. Payment amounts shall be based on the volume of obstetrical care cases and newborn care cases for all such cases billed by each qualified hospital in the most recent year for which data is available. Payments shall be made by January 1 of the current fiscal year.

(2) From the funds appropriated in part 1 for hospital services and therapy and Healthy Michigan plan, \$13,904,800.00 in general fund/general purpose revenue and any associated federal match shall be awarded as rural access payments to noncritical access hospitals that meet criteria established by the department for services to low-income rural residents. One of the reimbursement components of the distribution formula shall be assistance with labor and delivery services. The department shall ensure that the rural access payments described in this subsection are distributed in a manner that ensures that a hospital does not receive more than 10.0% of the total rural access funding referenced in this subsection.

(3) The methodology for distribution under subsection (2) and its applicable data that are used to determine the payment amounts must be provided to each hospital by August 1 of the current fiscal year. The department shall publish the distribution of payments for the current fiscal year and the previous fiscal year.

Sec. 1803. The department shall maintain rules to allow for billing to and reimbursement by the Medicaid program directly for transportation charges related to portable X-ray services rendered to patients residing in a nursing facility or an assisted living facility, or who are otherwise homebound. By October 1 of the current fiscal year, the department shall set payment rates for Medicaid transportation charges related to portable X-ray services.

Sec. 1804. (1) The department shall utilize the federal public assistance reporting information system to identify Medicaid recipients who are veterans and who may be eligible for federal veterans' health care benefits or other benefits. The department shall identify the specific outcomes and performance reporting requirements described in this section. The department shall acquire all of the following information by January 1 of the current fiscal year and report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices on the following:

- (a) The number of veterans identified by the department through eligibility determinations.
- (b) The number of veterans referred to the department of military and veterans affairs.
- (c) The number of referrals made by the department that were contacted by the department of military and veterans affairs.
- (d) The number of referrals made by the department that were eligible for veterans health care benefits or other benefits.
- (e) The specific actions and efforts undertaken by the department and the department of military and veterans affairs to identify female veterans who are applying for public assistance benefits, but who are eligible for veterans benefits.

(2) By October 1 of the current fiscal year, the department shall change the public assistance application form from asking whether the prospective applicant was a veteran to asking whether the applicant had ever served in the military.

(3) This section does not prohibit the department from entering into interagency agreements with any other public department or agency in this state in order to obtain the information detailed in subsection (1).

Sec. 1810. In advance of the annual rate setting development, Medicaid health plans shall be given at least 60 days to dispute and correct any discarded encounter data before rates are certified. The department shall notify each contracting Medicaid health plan of any encounter data that have not been accepted for the purposes of rate setting.

Sec. 1812. By June 1 of the current fiscal year, and using the most recent available cost reports, the department shall complete a report of all direct and indirect costs associated with residency training programs for each hospital that receives funds appropriated in part 1 for graduate medical education or through the MiDocs consortium. The report shall be submitted to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the state budget office.

Sec. 1820. (1) In order to avoid duplication of efforts, the department shall utilize applicable national accreditation review criteria to determine compliance with corresponding state requirements for Medicaid health plans that have been reviewed and accredited by a national accrediting entity for health care services.

(2) The department shall continue to comply with state and federal law and shall not initiate an action that negatively impacts beneficiary safety.

(3) As used in this section, "national accrediting entity" means the National Committee for Quality Assurance, the URAC, formerly known as the Utilization Review Accreditation Commission, or other appropriate entity, as approved by the department.

Sec. 1837. The department shall continue, and expand where appropriate, utilization of telemedicine and telepsychiatry as strategies to increase access to services for Medicaid recipients.

Sec. 1846. From the funds appropriated in part 1 for graduate medical education, the department shall distribute the funds with an emphasis on the following health care workforce goals:

- (a) The encouragement of the training of physicians in specialties, including primary care, that are necessary to meet the future needs of residents of this state.
- (b) The training of physicians in settings that include ambulatory sites and rural locations.

(c) The training of practitioners providing pediatric psychiatry services.

Sec. 1850. The department may allow Medicaid health plans to assist with maintaining eligibility through outreach activities to ensure continuation of Medicaid eligibility and enrollment in managed care. This may include mailings, telephone contact, or face-to-face contact with beneficiaries enrolled in the individual Medicaid health plan. Health plans may offer assistance in completing paperwork for beneficiaries enrolled in their plan.

Sec. 1851. From the funds appropriated in part 1 for adult home help services, the department shall allocate \$150,000.00 state general fund/general purpose revenue plus any associated federal match to develop and deploy a mobile electronic visit verification solution to create administrative efficiencies, reduce error, and minimize fraud. The development of the solution shall be predicated on input from the results of the 2017 stakeholder survey.

Sec. 1852. (1) The department shall explore all of the following:

(a) Elimination of monthly enrollment caps.

(b) Removal of card cut-off dates.

(c) Allowance for the program for all-inclusive care for the elderly (PACE) to provide services at the time of signed enrollment agreement.

(2) The department shall identify an alternative payment authority that would reimburse PACE organizations for services provided to a participant before the effective date of enrollment on a capitated basis. By January 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the cost of reimbursing PACE organizations for services provided to a participant before the effective date of enrollment.

Sec. 1854. The funds appropriated in part 1 for program of all-inclusive care for the elderly (PACE) must support a current fiscal year enrollment cap that is not less than 7,288.

Sec. 1855. From the funds appropriated in part 1 for program of all-inclusive care for the elderly (PACE), to the extent that funding is available in the PACE line item and unused program slots are available, the department may do the following:

(a) Increase the number of slots for an already-established local PACE program if the local PACE program has provided appropriate documentation to the department indicating its ability to expand capacity to provide services to additional PACE clients.

(b) Suspend the 10 member per month individual PACE program enrollment increase cap in order to allow unused and unobligated slots to be allocated to address unmet demand for PACE services.

Sec. 1856. (1) From the funds appropriated in part 1 for hospice services, \$5,000,000.00 shall be expended to provide room and board for Medicaid recipients who meet hospice eligibility requirements and receive services at Medicaid enrolled hospice residences in this state. The department shall distribute funds through grants based on the total beds located in all eligible residences that have been providing these services as of October 1, 2017. Any eligible grant applicant may inform the department of the applicant's request to reduce the grant amount allocated for the applicant's residence and the funds shall be distributed proportionally to increase the total grant amount of the remaining grant-eligible residences. Grant amounts shall be paid out monthly with 1/12 of the total grant amount distributed each month to the grantees.

(2) By September 15 of the current fiscal year, each Medicaid-enrolled hospice with a residence that receives funds under this section shall provide a report to the department on the utilization of the grant funding provided in subsection (1). The report shall be provided in a format prescribed by the department and shall include the following:

(a) The number of patients served.

(b) The number of days served.

(c) The daily room and board rates for the patients served.

(d) If there is not sufficient funding to cover the total room and board need, the number of patients who did not receive care due to insufficient grant funding.

(3) If funds remain at the end of the current fiscal year, the Medicaid-enrolled hospice with a residence shall return funding to the state.

Sec. 1857. By July 1 of the current fiscal year, the department shall explore the implementation of a managed care long-term support service.

Sec. 1858. By April 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget and the senate and house fiscal agencies on all of the following elements related to the current Medicaid pharmacy carve-out of pharmaceutical products as provided for in section 109h of the social welfare act, 1939 PA 280, MCL 400.109h:

(a) The number of prescriptions paid by the department during the previous fiscal year.

(b) The total amount of expenditures for prescriptions paid by the department during the previous fiscal year.

(c) The number of and total expenditures for prescriptions paid for by the department for generic equivalents during the previous fiscal year.

Sec. 1859. The department shall partner with the Michigan Association of Health Plans (MAHP) and Medicaid health plans to develop and implement strategies for the use of information technology services for Medicaid research activities. The department shall make available state medical assistance program data, including Medicaid behavioral data, to MAHP and Medicaid health plans or any vendor considered qualified by the department for the purpose of research activities consistent with this state's goals of improving health; increasing the quality, reliability, availability, and continuity of care; and reducing the cost of care for the eligible population of Medicaid recipients.

Sec. 1860. By March 1 of the current fiscal year, the department shall provide a report to the senate and house appropriations subcommittees, the senate and house fiscal agencies, and the state budget office on uncollected co-pays and premiums in the Healthy Michigan plan. The report shall include information on the number of participants who have not paid their co-pays and premiums, the total amount of uncollected co-pays and premiums, and steps taken by the department and health plans to ensure greater collection of co-pays and premiums.

Sec. 1862. From the funds appropriated in part 1, the department shall maintain payment rates for Medicaid obstetrical services at 95% of Medicare levels effective October 1, 2014.

Sec. 1867. (1) The department shall continue a workgroup that includes psychiatrists, other relevant prescribers, and pharmacists to identify best practices and to develop a protocol for psychotropic medications. Any changes proposed by the workgroup shall protect a Medicaid beneficiary's current psychotropic pharmaceutical treatment regimen by not requiring a physician currently prescribing any treatment to alter or adjust that treatment.

(2) By March 1 of the current fiscal year, the department shall provide the workgroup's recommendations to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the state budget office.

Sec. 1870. (1) From the funds appropriated in part 1 for hospital services and therapy, the department shall appropriate \$6,400,000.00 in general fund/general purpose revenue plus any contributions from public entities, up to \$5,000,000.00, and any associated federal match to the MiDocs consortium to create new primary care residency slots in underserved communities. The new primary care residency slots must be in 1 of the following specialties: family medicine, general internal medicine, general pediatrics, general OB-GYN, psychiatry, or general surgery.

(2) The department shall seek any necessary approvals from CMS to allow the department to implement the program described in this section.

(3) Assistance with repayment of medical education loans, loan interest payments, or scholarships provided by MiDocs shall be contingent upon a minimum 2-year commitment to practice in an underserved community in this state post-residency and an agreement to forego any sub-specialty training for at least 2 years post-residency with the exception of a child and adolescent psychiatry fellowship which must be integrated with a psychiatry residency training program in a MiDocs affiliated institution.

(4) The MiDocs shall work with the department to integrate the Michigan inpatient psychiatric admissions discussion (MIPAD) recommendations and, when possible, prioritize training opportunities in state psychiatric hospitals and community mental health organizations.

(5) The department shall maintain the MiDocs initiative advisory council to help support implementation of the program described in this section, and provide oversight. The advisory council shall be composed of the MiDocs consortium, the Michigan Area Health Education Centers, the Michigan Primary Care Association, the Michigan Center for Rural Health, the Michigan Academy of Family Physicians, and any other appointees designated by the department.

(6) By September 1 of the current fiscal year, MiDocs shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office, on the following:

(a) Audited financial statement of per-resident costs.

(b) Education and clinical quality data.

(c) Roster of trainees, including areas of specialty and locations of training.

(d) Medicaid revenue by training site.

(7) Outcomes and performance measures for this program include, but are not limited to, the following:

(a) Increasing this state's ability to recruit, train, and retain primary care physicians and other select specialty physicians in underserved communities.

(b) Maximizing training opportunities with community health centers, rural critical access hospitals, solo or group private practice physician practices, schools, and other community-based clinics, in addition to required rotations at inpatient hospitals.

(c) Increasing the number of residency slots for family medicine, general internal medicine, general pediatrics, general OB-GYN, psychiatry, and general surgery.

(8) Unexpended and unencumbered funds up to a maximum \$6,400,000.00 in general fund/general purpose revenue plus any contributions from public entities, up to \$5,000,000.00, and any associated federal match remaining in accounts appropriated in part 1 for hospital services and therapy are designated as work project appropriations, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for the MiDocs consortium to create new primary care residency slots in underserved communities under this section until the work project has been completed. All of the following are in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to fund the cost of the MiDocs consortium to create new primary care residency slots in underserved communities.

(b) The work project will be accomplished by contracting with the MiDocs consortium to oversee the creation of new primary care residency slots.

(c) The total estimated completion cost of the work project is \$20,200,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 1871. The funds appropriated in part 1 for the Healthy Michigan plan healthy behaviors incentives program shall only provide reductions in cost-sharing responsibilities and shall not include other financial rewards such as gift cards.

Sec. 1872. From the funds appropriated in part 1 for personal care services, the department shall maintain the monthly Medicaid personal care supplement paid to adult foster care facilities and homes for the aged that provide personal care services to Medicaid recipients in place during the previous fiscal year.

Sec. 1873. From the funds appropriated in part 1 for long-term care services, the department may allocate up to \$3,700,000.00 for the purpose of outreach and education to nursing home residents and the coordination of housing in order to move out of the facility. In addition, any funds appropriated shall be used for other quality improvement activities of the program. The department shall consider working with all relevant stakeholders to develop a plan for the ongoing sustainability of the nursing facility transition initiative.

Sec. 1874. The department shall ensure, in counties where program of all-inclusive care for the elderly or PACE services are available, that the program of all-inclusive care for the elderly (PACE) is included as an option in all options counseling and enrollment brokering for aging services and managed care programs, including, but not limited to, Area Agencies on Aging, centers for independent living, and the MiChoice home and community-based waiver. Such options counseling must include approved marketing and discussion materials.

Sec. 1875. (1) The department and its contractual agents may not subject Medicaid prescriptions to prior authorization procedures during the current fiscal year if that drug is carved out or is not subject to prior authorization procedures as of January 22, 2021 or is a prescription drug that is orally administered and approved by the United States Food and Drug Administration for the treatment of Duchenne Muscular Dystrophy as of July 1, 2022.

(2) As used in this section, "prior authorization" means a process implemented by the department or its contractual agents that conditions, delays, or denies delivery of particular pharmacy services to Medicaid beneficiaries upon application of predetermined criteria by the department or its contractual agents to those pharmacy services. The process of prior authorization often requires that a prescriber do 1 or both of the following:

(a) Obtain preapproval from the department or its contractual agents before prescribing a given drug.

(b) Verify to the department or its contractual agents that the use of a drug prescribed for an individual meets predetermined criteria from the department or its contractual agents for a prescription drug that is otherwise available under the Medicaid program in this state.

Sec. 1879. (1) The department shall maintain a single, standard preferred drug list to be used by all contracted Medicaid managed health care programs. Changes to the preferred drug list shall be made in consultation with all contracted managed health care programs and the Michigan pharmacy and therapeutics committee to ensure sufficient access to medically necessary drugs for each disease state. The department has final authority over the list and shall design the list to ensure access to clinically effective and appropriate drug therapies and maximize federal rebates and supplemental rebates.

(2) By July 15 of the current fiscal year, the department shall submit a report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office that compares the managed care pharmacy expenditures, utilization, and rebates before implementing a single, standard preferred drug list to managed care pharmacy expenditures, utilization, and rebates after implementing a single, standard preferred drug list. The report shall include data on collected rebates, pharmacy utilization, and expenditures by quarter for at least 8 quarters before implementing a single, standard preferred drug list, and the experienced rebates, pharmacy

utilization, and expenditures for at least 10 quarters, and the projected rebates, pharmacy utilization, and expenditures for quarters 11 through 16 after implementing a single, standard preferred drug list. The data shall be aggregated by the department so as not to disclose the proprietary or confidential drug-specific information, or the proprietary or confidential information that directly or indirectly identifies financial information linked to a single manufacturer.

Sec. 1881. The managed care capitation rates for the fiscal year ending September 30, 2023 shall not include a 2-way risk corridor.

Sec. 1888. The department shall establish contract performance standards associated with the capitation withhold provisions for Medicaid health plans at least 3 months before the implementation of those standards. The determination of whether performance standards have been met shall be based primarily on recognized concepts such as 1-year continuous enrollment and the health care effectiveness data and information set, HEDIS, audited data.

Sec. 1894. By March 1 of the current fiscal year, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the Healthy Kids Dental program. The report shall include, but is not limited to, the following:

(a) The number of children enrolled in the Healthy Kids Dental program who visited the dentist during the previous fiscal year broken down by dental benefit manager.

(b) The number of dentists who accept payment from the Healthy Kids Dental program broken down by dental benefit manager.

(c) The annual change in dental utilization of children enrolled in the Healthy Kids Dental program broken down by dental benefit manager.

(d) Service expenditures for the Healthy Kids Dental program broken down by dental benefit manager.

(e) Administrative expenditures for the Healthy Kids Dental program broken down by dental benefit manager.

Sec. 1895. From the funds appropriated in part 1 for long-term care services, the department shall adjust the variable cost component (VCC) and plant cost component of Medicaid reimbursement to class I, class III, and class IV nursing home providers as follows:

(a) An interim VCC rate and plant cost component rate for each facility must be established at 102.5% of the interim rate provided on October 1 of the previous fiscal year.

(b) The quality assurance supplement (QAS) amount will be calculated for nursing home providers using the following factors:

(i) For class I providers, the QAS must be based on the updated interim VCC for this fiscal year multiplied by 21.76%.

(ii) For governmental class III providers, the QAS must be subject to the class I updated variable cost limit (VCL).

(iii) For nongovernmental class III providers, the QAS must be based on their VCC or VCL, as applicable, multiplied by 21.76%.

(c) The department shall audit the final 2023 VCC and plant costs to establish the final audited rate provided to facilities for services provided in the current fiscal year.

INFORMATION TECHNOLOGY

Sec. 1901. (1) The department shall provide a report on a semiannual basis to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on all of the following information:

(a) The process used to define requests for proposals for each expansion of information technology projects, including timelines, project milestones, and intended outcomes.

(b) If the department decides not to contract the services out to design and implement each element of the information technology expansion, the department's own project plan that includes, at a minimum, the requirements in subdivision (a).

(c) A recommended project management plan with milestones and time frames.

(d) The proposed benefits from implementing the information technology expansion, including customer service improvement, form reductions, potential time savings, caseload reduction, and return on investment.

(e) Details on the implementation of the integrated service delivery project, and the progress toward meeting the outcomes and performance measures listed in section 1904(2) of this part.

(f) A list of projects approved in the previous 6 months and the purpose for approving each project including any federal, state, court, or legislative requirement for each project.

(2) Once an award for an expansion of information technology is made, the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a projected cost of the expansion broken down by use and type of expense.

Sec. 1903. (1) The department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by November 1 of the current fiscal year the status of an implementation plan regarding the appropriation in part 1 to modernize the MiSACWIS. The report shall include, but not be limited to, an update on the status of the settlement and efforts to bring the system in compliance with the settlement and other federal guidelines set forth by the United States Department of Health and Human Services Administration for Children and Families.

(2) The department shall report quarterly to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office a status report on the planning, implementation, and operation, regardless of the current operational status, regarding the appropriation in part 1 to implement the MiSACWIS. The report shall provide details on the planning, implementation, and operation of the MiSACWIS, including, but not limited to, all of the following:

(a) Areas where implementation went as planned, and in each area including whether the implementation results in either enhanced user interface or portal access, conversion to new modules, or substantial operation improvement to the MiSACWIS.

(b) The number of known issues.

(c) The average number of help tickets submitted per day.

(d) Any additional overtime or other staffing costs to address known issues and volume of help tickets.

(e) Any contract revisions to address known issues and volume of help tickets.

(f) Other strategies undertaken to improve implementation, and for each strategy area including whether the implementation results in either enhanced user interface or portal access, conversion to new modules, or substantial operation improvement to the MiSACWIS.

(g) Progress developing cross-system trusted data exchange with the MiSACWIS.

(h) Progress in moving away from a statewide automated child welfare information system (SACWIS) to a comprehensive child welfare information system (CCWIS).

(i) Progress developing and implementing a program to monitor data quality.

(j) Progress developing and implementing custom integrated systems for private agencies.

(k) A list of all change orders, planned or in progress.

(l) The status of all change orders, planned or in progress.

(m) The estimated costs for all planned change orders.

(n) The estimated and actual costs for all change orders in progress.

(3) By July 1 of the current fiscal year, the department shall submit to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, and the house and senate policy offices a report on the department's efforts and recommendations to develop and implement a simpler and more streamlined process for the annual renewal of the licenses for family foster care homes, and the development of a simpler and more efficient version of the application form for renewal of the licenses for family foster care homes.

Sec. 1904. (1) From the funds appropriated in part 1 for the technology supporting integrated service delivery line item, the department shall maintain information technology tools and enhance existing systems to improve the eligibility and enrollment process for citizens accessing department administered programs. This information technology system shall consolidate beneficiary information, support department caseworker efforts in building a success plan for beneficiaries, and better support department staff in supporting enrollees in assistance programs.

(2) Outcomes and performance measures for the initiative under subsection (1) include, but are not limited to, the following:

(a) Successful consolidation of data warehouses maintained by the department.

(b) The amount of time a department caseworker devotes to data entry when initiating an enrollee application.

(c) A reduction in wait times for persons enrolled in assistance programs to speak with department staff and get necessary changes made.

(d) A reduction in department caseworker workload.

Sec. 1905. (1) The department shall report on a quarterly basis to the chairs of the senate and house standing committees on appropriations, the senate and house appropriations subcommittees on the department budget, the senate and house appropriations subcommittees on the general government budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on all of the following:

(a) Fiscal year-to-date information technology spending for the current fiscal year by service and project and by line-item appropriation.

(b) Planned information technology spending for the remainder of the current fiscal year by service and project and by line-item appropriation.

(c) Total fiscal year-to-date information technology spending and planned spending for the current fiscal year by service and project and by line-item appropriation.

(d) A list of all information technology projects estimated to cost more than \$250,000.00 that exceed their allotted budget as well as all information technology projects that have exceeded their allotted budget by 25% or more.

(2) As used in subsection (1), "project" includes, but is not limited to, all of the following major projects:

(a) Community health automated Medicaid processing system (CHAMPS).

(b) Bridges and MiBridges eligibility determination.

(c) MiSACWIS.

(d) Integrated service delivery.

(3) The department shall develop a strategic plan for information technology services and projects for the department. The strategic plan shall identify any scheduled changes in the federal and state shares of costs related to information technology services and projects over the 5-year period. As part of the strategic plan, the department shall include total information technology expenditures from the previous fiscal year by fund source and total information technology appropriations as a percentage of total department appropriations by fund source, by completed project, for all information technology expenditures in the previous fiscal year. All projects beginning after October 1, 2021 will follow department of management and budget benefits realization methodology, for reporting when completed in a future fiscal year's report. The strategic plan shall also develop benchmarks for comparison that include, for the previous 5 fiscal years, the department's information technology spending compared to the spending in the areas of public health, Medicaid, child protective services, child welfare, family and social services, human services, and child support enforcement for similar departments in 3 other states located in the Midwest.

Sec. 1906. From the funds appropriated in part 1 for information technology services and projects, the department shall allocate \$1,750,000.00 general fund/general purpose revenue, and all associated federal matching revenue, to a public and private nonprofit collaboration that is designated as this state's statewide health information exchange by cooperative agreement, to implement health information technology strategies for health information exchange development, data management, and population health at a statewide level.

Sec. 1907. By March 1 of the current fiscal year, the department shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on all current, contracted information technology-related projects, total contractual costs, spending in previous fiscal years, planned spending for the current fiscal year, and fiscal year-to-date spending, by project.

Sec. 1909. (1) From the funds appropriated in part 1 for child support automation, the department shall only encumber or expend funds for the operation, maintenance, and improvements of the Michigan child support enforcement system (MiCSES).

(2) From the funds appropriated in part 1 for bridges information system, the department shall only encumber or expend funds for the operation, maintenance, and improvements of Bridges and MiBridges.

(3) From the funds appropriated in part 1 for technology supporting integrated service delivery, the department shall only encumber or expend funds for the operation, maintenance, and improvements of integrated service delivery.

(4) From the funds appropriated in part 1 for Michigan Medicaid information system, the department shall only encumber or expend funds for the operation, maintenance, and improvements of the community health automated Medicaid processing system (CHAMPS).

(5) From the funds appropriated in part 1 for Michigan statewide automated child welfare information system, the department shall only encumber or expend funds for the operation, maintenance, and improvements of MiSACWIS.

(6) From the funds appropriated in part 1 for comprehensive child welfare information system, the department shall only encumber or expend funds for the operation, maintenance, and improvements to the comprehensive child welfare information system.

(7) From the funds appropriated in part 1 for comprehensive child welfare information system, the department shall allocate \$32,362,700.00 to develop a new information system to replace MiSACWIS consistent with the plan provided by the department to the United States District Court for Eastern District of Michigan as a part of the settlement. The development of the comprehensive child welfare information system shall adhere to department of technology, management, and budget and IT Investment Fund (ITIF) policies and practices, including use of the state unified information technology environment methodology and agile development. The project team shall also participate in and comply with the enterprise portfolio management office process and product quality assurance. To ensure full transparency, the project shall be included in the ITIF portfolio for executive, legislative, and external reporting purposes. As a component of the ITIF portfolio, the project is subject to governance and oversight by the IT investment management board.

Sec. 1910. (1) From the funds appropriated in part 1, \$520,590,300.00 is appropriated for information technology services and projects including:

- (a) \$63,484,800.00 for bridges information system.
- (b) \$21,542,100.00 for Michigan statewide automated child welfare information system.
- (c) \$101,679,200.00 for Michigan Medicaid information system.
- (d) \$44,604,800.00 for child support automation.
- (e) \$16,053,100.00 for technology supporting integrated service delivery.
- (f) \$3,373,200.00 for comprehensive child welfare information system.

(2) For all expenditures of funds appropriated in subsection (1), the department shall report to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices by April 1 of the current fiscal year total information technology expenditures from the previous fiscal year and all information technology expenditures made under an agile software development plan from the previous fiscal year with details on the agile software implementation.

(3) From the funds appropriated as described in subsection (1)(f) for comprehensive child welfare information system, this state shall be the owner of any software purchased or developed from the expenditures made under this subsection or it shall be committed to the public domain.

(4) From the funds appropriated as described in subsection (1)(f) for comprehensive child welfare information system, \$1,000,000.00 of these funds shall be used by the department to choose a product owner that will implement a user-centered design that includes user stories into the development of a comprehensive child welfare information system. The department shall report by March 1 of the current fiscal year to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, and the senate and house policy offices on the selection of a product owner for the comprehensive child welfare information system.

(5) From the funds appropriated as described in subsection (1)(f) for comprehensive child welfare information system, \$1,000,000.00 of these funds shall be used by the department to provide updates as requested by the chairs of the house and senate appropriations committees or the chairs of the house and senate appropriations subcommittees on the department budget. Information updates provided by the department, upon request, shall also be accessible to the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the status of the work completed to date. The updates shall include demonstrations of the completed work during the sprint period. During these demonstrations, the department shall provide a quality assessment surveillance plan as shown in appendix B of “De-risking custom technology projects” from the United States General Services Administration. At each demonstration, the department shall validate which user stories have been included into the software development and the remaining user stories that will be included into the product.

(6) As used in this section:

- (a) “Agile software development” means the use of development methodologies using iterative development with work completed by cross-functional teams of software development.
- (b) “Product owner” means a department employee who iteratively prioritizes and defines the work for the product team, works with users, stakeholders, technologists, and the software vendor to envision the direction for the product, and ensures that value is being delivered to end users as quickly as possible.
- (c) “User-centered design” means software development that places the highest priority on the needs of the specific people who are expected to use the software.
- (d) “User stories” means a task that the agile software development team will focus on over a given 2-week development period and includes clearly labeled progress toward meeting the needs of the end users.

ONE-TIME APPROPRIATIONS

Sec. 1950. From the funds appropriated in part 1 for ride-to-work program, the department shall allocate \$1,000,000.00 to a transportation agency to reduce transportation barriers to employment and expand service area under 49 USC 5310. In order to be eligible for the funding under this section, the entity must be located in a city with a population between 60,000 and 175,000 according to the most recent federal decennial census in a county with a population between 450,000 and 850,000 according to the most recent federal decennial census and utilize the dispatching system of a nonprofit, community-based organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, located in the same county.

Sec. 1951. From the funds appropriated in part 1 for program of all-inclusive care for the elderly pandemic relief, the department shall provide a 1-time rate increase to each PACE program to cover the increase in health care costs related to the COVID pandemic.

Sec. 1952. From the funds appropriated in part 1 for foster youth transition program grant, the department shall allocate \$1,500,000.00 to fund a project with a nonprofit, community-based organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal

revenue code of 1986, 26 USC 501, located in a county with a population between 120,000 and 121,000 according to the most recent federal decennial census. The nonprofit organization recipient's purpose shall be to find loving, adoptive homes for older foster children before they age out of the child welfare system. The nonprofit organization shall use the funds for necessary capital costs to convert, restore, or otherwise modify an existing structure into a habitable residential space for former or current children in foster care.

Sec. 1953. (1) From the funds appropriated in part 1 for hospital improvement grant, the department shall appropriate \$6,600,000.00 to a hospital located in a village with a population between 250 and 1,000 within a county with a population between 66,100 and 66,800, according to the most recent federal decennial census, for physical and financial improvements. Funding in this section shall be paid to the qualifying hospital within 30 days of the effective date of this act.

(2) From the funds appropriated in subsection (1), \$1,600,000.00 must be utilized to expand diagnostic imaging services, including those aimed at expanding access to women's breast health services, and assistance with costs associated with state regulatory programs intended to ensure only needed services are developed in this state.

Sec. 1954. (1) From the funds appropriated in part 1 for first responder and public safety staff mental health, the department shall allocate \$2,500,000.00 toward a program to support firefighters, police officers, emergency medical services personnel, public safety tele-communicators, local correctional officers, juvenile detention employees, and individuals working on special teams such as internet sex crimes, sexual crimes against children, or traffic fatalities suffering from post-traumatic stress syndrome and other mental health conditions. The grant program must primarily provide grants to behavioral health providers and may also include funding to the Michigan crisis and action line established under section 165 of the mental health code, 1974 PA 258, MCL 330.1165, to improve information and referrals for these services. The program must coordinate and integrate with the Michigan crisis and access line established under section 165 of the mental health code, 1974 PA 258, MCL 330.1165.

(2) The unexpended funds appropriated in part 1 for first responder and public safety staff mental health are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. All of the following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to ensure that first responder and public safety staff who are dealing with post-traumatic stress syndrome and other mental health conditions have access to enhanced mental health services.

(b) The project will be accomplished by utilizing state employees, contracting with vendors, or working with local partners.

(c) The estimated cost of the project is \$2,500,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 1955. From the funds appropriated in part 1 for behavioral health patient health information tool, the department shall allocate \$600,000.00 to create an online and interactive version of the protected health information consent tool and make any revisions to the tool to reflect any recent legislative changes. The contracting entity that receives the funds appropriated in this section shall also develop accompanying trainings and resources for users. Additionally, the contracting entity that receives the funds appropriated in this section shall work closely with the Michigan health information network and the department to develop the technical specifications for integrating the protected health information consent tool with other relevant systems and applications, including, but not limited to, CareConnect 360.

Sec. 1956. From the funds appropriated in part 1 for autism comprehensive care center, the department shall allocate \$2,500,000.00 to a nonprofit organization with at least 20 years of experience providing behavioral services and with at least 11 sites across this state with a main office located in a county with a population between 1,200,000 and 1,500,000, according to the most recent federal decennial census and in a city with a population between 24,000 and 24,500, according to the most recent federal decennial census for capital expenses, services, and program operations for an autism comprehensive care center that would provide personalized services, including, but not limited to, the following:

(a) Autism programming, including screening, evaluations, therapy offerings, and intensive behavioral care and support.

(b) Speech and occupational therapy.

(c) Family and sibling therapy.

(d) Experiential life skills.

Sec. 1957. From the funds appropriated in part 1 for behavioral health professionals for schools, the department shall allocate a \$500,000.00 grant to a CMHSP with a primary office located in a county with a population between 37,000 and 37,500, according to the most recent federal decennial census and a

\$500,000.00 grant to a CMHSP with a primary office located in a county with a population between 14,000 and 14,500, according to the most recent federal decennial census for each CMHSP to provide mental health professional or counselor visits at each school within the CMHSP's geographic region for the purpose of providing 1-to-1 care to students.

Sec. 1958. (1) From the funds appropriated in part 1 for narcotics awareness program, the department shall allocate \$5,000,000.00 to a nonprofit organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, and with headquarters in a charter township with a population between 100,000 and 105,000 according to the most recent federal decennial census within a county with a population between 700,000 and 1,000,000 according to the most recent federal decennial census. To be eligible to receive funding, the nonprofit organization must have a stated mission to offer community-based, compassionate, best-practice/evidence-based services to those suffering from addiction, as well as their loved ones, and to erase the stigma of addiction and instill compassion and hope.

(2) The unexpended funds appropriated in part 1 for narcotics awareness program are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to offer community-based, compassionate, best-practice/evidence-based services to those suffering from addiction, as well as their loved ones, and to erase the stigma of addiction and instill compassion and hope.

(b) The project will be accomplished by a nonprofit 501(c)(3) organization.

(c) The estimated cost of the project is \$5,000,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 1959. From the funds appropriated in part 1 for child advocacy centers, the department shall allocate \$500,000.00 to a child advocacy center located in a county with a population between 115,000 and 125,000, according to the most recent federal decennial census to establish a new building and expand services available to children who are victims of abuse and to their families.

Sec. 1960. (1) From the funds appropriated in part 1 for unified clinics resiliency center for families and children, the department shall allocate \$750,000.00 to a 4-year state university located in a county with a population between 195,000 and 280,000 according to the most recent federal decennial census to be used to develop and operate a resiliency center for families and children to address the multifaceted needs of those experiencing trauma, toxic stress, chronic disability, neurodevelopmental disorders, or addictions.

(2) Outcomes and performance measures for the resiliency center funded under this section shall include, but not be limited to, the following:

(a) The number of children and families who received services from the center.

(b) The types of screening offered by the center and the number of clients that received each screening type.

(c) The number of trauma assessments completed through the center's programs and the average cost of a trauma assessment for each type of client, including children, adults, and families.

(d) The types of services offered by the center and the number of clients that received each service type.

(e) The number of referrals for services made to children and families.

(f) A breakdown of the expenditures made for the development of the resiliency center for families and children by major category.

(3) By August 1 of the current fiscal year, the resiliency center for families and children shall report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the status of the development of the resiliency center funded under this section and on the information required in subsection (2).

(4) The unexpended portion of funds appropriated in part 1 for unified clinics resiliency center for families and children is designated as a work project appropriation. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for the project under this section until the project has been completed. All of the following are in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to provide funding for the operation and maintenance of a unified clinics resiliency center for families and children as provided by this section.

(b) The project will be accomplished through funding to a 4-year state university for the operation and maintenance of the center.

(c) The total estimated cost of the work project is \$750,000.00 of general fund/general purpose revenue.

(d) The estimated completion date is September 30, 2027.

(5) It is the intent of the legislature that this is the third year out of 3 years that funding is to be provided by the legislature for the unified clinics resiliency center for families and children described in this section.

Sec. 1961. (1) From the funds appropriated in part 1 for jail diversion fund, the department shall allocate \$10,000,000.00 to support the jail diversion fund created by section 207c of the mental health code, 1974 PA 258, MCL 330.1207c.

(2) The department shall distribute grants from the jail diversion fund in accordance with sections 207d to 207f of the mental health code, 1974 PA 258, MCL 330.1207d to 330.1207f.

Sec. 1962. (1) From the funds appropriated in part 1 for human trafficking victims inclusive services grant program, the department shall allocate \$1,000,000.00 to create and implement the human trafficking victims services expansion pilot program. The pilot program shall utilize victim-centered and trauma informed approaches to serve human trafficking victims.

(2) The human trafficking victims services expansion pilot program is a 3-year project administered by the division of victim services and shall do all of the following:

(a) Encourage the development of specific and dedicated human trafficking victims services.

(b) Focus on building capacity within eligible organizations to offer services specifically designed to meet the needs of human trafficking victims.

(c) Provide training and technical assistance to established organizations that support the development of human trafficking victims services that align with the criteria set forth in subsection (4).

(d) Increase organizations' capacity to provide victim services designed to meet the unique needs of human trafficking victims.

(e) Fund human trafficking service organizations that agree to develop services and accompanying policies and procedures for human trafficking victims aligned with the criteria of subsection (4).

(3) By January 1 of the current fiscal year, the division of victim services shall make available to eligible entities the human trafficking victims service expansion pilot request for proposal.

(4) In order to be considered for funding under the human trafficking victims service expansion pilot program, eligible organizations must meet all of the following:

(a) Be a nonprofit organization that is exempt from taxation under section 501(c)(3) of the internal revenue code, 26 USC 501.

(b) Have engaged in at least 1 year of providing human trafficking victims services or demonstrate meaningful collaboration with a human trafficking organization in its community.

(c) Adhere to the mission of the human trafficking health advisory board created in the human trafficking health advisory board act, 2014 PA 461, MCL 752.991 to 752.994.

(d) Agree to develop policies and procedures and provide services in accordance with the standards set forth by the division of victim services throughout the duration of the pilot program that include, at a minimum, both of the following:

(i) Providing victim-centered services.

(ii) Providing empowerment-based services that encourage self-determination.

(5) The unexpended portion of funds appropriated in part 1 for human trafficking victims inclusive services grant program is designated as a work project appropriation. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for the project under this section until the project has been completed. The following are in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to provide funding for human trafficking victims services expansion pilot as provided by this section.

(b) The project will be accomplished through funding to the division of victim services for administration of the pilot program.

(c) The total estimated cost of the work project is \$1,000,000.00.

(d) The estimated completion date is September 30, 2027.

(6) As used in this section, "human trafficking" means any of the following:

(a) Sex trafficking in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform that act has not attained 18 years of age.

(b) The recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

(c) A violation under chapter LXVIIA of the penal code, 1931 PA 328, MCL 750.462a to 750.462h.

Sec. 1963. From the funds appropriated in part 1 for the committee on juvenile justice grants, the department shall allocate \$500,000.00 to reestablish in-home care grants for in-home care and community-based juvenile justice services for rural counties as an alternative to residential placement by juvenile courts.

Sec. 1964. From the funds appropriated in part 1 for domestic violence prevention and treatment, the department shall allocate \$600,000.00 for operating expenses and providing violence prevention programs to a community shelter located in a county with a population between 62,400 and 62,500, according to the

most recent federal decennial census. The community shelter must have a mission to provide a temporary, secure, nurturing environment, and support to enable victims of domestic violence to make appropriate life-altering changes.

Sec. 1965. (1) From the funds appropriated in part 1 for behavioral health care services and facilities, the department shall allocate \$170,600,000.00 to increase behavioral health service and facility capacity. From the funds allocated in this section, the department must allocate all of the following:

(a) \$38,000,000.00 to a nonprofit organization that offers a full continuum of behavioral health services, including psychiatric urgent care, inpatient and partial hospitalization, residential, outpatient, and teletherapy services, addiction treatment and recovery, extensive child and adolescent programs, and senior care services with a campus located in a county with a population between 600,000 and 700,000, according to the most recent federal decennial census, in a charter township with a population between 28,000 and 30,000, according to the most recent federal decennial census, for capital costs of a pediatric behavioral health center for excellence.

(b) \$45,000,000.00 to a CMHSP located in a county with a population of at least 1,750,000, according to the most recent federal decennial census for capital costs of an integrated care center facility that includes a walk-in behavioral health crisis services center.

(c) \$32,000,000.00 to create a 1-time grant program for entities interested in establishing crisis stabilization units in accordance with chapter 9A of the mental health code, 1974 PA 258, MCL 330.1971 to 330.1979. Grant applicants must demonstrate to the department how the requested grant funding will be used for certification standards and requirements or for obtaining accreditation requirements. The department shall allocate the funds described in this subdivision as follows:

(i) \$6,000,000.00 is allocated to a CMHSP located in a county with a population of at least 1,750,000, according to the most recent federal decennial census to establish a crisis stabilization unit.

(ii) \$3,000,000.00 is allocated to a CMHSP with a primary office located in a county with a population between 270,000 and 290,000 according to the most recent federal decennial census, to establish a crisis stabilization unit.

(iii) \$5,000,000.00 is allocated to a CMHSP located in a county with a population between 600,000 and 700,000, according to the most recent federal decennial census, to establish a crisis stabilization unit.

(iv) \$3,000,000.00 is allocated to a CMHSP located in a county with a population between 260,000 and 265,000, according to the most recent federal decennial census, to establish a crisis stabilization unit.

(v) \$3,000,000.00 is allocated to a CMHSP located in a county with a population between 400,000 and 450,000, according to the most recent federal decennial census, to establish a crisis stabilization unit.

(vi) \$3,000,000.00 is allocated to a CMHSP with a primary office located in a county with a population between 65,500 and 66,500, according to the most recent federal decennial census, to establish a crisis stabilization unit.

(vii) \$3,000,000.00 is allocated to a CMHSP with a primary office located in a county with a population between 95,000 and 96,000, according to the most recent federal decennial census, to enhance the CMHSP's crisis welcoming center that shall serve as the foundation for a future crisis stabilization unit.

(viii) \$6,000,000.00 is allocated as competitive grants to private entities to establish crisis stabilization units. Each grant described in this subparagraph must not exceed \$3,000,000.00.

(d) \$11,000,000.00 to a health system associated with a 4-year medical school located in a county with a population between 350,000 and 390,000, according to the most recent federal decennial census, for capital costs to expand its adolescent and children's emergency psychiatry unit through the addition of a dedicated emergency room for children and adolescents and to establish a behavioral health day program for children and adults who require more comprehensive support for their mental health needs.

(e) \$10,000,000.00 to create a 1-time grant program for entities interested in establishing psychiatric residential treatment facilities in accordance with section 137a of the mental health code, 1974 PA 258, MCL 330.1137a. Grant applicants must demonstrate to the department how the requested grant funding will be used for certification standards and requirements or for obtaining accreditation requirements.

(f) \$8,000,000.00 to a wellness center to develop an adolescent behavioral wrap-around health care program in an underserved area. The wellness center must meet all of the following requirements:

(i) Be dedicated to enhancing the well-being of individuals by providing an array of comprehensive behavioral and physical health services in a trauma-informed environment and promoting quality of life, continuous improvement, social awareness, and healing.

(ii) Have its administrative office located in a county with a population of at least 1,750,000, according to the most recent federal decennial census, in a city with a population between 109,000 and 111,000, according to the most recent federal decennial census.

(iii) Be accredited by CARF International.

(g) \$5,000,000.00 to a nonprofit Michigan health care system organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, that is located in a county with a population between 25,400 and 25,800 according to the most recent federal decennial census and in a city with a population between 4,500 and 5,000 according to the most recent federal decennial census for the purpose of creating an adolescent partial hospitalization program that will serve at least 20 adolescent patients and supporting emergency unit safe rooms for behavioral health patients.

(h) \$5,000,000.00 to create a 1-time grant for capital expenditures for not less than 1 hospital to increase the number of inpatient pediatric psychiatric beds located in a county with a population between 190,000 and 191,000, or 103,000 and 104,000, according to the most recent federal decennial census.

(i) \$5,000,000.00 to a hospital located in a county with a population over 1,500,000 according to the most recent federal decennial census, with Medicaid eligible patient volumes that are 50% or higher, and that has a level 1 verified pediatric trauma center, to add 10 pediatric inpatient psychiatric beds and intensive outpatient day therapy services.

(j) \$3,600,000.00 to renovate unused current space and update the layout to increase the number of private inpatient psychiatric rooms at a hospital located in a county with a population between 36,500 and 36,800, according to the most recent federal decennial census, in a charter township with a population of at least 4,000, according to the most recent federal decennial census, in response to "no roommate orders" and to increase levels of acuity of behavioral health patients.

(k) \$8,000,000.00 to a nonprofit Michigan health care system organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, that is located in a county with a population between 25,400 and 25,800, according to the most recent federal decennial census, and in a city with a population between 4,500 and 5,000, according to the most recent federal decennial census, for the purpose of supporting an emergency psychiatric assessment, treatment, and healing (EmPATH) unit. The EmPATH unit shall provide immediate access to an emergency psychiatrist, and staff shall be trained for the needs of EmPATH unit patients. Funding must also include at least 10 additional psychiatric beds to serve, at a minimum, patient emergency behavioral health needs.

(2) Funds allocated under this section do not constitute a future guarantee of permitting approval for any project.

(3) The unexpended funds appropriated in part 1 for behavioral health care services and facilities are designated as a work project appropriation. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be made available for behavioral health care services and facilities. The following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to increase behavioral health service and facility capacity.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is \$170,600,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 1966. From the funds appropriated in part 1 for community house capital grant, the department shall allocate \$1,440,000.00 to renovate an existing site as well as expand affordable senior housing and child care options in a city with a population between 80,000 and 200,000 according to the most recent federal decennial census in a county with a population between 450,000 and 850,000 according to the most recent federal decennial census. To be eligible for the funding in this section, the entity must be a nonprofit, community-based organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, established in 1902 with a mission statement of increasing the ability of children, youth, adults, and families to succeed in a diverse community.

Sec. 1967. From the funds appropriated in part 1 for food distribution, the department shall allocate \$700,000.00 for a grant to a nonprofit, community-based organization that specializes in the distribution of surplus and donated food for low-income families. The organization must operate in at least 40 counties in this state, and the grant must be used for maintenance and improvements for a facility located in a county with a population between 657,900 and 658,000, according to the most recent federal decennial census, in a city with a population between 54,300 and 54,400, according to the most recent federal decennial census.

Sec. 1968. From the funds appropriated in part 1 for foster care services, the department shall allocate \$2,000,000.00 to a nonprofit, community-based organization organized under the laws of this state that is exempt from federal income tax under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, with the mission to ensure that individuals with developmental disabilities are valued in order that they and their families can fully participate in and contribute to their community, to provide supports for special education system navigation, and to improve educational outcomes for youth in foster care who have a diagnosed disability or suspected disability.

Sec. 1969. From the funds appropriated in part 1 for Great Lakes recovery center, the department shall allocate a grant of \$250,000.00 for costs related to a women's recovery center and men's campus to a nonprofit organization accredited by CARF International with a mission to empower recovery through hope and change and that provides a variety of behavioral health services across the Upper Peninsula.

Sec. 1970. (1) From the funds appropriated in part 1 for health workforce development, the department shall allocate all of the following:

(a) \$500,000.00 general fund/general purpose revenue shall be allocated for a 4-year pilot program to increase the number of prepared psychiatric-mental health nurse practitioners to expand access to mental health services and provide care in underserved communities throughout this state. The office of nursing programs may oversee the program. The pilot program shall be through a college of nursing at a 4-year state university located in a county with a population greater than 1,500,000, according to the most recent federal decennial census.

(b) \$1,600,000.00 general fund/general purpose revenue must be allocated for a 4-year pilot program to increase the number of prepared psychiatric-mental health nurse practitioners to expand access to mental health services and provide care in underserved communities throughout this state. The office of nursing programs may oversee the pilot program. The pilot program must be through a college of nursing at a 4-year state university located in a county with a population between 284,000 and 285,000, according to the most recent federal decennial census.

(c) \$1,650,000.00 general fund/general purpose revenue must be allocated for a 4-year pilot certification program to train social workers to manage crisis stabilization to increase the number of social workers managing crisis stabilization. The pilot certification program must be through a school of social work at a 4-year state university located in a county with a population greater than 1,500,000, according to the most recent federal decennial census.

(d) \$2,800,000.00 general fund/general purpose revenue must be allocated for a program to train direct care workers using a comprehensive, person-centered training program that provides direct care workers with the skills needed to deliver in-home, high-quality supports and services. The program must be provided by an organization that is a coalition of researchers, direct care workers, clients, and agencies working to develop, build, and strengthen a competent direct care workforce.

(2) The unexpended portion of funds appropriated in part 1 for health workforce development is designated as a work project appropriation. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for the programs under this section until the programs have been completed. All of the following are in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to provide and expand health workforce development through 4 projects to increase the number of psychiatric-mental health nurse practitioners, train social workers to manage crisis stabilization, and provide skills development and training for direct care workers.

(b) The work project will be accomplished through funding to an organization and 4-year state universities with oversight by the department and the office of nursing programs.

(c) The total estimated completion cost of the work project is \$6,550,000.00 of general fund/general purpose revenue.

(d) The estimated completion date of the work project is September 30, 2027.

Sec. 1971. (1) From the funds appropriated in part 1 for human trafficking victims inclusive services grant program, the department shall allocate \$250,000.00 to counties or coalitions of counties to support collaborative teams to address human trafficking and coordinate with specialists in the department of state police and Federal Bureau of Investigation.

(2) Collaborative teams shall facilitate trauma-informed support throughout each county within multidisciplinary groups to engage law enforcement, health care professionals, and entities that provide survivor-centered services and are collectively focused on providing advocacy to human trafficking survivors. Collaborative teams are tasked with the prevention of opportunities for predators to engage in both sex and labor trafficking.

(3) The department shall allocate grants to counties or coalitions of counties in amounts ranging from \$3,000.00 to \$20,000.00 that can be used to pay for human trafficking-related training, equipment, supplies, meeting expenses, and victim services.

Sec. 1972. From the funds appropriated in part 1 for wellness center pilot project, the department shall allocate \$1,000,000.00 for the purpose of developing a wellness center pilot project incorporating a community adult day center and mixed-use affordable housing to help individuals prepare for, access, and afford long-term care services and supports for a planned build in a county with a population of less than 35,000, according to the most recent federal decennial census, within the region VII area agency on aging geographic area.

Sec. 1973. From the funds appropriated in part 1 for mediation services, the department shall allocate \$40,000.00 to a nonprofit organization located in a county with a population between 290,000 and 300,000, according to the most recent federal decennial census, in a charter township with a population between 30,000 and 40,000, according to the most recent federal decennial census, that provides mediation services using a co-mediator approach to add 1 additional mediator to provide mediation services within a county with a population between 290,000 and 300,000, according to the most recent federal decennial census, a county with a population between 115,000 and 125,000, according to the most recent federal decennial census, and a county with a population between 62,000 and 63,000, according to the most recent federal decennial census.

Sec. 1974. From the funds appropriated in part 1 for parental stress and child mental health program, the department shall allocate \$500,000.00 to a nonprofit organization that has at least 20 years of experience providing behavioral services with at least 11 sites across this state, that has a main office located in a county with a population between 1,200,000 and 1,500,000, according to the most recent federal decennial census, and in a city with a population between 24,000 and 24,500, according to the most recent federal decennial census, and that has a purpose to increase evidence-based family and children services programs for parental stress and child mental health at schools and at other locations of community partnerships. The funds may be used for additional staffing, evidence-based training, parent curriculum platforms, telehealth services technology, or health monitoring.

Sec. 1975. From the funds appropriated in part 1 for pathway hub, the department shall allocate \$3,400,000.00 to a health care provider working with a health plan and a federally qualified health center for existing services and implementation of a pathway hub at a community health center located in a city with a population between 9,500 and 10,000, according to the most recent federal decennial census, and within a county with a population between 170,000 and 180,000, according to the most recent federal decennial census, to support the social and medical needs of the community served by the community health center. The funds appropriated in this section must be used for start-up costs and first-year costs of implementing a pathway hub model for the surrounding community, including any of the following:

- (a) Data integration.
- (b) Care managers or recovery coaches.
- (c) Mobile health units.
- (d) Behavioral health urgent care.
- (e) Supplemental health care, including medical adherence, air conditioning units, or home blood pressure cuffs.
- (f) Smoking cessation.
- (g) Maternal health.
- (h) Nutrition.
- (i) Dental health.

Sec. 1977. From the funds appropriated in part 1 for safe harbor, the department shall allocate \$8,333,300.00 as grant funding to the Salvation Army to work in collaboration with the department, local hospitals, Medicaid health plans, and PIHPs, for a safe harbor program to improve service delivery utilizing a multidisciplinary team approach in coordination of care, including medical, behavioral health, and substance use disorder professionals, working together to provide prompt substance use disorder engagement, assessment, education, encouragement, transportation, and coordination of integrative health services. The Salvation Army must leverage existing capabilities in providing these supports and services.

Sec. 1978. From the funds appropriated in part 1 for teen walk-in mental health, the department shall allocate \$50,000.00 to a nonprofit organization whose registered agent is located in a county with a population between 290,000 and 300,000, according to the most recent federal decennial census, in a township with a population between 18,100 and 19,000, according to the most recent federal decennial census, that is focused on the development and implementation of mental wellness resources and services with a mission to empower teens, young adults, and their support networks to prevent suicide and achieve lifelong mental wellness. The funds must be used for any of the following:

- (a) Mental health symptom education.
- (b) Individual and family access to service navigation.
- (c) Access to mental health support groups and services.
- (d) Community education and engagement.
- (e) Suicide and mental health screening.
- (f) Capital expenditures related to the establishment of a dedicated site for services.

Sec. 1979. From the funds appropriated in part 1 for uterine fibroid grant, the department shall allocate \$500,000.00 to conduct an education and outreach program on uterine fibroid disparities among minority populations.

Sec. 1980. From the funds appropriated in part 1 for wrap-around services, the department shall allocate \$400,000.00 for a grant to a nonprofit, community-based organization that provides wrap-around services designed to promote achievement through targeting both academic and nonacademic barriers to learning during out-of-school periods. The grant must be used for maintenance and improvements to an existing facility located in a county with a population between 103,800 and 103,900, according to the most recent federal decennial census, in a city with a population between 32,600 and 32,700, according to the most recent federal decennial census.

Sec. 1981. (1) The funds appropriated in part 1 for MEHP-mental health expansion must be used to expand the essential health provider repayment program to include loan repayment assistance to eligible behavioral health providers who work in federally designated health professional shortage areas.

(2) The unexpended funds appropriated in part 1 for MEHP-mental health expansion are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to expand financial support provided through the essential health provider repayment program to behavioral health providers.

(b) The project will be accomplished by utilizing state employees or contracts.

(c) The total estimated cost of the project is \$10,000,000.00.

(d) The tentative completion date is September 30, 2026.

Sec. 1982. From the funds appropriated in part 1 for weatherization assistance - IJJA, \$40,000,000.00 is appropriated for the weatherization assistance program (WAP). WAP funds appropriated in this section shall be used as described in the Infrastructure Investment and Jobs Act, Public Law 117-58.

Sec. 1983. (1) From the funds appropriated in part 1 for permanent supportive housing, the department shall appropriate \$6,000,000.00 to expand supportive housing services. The funds should prioritize people living in supportive housing who need additional services to maintain employment and stability, and currently homeless individuals moving into supportive housing with rental support. The funds should prioritize households whose children are at risk of being placed in out-of-home care, households who are working toward reunification with children who are out of home, and youth aging out of the foster care system.

(2) Funds appropriated for permanent supportive housing shall be considered work project funds, shall not lapse at the close of the fiscal year, and shall be available for expenditures for projects under this section until the projects have been completed. The following are in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to provide funding for grants for eligible entities to provide permanent supportive housing services for eligible households.

(b) The work project will be accomplished through partnerships with community-based agencies that provide supportive housing services, the Michigan state housing development authority, and local governments.

(c) The total estimated cost of the work project is \$6,000,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 1984. The funds appropriated in part 1 for clinical integration fund and community mental health services programs integration readiness shall not be available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

Sec. 1985. (1) From the funds appropriated in part 1 for school training and technical assistance, the department shall contract with a public university to provide training, technical assistance, and evaluations tied to local strategies intended to reduce school violence. Assistance to school districts for violence prevention strategies may include, but is not limited to, any of the following:

(a) School climate improvement.

(b) Student care and threat assessment teams.

(c) Anonymous reporting systems.

(d) Restorative justice practices.

(e) Evidence-based student leadership development.

(2) The unexpended funds appropriated in part 1 for school training and technical assistance are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following are in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide assistance to schools in reducing violence.

(b) The project will be accomplished by utilizing contracts.

(c) The total estimated cost of the project is \$1,000,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 1986. (1) From the funds appropriated in part 1 for city of Detroit environmental monitoring, the department shall contract with a local health department for health and emissions monitoring.

(2) The unexpended funds appropriated in part 1 for city of Detroit environmental monitoring are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is health and emissions monitoring in the city of Detroit.

(b) The project will be accomplished by utilizing contracts.

(c) The total estimated cost of the project is \$1,000,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 1987. From the funds appropriated in part 1 for food security council, the department may provide support for any of the following initiatives:

(a) Technology investments that will enable the department to develop partnerships integrating food access and health care and identify gaps in client services.

(b) Building food supply for distribution during declarations of disaster or emergency.

(c) Expanding food assistance infrastructure, including new buildings in northern Michigan to serve northern Michigan and the Upper Peninsula.

(d) Pandemic response efforts, including support to local food banks and organizations for food purchasing.

Sec. 1988. From the funds appropriated in part 1 for E-FMAP redetermination compliance, the department shall expend funds to process Medicaid and Children's Health Insurance Program renewals and redeterminations following the end of the public health emergency. The department may use these funds to hire limited-term staff, fund costs associated with overtime hours, make needed systems changes, and deploy other temporary resources to support local office field staff and caseload redetermination activities.

Sec. 1989. From the funds appropriated in part 1 for home repair and plumbing assistance grants, the department shall establish a grant program administered by community action agencies to provide assistance to households with incomes at or below 200% of the federal poverty level for minor home repairs and plumbing updates to prepare homes for weatherization. The purpose of this grant program is to allow low-income families to safely remain in their homes.

Sec. 1990. From the funds appropriated in part 1 for sickle cell center, the department shall allocate \$2,500,000.00 to the Sickle Cell Disease Association of America, to the Sickle Cell Center of Excellence.

Sec. 1991. From the funds appropriated in part 1 for honor psychiatric residency, the department shall allocate \$1,000,000.00 to Oakland Integrated Healthcare Network to create a community-based residency program in Oakland County.

Sec. 1992. From the funds appropriated in part 1 for insight behavioral health, the department shall allocate \$2,500,000.00 to Insight Behavioral Health for start-up costs associated with creating a new comprehensive inpatient medical-psychiatric facility in Flint.

Sec. 1993. From the funds appropriated in part 1 for Incompass – COVID-19 grants, the department shall allocate \$3,000,000.00 to Incompass Michigan for employee health screening, physical distancing or barrier protections, enhanced sanitation and disinfection protocols, air purification and filtering technologies, infrastructure improvements related to employee protection, and other costs associated with navigating COVID-19.

Sec. 1994. From the funds appropriated in part 1 for senior living and healthcare expansion, the department shall allocate \$1,000,000.00 to Presbyterian Villages of Michigan to create a residential assisted living community that is integrated with a program of all-inclusive care for the elderly provider in southeast Michigan.

Sec. 1995. From the funds appropriated in part 1 for health system project, the department shall allocate \$10,000,000.00 to a health system located in a county with a population between 10,500 and 11,000 according to the most recent federal decennial census in a city with a population between 2,300 and 2,310 according to the most recent federal decennial census for the construction of a professional building and relocation of medical clinics and support services, including occupational medicine and outpatient laboratory, for the purpose of providing high-quality medical care and delivery of necessary medical service to a rural community.

Sec. 1996. (1) The funds appropriated in part 1 for community health campus pilot project shall be awarded for a pilot project that is developed by a nonprofit entity and based on a feasibility study of availability and sustainability that consists of an integrated wellness facility that includes mental, physical, and behavioral health components, including, but not limited to, the ability to host tournaments, and as many of the following services as possible:

(a) Rehabilitation.

- (b) Optical.
- (c) Dental.
- (d) Primary care.
- (e) Urgent care.
- (f) Chiropractic.
- (g) Child care.
- (h) Walking or running track.
- (i) Multiple mixed-use courts.

(2) The pilot project must be designed to serve underserved areas located in a county with a population between 30,000 and 31,000 according to the most recent federal decennial census where access to one stop wellness is deficient or absent. In addition to the health components, the integrated wellness facility must include, at a minimum, indoor aquatics, gymnasium, and workout facilities in the same facility. The workout facilities must provide no or low-cost access to individuals earning less than 200% of the federal poverty level. Individuals at or above 200% of the federal poverty level may be charged a fee.

(3) From the funds appropriated in part 1 for community health campus pilot project, \$250,000.00 may be used for a feasibility study to be completed prior to the release of the balance of the funds for the pilot project.

Sec. 1997. (1) From the funds appropriated in part 1 for infrastructure grants to enhance pediatric inpatient services, funding shall be used to create a competitive grant program for health care providers to increase the number of slots in long-term pediatric psychiatric inpatient hospitals, centers, or psychiatric residential treatment facilities by a total of at least 120 slots statewide. Grant applicants must identify 20% matching funds as part of the grant application. A single facility shall not receive more than \$25,000,000.00 of the funding appropriated in part 1, and the grants must be made to different geographic regions of this state.

(2) The department shall determine and publish the evidence-based treatment care and services program for the population to be served by the slots described in subsection (1) not later than 6 months after the effective date of this act.

(3) Funds appropriated for infrastructure grants to enhance pediatric inpatient services shall be considered work project funds, shall not lapse at the close of the fiscal year, and shall be available for expenditures for projects under this section until the projects have been completed. The following are in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to implement a competitive grant funding program for health care providers to increase the number of long-term pediatric psychiatric inpatient slots available across this state.

(b) The projects will be accomplished by grants to health care providers.

(c) The total estimated cost of the work project is \$50,000,000.00.

(d) The tentative completion date is September 30, 2027.

(4) As used in this section, "health care provider" means an entity that is licensed under part 215 of the public health code, 1978 PA 368, MCL 333.21501 to 333.21571, or section 137 of the mental health code, 1974 PA 258, MCL 330.1137.

Sec. 1998. (1) From the funds appropriated in part 1 for clinical integration fund, the department shall issue grants to facilities and providers that wish to clinically integrate their setting with physical and behavioral health services and providers.

(2) Funds appropriated for clinical integration fund shall be considered work project funds, shall not lapse at the close of the fiscal year, and shall be available for expenditures for projects under this section until the projects have been completed. The following are in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to provide funding for grants to help cover costs to facilities and providers that wish to clinically integrate their setting with physical and behavioral health services and providers.

(b) The projects will be accomplished by grants to health care providers and facilities.

(c) The total estimated cost of the work project is \$25,000,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 1999. (1) From the funds appropriated in part 1 for community mental health services programs integration readiness, the department shall provide 1-time funding to support community mental health services programs' efforts to make system, information technology, staffing, and administrative improvements for integration readiness.

(2) Funds appropriated for community mental health services programs integration readiness shall be considered work project funds, shall not lapse at the close of the fiscal year, and shall be available for expenditures for projects under this section until the projects have been completed. The following are in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the work project is to provide funding to community mental health services programs to make improvements for integration readiness.

- (b) The projects will be accomplished by grants provided to community mental health services programs.
- (c) The total estimated cost of the work project is \$25,000,000.00.
- (d) The tentative completion date is September 30, 2027.

Sec. 2000. From the funds appropriated in part 1 for kinship and the bridge, the department shall allocate \$1,750,000.00 to a nonprofit organization with a mission to make a transformative change in the Michigan foster care system through making a measurable and meaningful impact in the lives of individuals who have experienced foster care located in a county with a population between 1,000,000 and 1,500,000 according to the most recent federal decennial census in a charter township with a population between 44,000 and 45,000 according to the most recent federal decennial census to expand its dynamic direct service program for youth with experience in foster care, known as The Bridge, and kinship connections pilot to work to ensure youth removed from their homes are placed with licensed relatives.

Sec. 2001. From the funds appropriated in part 1 for recovery community organization, the department shall allocate \$150,000.00 to a recovery community organization located in a county with a population between 160,370 and 160,390 according to the most recent federal decennial census to offer or expand recovery support center services or recovery community center services to individuals seeking long-term recovery from substance use disorders in accordance with section 273b of the mental health code, 1974 PA 258, MCL 330.1273b.

Sec. 2002. From the funds appropriated in part 1 for Upper Peninsula robotic spinal surgery capital cost grant, the department shall allocate \$2,000,000.00 to a health system that operates multiple facilities located in a county with a population between 10,500 and 11,000 according to the most recent federal decennial census to acquire spinal surgery robotic equipment and the associated initial calibration, repair, and service costs.

Sec. 2003. From the funds appropriated in part 1, the department shall allocate \$2,480,000.00 to establish a child welfare day treatment pilot program in a county with a population between 1,200,000 and 1,300,000 according to the most recent federal decennial census for foster care children aged 7 to 18 who have been expelled or are at risk of being expelled from school for behaviors that threaten the stability of their current foster placement. The goal of the program is to work with foster children who struggle with social interaction or learning in class, or who are having a hard time controlling behaviors as a result of traumatic experiences. The department may increase capacity by a total of 1.0 FTE position (limited term) to administer the program.

ARTICLE 7

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of insurance and financial services for the fiscal year ending September 30, 2023, from the following funds:

DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

APPROPRIATION SUMMARY		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	384.5	
GROSS APPROPRIATION	\$	74,335,500
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		736,500
ADJUSTED GROSS APPROPRIATION	\$	73,599,000
Federal revenues:		
Total federal revenues		1,017,100
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		72,581,900
State general fund/general purpose	\$	0

Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT

Full-time equated unclassified positions	6.0	
Full-time equated classified positions	23.5	
Unclassified salaries—FTEs	6.0\$	892,000
Administrative hearings		183,700
Department services—FTEs	20.0	4,073,400
Executive director programs—FTEs	3.5	937,200
Property management		1,320,900
Worker’s compensation		1,300
GROSS APPROPRIATION	\$	7,408,500

	For Fiscal Year Ending Sept. 30, 2023	
Appropriated from:		
Interdepartmental grant revenues:		
IDG from LARA, debt management	\$	71,600
Special revenue funds:		
Bank fees		582,100
Captive insurance regulatory and supervision fund		56,200
Consumer finance fees		284,400
Credit union fees		965,300
Deferred presentment service transaction fees		259,000
Insurance bureau fund		2,360,900
Insurance continuing education fees		67,600
Insurance licensing and regulation fees		2,002,800
MBLSLA fund		757,300
Multiple employer welfare arrangement		1,300
State general fund/general purpose	\$	0
Sec. 103. INSURANCE AND FINANCIAL SERVICES REGULATION		
Full-time equated classified positions	361.0	
Consumer services and protection—FTEs	91.0\$	13,377,900
Financial institutions evaluation—FTEs	137.0	25,791,900
Insurance evaluation—FTEs	133.0	25,408,800
GROSS APPROPRIATION	\$	64,578,600
Appropriated from:		
Interdepartmental grant revenues:		
IDG from LARA, debt management		639,700
Federal revenues:		
Federal revenues		1,017,100
Special revenue funds:		
Bank fees		6,257,700
Captive insurance regulatory and supervision fund		770,200
Consumer finance fees		3,046,500
Credit union fees		9,335,900
Deferred presentment service transaction fees		2,352,800
Insurance bureau fund		22,552,800
Insurance continuing education fees		1,310,400
Insurance licensing and regulation fees		10,279,300
MBLSLA fund		6,927,800
Multiple employer welfare arrangement		88,400
State general fund/general purpose	\$	0
Sec. 104. INFORMATION TECHNOLOGY		
Information technology services and projects	\$	2,348,400
GROSS APPROPRIATION	\$	2,348,400
Appropriated from:		
Interdepartmental grant revenues:		
IDG from LARA, debt management		25,200
Special revenue funds:		
Bank fees		145,500
Captive insurance regulatory and supervision fund		13,500
Consumer finance fees		72,000
Credit union fees		246,000
Deferred presentment service transaction fees		49,500
Insurance bureau fund		459,000
Insurance continuing education fees		9,000
Insurance licensing and regulation fees		1,139,400
MBLSLA fund		189,300
State general fund/general purpose	\$	0

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2022-2023

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 2022-2023 is \$72,581,900.00 and state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is \$0.00.

Sec. 202. The appropriations authorized 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. As used in this part and part 1:

(a) "Department" means the department of insurance and financial services.

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

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

(d) "IDG" means interdepartmental grant.

(e) "LARA" means the department of licensing and regulatory affairs.

(f) "MBLSLA fund" means the restricted account established under section 8 of the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1658.

(g) "Subcommittees" means the subcommittees of the house of representatives and senate appropriations committees with jurisdiction over the budget for the department.

Sec. 204. The department shall use the internet to fulfill the reporting requirements of this part. This requirement shall include transmission of reports via email to the recipients identified for each reporting requirement and it shall include placement of reports on an internet site.

Sec. 205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to funds appropriated in part 1:

(a) The funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 206. The department shall not take disciplinary action against an employee of the department in the state classified civil service because the employee communicates with a member of the legislature or a member's staff, unless the communication is prohibited by law and the department is exercising its authority as provided by law.

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

(a) The dates of each travel occurrence.

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

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

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

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$200,000.00 for federal contingency authorization. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

- (a) Fiscal-year-to-date expenditures by category.
- (b) Fiscal-year-to-date expenditures by appropriation unit.
- (c) Fiscal-year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.
- (d) The number of active department employees by job classification.
- (e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the chairpersons of the senate and house appropriations committees, the chairpersons of the subcommittees, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the prior 2 fiscal years.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2023 are estimated at \$8,906,500.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$5,407,400.00. Total agency appropriations for retiree health care legacy costs are estimated at \$3,499,100.00.

Sec. 215. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure that businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 216. (1) On a quarterly basis, the department shall report to the senate and house appropriations committees, the subcommittees, and the senate and house fiscal agencies the following information:

- (a) The number of FTEs in pay status by type of staff and civil service classification.
- (b) A comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTEs employed by the department at the end of the reporting period.
- (2) By March 1 of the current fiscal year, the department shall report to the senate and house appropriations committees, the subcommittees, and the senate and house fiscal agencies the following information:
 - (a) Number of employees that were engaged in remote work in 2022.
 - (b) Number of employees authorized to work remotely and the actual number of those working remotely in the current reporting period.
 - (c) Estimated net cost savings achieved by remote work.
 - (d) Reduced use of office space associated with remote work.

Sec. 217. Appropriations in part 1 shall, to the extent possible by the department, not be expended until all existing work project authorization available for the same purposes is exhausted.

Sec. 218. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this article, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each chamber, intertransfer funds within this article for the particular department, board, commission, officer, or institution.

Sec. 219. The department and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal or state guidelines.

Sec. 220. Not later than April 1, the department shall report on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the senate and house appropriations committees, the subcommittees, the joint committee on administrative rules, and the senate and house fiscal agencies.

Sec. 221. (1) From the funds appropriated in part 1, the department shall do all of the following:

- (a) Report to the senate and house appropriations committees, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office any amounts of severance pay for a department director, deputy director, or other high-ranking department official not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.
- (b) Maintain an internet site that posts any severance pay in excess of 6 weeks of wages, regardless of the position held by the former department employee receiving severance pay.

(c) By February 1, report to the subcommittees, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the total amount of severance pay remitted to former department employees during the fiscal year ending September 30, 2022, and the number of former department employees that were remitted severance pay during the fiscal year ending September 30, 2022.

(2) As used in this section, "severance pay" means compensation that is both payable or paid upon the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits.

Sec. 222. (1) Any department, agency, board, commission, or public officer that receives funding under part 1 shall not:

(a) Require as a condition of accessing any facility or receiving services that an individual provide proof that he or she has received a COVID-19 vaccine except as provided by federal law or as a condition of receiving federal Medicare or Medicaid funding.

(b) Produce, develop, issue, or require a COVID-19 vaccine passport.

(c) Develop a database or make any existing database publicly available to access an individual's COVID-19 vaccine status by any person, company, or governmental entity.

(d) Require as a condition of employment that an employee or official provide proof that he or she has received a COVID-19 vaccine. This subdivision does not apply to any hospital, congregate care facility, or other medical facility or any hospital, congregate care facility, or other medical facility operated by a local subdivision that receives federal Medicare or Medicaid funding.

(2) A department, agency, board, commission, or public officer may not subject any individual to any negative employment consequence, retaliation, or retribution because of that individual's COVID-19 vaccine status.

(3) Subsection (1) does not prohibit any person, department, agency, board, commission, or public officer from transmitting proof of an individual's COVID-19 vaccine status to any person, company, or governmental entity, so long as the individual provides affirmative consent.

(4) If a department, agency, board, commission, subdivision, or official or public officer is required to establish a vaccine policy due to a federal mandate, it must provide exemptions to any COVID-19 vaccine policy to the following individuals:

(a) An individual for whom a physician certifies that a COVID-19 vaccine is or may be detrimental to the individual's health or is not appropriate.

(b) An individual who provides a written statement to the effect that the requirements of the COVID-19 vaccine policy cannot be met because of religious convictions or other consistently held objection to immunization.

(5) As used in this section, "public officer" means a person appointed by the governor or another executive department official or an elected or appointed official of this state or a political subdivision of this state.

Sec. 223. It is the intent of the legislature that the department maximize the efficiency of the state workforce and, where possible, prioritize in-person work. Each executive branch department, agency, board, or commission that receives funding under part 1 must post its in-person, remote, or hybrid work policy on its website.

Sec. 224. Unless prohibited by law, the department may accept credit card or other electronic means of payment for licenses, fees, or permits.

Sec. 225. The department shall submit a report to the subcommittees, the senate and house fiscal agencies, and the state budget office by September 30 detailing any expenditure of funds for a television or radio production that was made to a third-party vendor in the fiscal year ending September 30, 2023. The report must include all of the following information for each expenditure:

(a) Total amount of the expenditure.

(b) Fund source for the expenditure.

(c) Name of any vendor that created the production and the amount paid to each vendor.

(d) Purpose of the production.

Sec. 226. From the funds appropriated in part 1 from the insurance bureau fund, funds may be expended to support legislative participation in insurance activities coordinated by insurance and legislative associations, in accordance with section 225 of the insurance code of 1956, 1956 PA 218, MCL 500.225.

INSURANCE AND FINANCIAL SERVICES REGULATION

Sec. 301. The department shall provide a report to the subcommittees, the senate and house fiscal agencies, and the state budget office by September 30 based on the annual rate filings from health insurance issuers that includes all of the following:

(a) The number that are approved by the department.

(b) The number that are denied by the department.

(c) The percentage of rate filings processed within the applicable statutory time frames.

(d) The average number of calendar days to process rate filings.

Sec. 302. In addition to the funds appropriated in part 1, the funds collected by the department in connection with a conservatorship under section 32 of the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1682, and funds collected by the department from corporations being liquidated under the insurance code of 1956, 1956 PA 218, MCL 500.100 to 500.8302, must be appropriated for all expenses necessary to provide for the required services. Funds are available for expenditure when they are received by the department of treasury and must not lapse to the general fund at the end of the fiscal year. The total amount appropriated under this section and section 303 must not exceed \$400,000.00.

Sec. 303. The department may make available to interested entities customized listings of nonconfidential information in its possession. The department may establish and collect a reasonable charge to provide this service. The revenue from this service is appropriated when received and must be used to offset expenses to provide the service. Any balance of this revenue collected and unexpended at the end of the fiscal year must lapse to the appropriate restricted fund. The total amount appropriated under this section and section 302 must not exceed \$400,000.00.

Sec. 304. The department must electronically transmit the annual report prepared pursuant to section 238 of the insurance code of 1956, 1956 PA 218, MCL 500.238, and section 2108 of the banking code of 1999, 1999 PA 276, MCL 487.12108, to the subcommittees, senate and house fiscal agencies, and state budget office at the time of the publication of the report.

Sec. 305. The department must update examination manuals and letters of guidance to state-chartered financial institutions as necessary to reflect how the department will evaluate institutions that provide banking or other financial services to marijuana-related businesses or businesses that transport, test, grow, process, or sell marijuana based on the most recent state laws and guidance. The department may also include guidance or information on how federal law and regulations may impact state-chartered institutions.

Sec. 306. From any federal funds received by the department for the establishment of a state or regional health care claims database, the department shall consider all of the following qualifications for potential entities when awarding any grant for the creation of the database:

- (a) Status as a not-for-profit Michigan-based organization or partnership.
- (b) Prior experience collecting and analyzing health care data, preferably claims data or similar datasets.
- (c) Prior experience working with researchers on health care outcomes and utilization.
- (d) Prior experience working with public health officials on public health outcomes and utilization.
- (e) Prior experience collecting and analyzing data related to health care pricing.
- (f) Ability of organization to provide data that could enhance the value of a database, such as health outcomes, health status, and analysis of care delivery models.

ARTICLE 8
JUDICIARY
PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the judiciary for the fiscal year ending September 30, 2023, from the following funds:

JUDICIARY

APPROPRIATION SUMMARY		
Full-time equated exempted positions	537.0	
GROSS APPROPRIATION	\$	483,505,700
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		1,902,300
ADJUSTED GROSS APPROPRIATION	\$	481,603,400
Federal revenues:		
Total federal revenues		6,340,300
Special revenue funds:		
Total local revenues		7,782,600
Total private revenues		1,524,200
Total other state restricted revenues		95,181,400
State general fund/general purpose	\$	370,774,900

Sec. 102. SUPREME COURT

Full-time equated exempted positions	253.0	
Community dispute resolution—FTEs	3.0\$	3,370,400
Direct trial court automation support—FTEs	44.0	7,782,600
Drug treatment courts		12,648,200

		For Fiscal Year Ending Sept. 30, 2023
Foster care review board—FTEs	10.0\$	1,386,800
Jail reform advisory support—FTE	1.0	153,900
Judicial information systems—FTEs	24.0	5,757,800
Judicial institute—FTEs	13.0	2,496,800
Mental health courts and diversion services—FTE	1.0	5,708,400
Next generation Michigan court system		4,116,000
Other federal grants		275,100
State court administrative office—FTEs	65.0	12,919,900
Supreme court administration—FTEs	92.0	15,538,700
Swift and sure sanctions program		3,350,000
Veterans courts		1,061,200
GROSS APPROPRIATION	\$	76,565,800
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of corrections		52,300
IDG from department of state police		1,500,000
IDG from department of state police, Michigan justice training fund		100,000
Federal revenues:		
DOJ, drug court training and evaluation		300,000
DOT, National Highway Traffic Safety Administration		1,950,700
Federal funds		275,100
HHS, access and visitation grant		498,900
HHS, children's justice grant		247,500
HHS, court improvement project		962,600
HHS, state opioid response grant		351,200
HHS, title IV-D child support program		857,200
HHS, title IV-E foster care program		320,100
Special revenue funds:		
User fees		7,782,600
Interest on lawyers trust accounts		405,700
Private funds		501,100
State justice institute		529,000
Community dispute resolution fund		2,406,300
Court of appeals filing/motion fees		1,450,000
Drug treatment court fund		1,920,500
Justice system fund		619,800
Law exam fees		777,900
Miscellaneous revenue		249,400
State court fund		408,600
State general fund/general purpose	\$	52,099,300
Sec. 103. COURT OF APPEALS		
Full-time equated exempted positions	175.0	
Court of appeals operations—FTEs	175.0\$	26,161,000
GROSS APPROPRIATION	\$	26,161,000
Appropriated from:		
State general fund/general purpose	\$	26,161,000
Sec. 104. BRANCHWIDE APPROPRIATIONS		
Full-time equated exempted positions	4.0	
Branchwide appropriations—FTEs	4.0\$	8,861,500
GROSS APPROPRIATION	\$	8,861,500
Appropriated from:		
State general fund/general purpose	\$	8,861,500

For Fiscal Year
Ending Sept. 30,
2023

Sec. 105. JUSTICES' AND JUDGES' COMPENSATION

Judges positions—589.0 justices and judges		
Supreme court justices' salaries—7.0 justices	\$	1,270,500
Circuit court judges' state base salaries—221.0 judges		27,065,800
Circuit court judicial salary standardization		10,059,700
Court of appeals judges' salaries—25.0 judges		4,566,500
District court judges' state base salaries—232.0 judges		28,081,600
District court judicial salary standardization		10,608,600
Probate court judges' state base salaries—104.0 judges		12,661,200
Probate court judicial salary standardization		4,703,900
Judges' retirement system defined contributions		6,178,000
OASI, Social Security		7,118,600
GROSS APPROPRIATION	\$	112,314,400
Appropriated from:		
Special revenue funds:		
Court fee fund		1,970,800
State general fund/general purpose	\$	110,343,600

Sec. 106. JUDICIAL AGENCIES

Full-time equated exempted positions	10.0	
Judicial tenure commission—FTEs	10.0\$	2,423,000
GROSS APPROPRIATION	\$	2,423,000
Appropriated from:		
State general fund/general purpose	\$	2,423,000

Sec. 107. INDIGENT DEFENSE - CRIMINAL

Full-time equated exempted positions	62.0	
Appellate public defender program—FTEs	62.0\$	10,161,400
GROSS APPROPRIATION	\$	10,161,400
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of state police		250,000
Federal revenues:		
Federal funds		577,000
Special revenue funds:		
Interest on lawyers trust accounts		88,400
Miscellaneous revenue		172,400
State general fund/general purpose	\$	9,073,600

Sec. 108. INDIGENT CIVIL LEGAL ASSISTANCE

Indigent civil legal assistance	\$	7,937,000
GROSS APPROPRIATION	\$	7,937,000
Appropriated from:		
Special revenue funds:		
State court fund		7,937,000
State general fund/general purpose	\$	0

Sec. 109. TRIAL COURT OPERATIONS

Full-time equated exempted positions	26.0	
Court equity fund reimbursements	\$	60,815,700
Drug case-flow program		250,000
Drunk driving case-flow program		3,300,000
Judicial technology improvement fund		4,815,000
Juror compensation reimbursement—FTE	1.0	6,610,300
Statewide e-file system—FTEs	25.0	11,853,400
GROSS APPROPRIATION	\$	87,644,400

	For Fiscal Year Ending Sept. 30, 2023
Appropriated from:	
Special revenue funds:	
Court equity fund	\$ 50,440,000
Drug case information management fund	250,000
Drunk driving case-flow assistance fund	3,300,000
Judicial electronic filing fund	11,853,400
Judicial technology improvement fund	4,815,000
Juror compensation fund	6,610,300
State general fund/general purpose	\$ 10,375,700
Sec. 110. ONE-TIME APPROPRIATIONS	
Full-time equated exempted positions	7.0
Compliance with <i>Montgomery v Louisiana</i> —FTEs	7.0\$ 962,900
Judicial tenure commission	249,300
Judicial workload assessment	225,000
Statewide judicial case management system	150,000,000
GROSS APPROPRIATION	\$ 151,437,200
Appropriated from:	
State general fund/general purpose	\$ 151,437,200

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources under part 1 for fiscal year 2022-2023 is \$465,956,300.00 and state spending from state sources to be paid to local units of government is \$150,357,800.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

JUDICIARY	
SUPREME COURT	
Drug treatment courts	\$ 9,003,200
Mental health courts and diversion services	5,708,400
Next generation Michigan court system	4,116,000
Swift and sure sanctions program	3,350,000
Veterans courts	1,061,200
COURT OF APPEALS	
Court of appeals operations	\$ 200,000
JUSTICES' AND JUDGES' COMPENSATION	
Circuit court judicial salary standardization	\$ 10,059,700
District court judicial salary standardization	10,608,600
OASI, Social Security	1,241,200
Probate court judges' state base salaries	12,661,200
Probate court judicial salary standardization	4,703,900
TRIAL COURT OPERATIONS	
Court equity fund reimbursements	\$ 60,815,700
Drug case-flow program	250,000
Drunk driving case-flow program	3,300,000
Judicial technology improvement fund	4,815,000
Juror compensation reimbursement	6,610,300
Statewide e-file system	11,853,400
TOTAL	\$ 150,357,800

Sec. 202. (1) The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

(2) Funds appropriated in part 1 to an entity within the judicial branch must not be expended or transferred to another account without written approval of the authorized agent of the judicial entity. If the authorized agent of the judicial entity notifies the state budget director of its approval of an expenditure or transfer, the

state budget director shall immediately make the expenditure or transfer. The authorized judicial entity agent shall be designated by the chief justice of the supreme court.

Sec. 203. As used in this part and part 1:

- (a) "DOJ" means the United States Department of Justice.
- (b) "DOT" means the United States Department of Transportation.
- (c) "FTE" means full-time equated.
- (d) "HHS" means the United States Department of Health and Human Services.
- (e) "IDG" means interdepartmental grant.
- (f) "OASI" means old age survivor's insurance.
- (g) "SADO" means the state appellate defender office created under the appellate defender act, 1978 PA 620, MCL 780.711 to 780.719.
- (h) "Title IV-D" means the part of the federal social security act, 42 USC 301 to 1397mm, pertaining to the child support enforcement program.
- (i) "Title IV-E" means the part of the federal social security act, 42 USC 301 to 1397mm, pertaining to the foster care program.

Sec. 204. The reporting requirements of this part must be completed with the approval of, and at the direction of, the supreme court, except as otherwise provided in this part. The judicial branch shall use the internet to fulfill the reporting requirements of this part. This requirement includes transmission of reports via email to the recipients identified for each reporting requirement and includes placement of reports on an internet site.

Sec. 205. Except as otherwise provided in this part, all reports required under this part must be submitted to the senate and house appropriations subcommittees on judiciary, the senate and house fiscal agencies, and the state budget office.

Sec. 206. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply:

- (a) The funds appropriated in part 1 must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.
- (b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.
- (c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 207. Not later than January 1 of each year, the state court administrative office shall prepare a report on out-of-state travel listing all travel by judicial branch employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the budget for the judicial branch. The report must be submitted to the senate and house appropriations committees and to the report recipients required in section 205 of this part. The report must include the following information:

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

Sec. 208. Not later than November 30, the state budget office shall prepare and transmit a report that provides for estimates of the total general fund/general purpose appropriation lapses at the close of the prior fiscal year. This report must summarize the projected year-end general fund/general purpose appropriation lapses by major program or program areas. The report must be transmitted to the chairpersons of the senate and house appropriations committees and the senate and house fiscal agencies.

Sec. 209. From the funds appropriated in part 1, the judicial branch shall maintain a searchable website accessible by the public at no cost that includes all expenditures made by the judicial branch within a fiscal year. The posting must include the purpose for which each expenditure is made. The judicial branch shall not provide financial information on its website under this section if doing so would violate a federal or state law, rule, regulation, or guideline that establishes privacy or security standards applicable to that financial information.

Sec. 210. Within 14 days after the release of the executive budget recommendation, the judicial branch shall cooperate with the state budget office to provide the senate and house appropriations committee chairs, the senate and house appropriations subcommittee chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the prior 2 fiscal years.

Sec. 211. The judiciary shall maintain, on a publicly accessible website, a scorecard that identifies, tracks, and regularly updates key metrics that are used to monitor and improve the judiciary's performance.

Sec. 212. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2023 are estimated at \$13,829,500.00. From this amount, total judiciary appropriations for pension-related legacy costs are estimated at \$8,396,300.00. Total judiciary appropriations for retiree health care legacy costs are estimated at \$5,433,200.00.

Sec. 213. The judicial branch shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff, unless the communication is prohibited by law and the judicial branch is exercising its authority as provided by law.

Sec. 214. From the funds appropriated in part 1, the state court administrative office shall identify programs, within the department of health and human services, the department of labor and economic opportunity, and the department of corrections, that have programmatic connections with the participants in the swift and sure sanctions program. The purpose of this relationship is to leverage collaborations and to determine avenues of success for offenders who are eligible for state-provided programs. The state court administrative office shall provide guidance to courts participating in the swift and sure sanctions program, under the probation swift and sure sanctions act, chapter XIA of the code of criminal procedure, 1927 PA 175, MCL 771A.1 to 771A.8, regarding the available department of health and human services, department of labor and economic opportunity, and department of corrections programming.

Sec. 215. The judicial branch shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The judicial branch may electronically retain copies of reports unless otherwise required by federal and state guidelines.

JUDICIAL BRANCH

Sec. 301. From the funds appropriated in part 1, the direct trial court automation support program of the state court administrative office shall recover direct and overhead costs from trial courts by charging for services rendered. The fee must cover the actual costs incurred to the direct trial court automation support program in providing the service, including development of future versions of case management systems.

Sec. 302. Funds appropriated within the judicial branch must not be expended by any component within the judicial branch without the approval of the supreme court.

Sec. 303. Of the amount appropriated in part 1 for the judicial branch, \$711,900.00 is allocated for circuit court reimbursement under section 3 of 1978 PA 16, MCL 800.453, and for costs associated with the court of claims.

Sec. 304. A member of the legislature may request a report or data from the data collected in the judicial data warehouse. The report must be made available to the public upon request, unless disclosure is prohibited by court order or state or federal law. Any data provided under this section must be public and nonidentifying information.

Sec. 305. From the funds appropriated in part 1 for community dispute resolution, community dispute resolution centers shall provide dispute resolution services specified in the community dispute resolution act, 1988 PA 260, MCL 691.1551 to 691.1564, and shall help to reduce suspensions and truancy, and improve school climate. Funding appropriated in part 1 for community dispute resolution may be used to develop or expand juvenile diversion services in cooperation with local prosecutors. Participation in the dispute resolution processes is voluntary for all parties.

Sec. 306. From the funds appropriated in part 1 for mental health courts and diversion services, \$1,730,000.00 is intended to address the recommendations of the mental health diversion council.

Sec. 307. If sufficient funds are not available from the court fee fund to pay judges' compensation, the difference between the appropriated amount from that fund for judges' compensation and the actual amount available after the amount appropriated for trial court reimbursement is made must be appropriated from the state general fund for judges' compensation. If an appropriation is made under this section, the state court administrative office shall issue a report within 14 days of the appropriation to the senate and house standing committees on appropriations and to the report recipients required in section 205 of this part.

Sec. 308. By April 1, the state court administrative office shall provide a report on drug treatment, mental health, and veterans court programs in this state. The report must include information on the number of each type of program that has been established, the number of program participants in each jurisdiction, the impact of the programs on offender criminal involvement and recidivism, and an accounting of prior year expenditures, including grant amounts requested by the courts, grant amounts awarded to the courts, and grant amounts expended by the courts.

Sec. 309. (1) From the funds appropriated in part 1 for problem solving courts, \$100,000.00 must be used by the state court administrative office for a program in a veterans treatment court or a mental health treatment court, or both, that investigates the effectiveness of oral fluid testing to determine compliance with required mental health medicine prescriptions or requirements.

(2) By April 1, the state court administrative office shall provide a report on the oral fluid testing programs established in this state. The report must include information on the number of programs established, the number of program participants in each jurisdiction, and the rearrest rate of participants while participating in the program.

Sec. 310. (1) The funds appropriated in part 1 for drug treatment courts as that term is defined in section 1060 of the revised judiciary act of 1961, 1961 PA 236, MCL 600.1060, must be administered by the state court administrative office to operate drug treatment court programs. A drug treatment court shall

be responsible for handling cases involving substance abusing nonviolent offenders through comprehensive supervision, testing, treatment services, and immediate sanctions and incentives. A drug treatment court shall use all available county and state personnel involved in the disposition of cases, including, but not limited to, parole and probation agents, prosecuting attorneys, defense attorneys, and community corrections providers. The funds may be used in connection with other federal, state, and local funding sources.

(2) From the funds appropriated in part 1, the chief justice shall allocate sufficient funds for the Michigan judicial institute to provide in-state training for those identified in subsection (1), including training for new drug treatment court judges.

(3) For drug treatment court grants, consideration for priority may be given to those courts where higher instances of substance abuse cases are filed.

(4) The judiciary shall receive \$1,500,000.00 in Byrne formula grant funding as an interdepartmental grant from the department of state police to be used for expansion of drug treatment courts, to assist in avoiding prison bed space growth for nonviolent offenders in collaboration with the department of corrections.

Sec. 311. From the funds appropriated in part 1, the state court administrator shall produce a statistical report regarding the implementation of the parental rights restoration act, 1990 PA 211, MCL 722.901 to 722.908, as it pertains to minors seeking court-issued waivers of parental consent. The state court administrative office shall report the total number of petitions filed and the total number of petitions granted under that act.

Sec. 312. (1) From the funds appropriated in part 1 for the swift and sure sanctions program, the state court administrative office shall administer a program to distribute grants to qualifying courts in accordance with the objectives and requirements of the probation swift and sure sanctions act, chapter XIA of the code of criminal procedure, 1927 PA 175, MCL 771A.1 to 771A.8. Of the funds designated for the program, not more than \$100,000.00 is available to the state court administrative office to pay for employee costs associated with the administration of the program funds. Of the funds designated for the program, \$500,000.00 is reserved for programs in counties that had more than 325 individuals sentenced to prison in the previous calendar year. Courts interested in participating in the swift and sure sanctions program may apply to the state court administrative office for a portion of the funds appropriated in part 1 under this section.

(2) By April 1, the state court administrative office, in cooperation with the department of corrections, shall provide a report on the courts that receive funding under the swift and sure sanctions program described in subsection (1). The report must include all of the following:

- (a) The number of offenders who participate in the program.
- (b) The criminal history of offenders who participate in the program.
- (c) The recidivism rate of offenders who participate in the program, including the rate of return to jail, prison, or both.
- (d) A detailed description of the establishment and parameters of the program.
- (e) A list of courts participating in the program.
- (f) An accounting of prior year expenditures, including grant amounts requested by the courts, grant amounts awarded to the courts, and grant amounts expended by the courts.

(3) As used in this section, "program" means a swift and sure sanctions program described in subsection (1).

Sec. 313. From the funds appropriated in part 1, the judicial branch shall support a statewide legal self-help internet website and local nonprofit self-help centers that use the statewide website to provide assistance to individuals representing themselves in civil legal proceedings. The state court administrative office shall summarize the costs of maintaining the website, provide statistics on the number of people visiting the website, and provide information on content usage, form completion, and user feedback by March 1 for the preceding fiscal year.

Sec. 314. If Byrne formula grant funding is awarded to the state appellate defender office in excess of the amount appropriated in part 1, the state appellate defender office may receive and expend Byrne formula grant funds in an amount not to exceed \$250,000.00 as an interdepartmental grant from the department of state police. If the state appellate defender office receives federal grant funding from the United States Department of Justice in excess of the amount appropriated in part 1, the state appellate defender office may receive and expend grant funds in an amount not to exceed \$300,000.00.

Sec. 315. (1) From the funds appropriated in part 1 for drug treatment courts, the judiciary shall maintain a medication-assisted treatment program to provide treatment for opioid-addicted and alcohol-addicted individuals who are referred to and voluntarily participate in the medication-assisted treatment program.

(2) By February 1, the judiciary shall report on the medication-assisted treatment program. The report must include itemized spending by court, the number of participants, and statistics that indicate average program participation duration and success rates.

(3) The goal of the medication-assisted treatment program is for participants to be free of narcotic addiction prior to ending participation in the program.

ONE-TIME APPROPRIATIONS

Sec. 401. (1) From the funds appropriated in part 1, the state appellate defender office shall ensure Michigan compliance with *Montgomery v Louisiana*, 577 US 190 (2016). The purpose of the program is to ensure competent, resourced, and supervised counsel in cases involving the resentencing of juvenile lifers. The representation by state appellate defender office will create opportunities for release, saving prison costs for the state.

(2) The state appellate defender office shall submit a report by December 31 on the number of juvenile lifer cases investigated and prepared by the state appellate defender office. The report must include a calculation of hours spent and focus on incremental costs associated with investigating and conducting a robust examination of each case, with particular emphasis on those costs that may be avoided after the cases have been disposed.

Sec. 402. (1) Funds appropriated in part 1 for statewide judicial case management system are 1-time funds that must be used by the state court administrative office to establish a statewide judicial case management system that demonstrates the ability to integrate criminal justice data across the state and local units of government. Funds are prohibited from being used to supplant the current user fee system and administrative purposes unrelated to the statewide judicial case management system. The system must take into account improving operations, financial systems, research, informing of policy, and gaining actionable insights across organizational data.

(2) The intended purpose is to provide broad access to criminal justice information across state departments and agencies and local units of government, including, but not limited to, the department of state police and other law enforcement agencies, the department of corrections, jail administrators, judges, prosecuting attorneys, and courts. The project must comply with all security measures and restrictions to ensure that access to any information is held confidential under federal and state law. Access to information must be limited to authorized persons only.

(3) The system must be hosted in a secure cloud by a vendor that has documented experience operating in a state that has a population size similar to this state.

(4) The state court administrative office must submit an implementation status report within 12 months.

(5) The unexpended appropriations in part 1 for statewide judicial case management system are designated as a work project appropriation. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for the project under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to establish a statewide judicial case management system that demonstrates the ability to integrate criminal justice data across the state and local units of government.

(b) The project will be accomplished utilizing state resources and contracts.

(c) The total estimated completion cost of the project is \$150,000,000.00.

(d) The tentative completion date for the work project is September 30, 2027.

ARTICLE 9

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of licensing and regulatory affairs for the fiscal year ending September 30, 2023, from the following funds:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

APPROPRIATION SUMMARY	
Full-time equated unclassified positions	30.0
Full-time equated classified positions	1,849.9
GROSS APPROPRIATION	\$ 539,834,400
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	47,026,900
ADJUSTED GROSS APPROPRIATION	\$ 492,807,500
Federal revenues:	
Total federal revenues	29,659,200
Special revenue funds:	
Total local revenues	0

	For Fiscal Year Ending Sept. 30, 2023
Total private revenues	\$ 0
Total other state restricted revenues	\$ 249,325,900
State general fund/general purpose	\$ 213,822,400
Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
Full-time equated unclassified positions	30.0
Full-time equated classified positions	100.0
Unclassified salaries—FTEs	30.0\$ 2,795,100
Administrative services—FTEs	73.0 8,813,300
Executive director programs—FTEs	24.0 2,944,900
FOIA coordination—FTEs	3.0 338,600
Property management	8,021,100
Worker's compensation	264,100
GROSS APPROPRIATION	\$ 23,177,100
Appropriated from:	
Interdepartmental grant revenues:	
IDG from MDIFS, accounting services	150,000
Federal revenues:	
EPA, underground storage tanks	30,500
HHS-Medicaid, certification of health care providers and suppliers	425,500
HHS-Medicare, certification of health care providers and suppliers	621,800
Special revenue funds:	
Aboveground storage tank fees	95,400
Accountancy enforcement fund	66,400
Boiler inspection fund	290,000
Builder enforcement fund	103,300
Construction code fund	830,500
Corporation fees	4,489,200
Elevator fees	310,900
Fire alarm fees	7,500
Fire safety standard and enforcement fund	2,100
Fire service fees	463,400
Fireworks safety fund	61,200
Health professions regulatory fund	1,748,800
Health systems fees	252,400
Licensing and regulation fund	965,000
Liquor license revenue	340,000
Liquor purchase revolving fund	3,252,000
Marihuana registry fund	833,000
Marihuana regulation fund	457,100
Marihuana regulatory fund	697,800
Michigan unarmed combat fund	5,900
Mobile home code fund	287,600
Nurse professional fund	39,800
PMECSEMA fund	47,400
Property development fees	7,600
Public utility assessments	3,233,500
Real estate appraiser education fund	2,600
Real estate education fund	11,600
Real estate enforcement fund	11,900
Refined petroleum fund	173,300
Restructuring mechanism assessments	32,200
Securities fees	1,561,900
Securities investor education and training fund	9,400

	For Fiscal Year Ending Sept. 30, 2023	
Security business fund	\$	7,200
Survey and remonumentation fund		98,800
Tax tribunal fund		825,300
Utility consumer representation fund		54,000
State general fund/general purpose	\$	273,300
Sec. 103. PUBLIC SERVICE COMMISSION		
Full-time equated classified positions	190.0	
Low carbon energy infrastructure enhancement and development	\$	25,000,000
Public service commission—FTEs	190.0	34,168,900
GROSS APPROPRIATION	\$	59,168,900
Appropriated from:		
Federal revenues:		
DOT, gas pipeline safety		2,665,000
Special revenue funds:		
Public utility assessments		30,921,900
Restructuring mechanism assessments		582,000
State general fund/general purpose	\$	25,000,000
Sec. 104. LIQUOR CONTROL COMMISSION		
Full-time equated classified positions	145.0	
Liquor licensing and enforcement—FTEs	116.0\$	17,433,800
Management support services—FTEs	29.0	4,767,700
GROSS APPROPRIATION	\$	22,201,500
Appropriated from:		
Special revenue funds:		
Direct shipper enforcement revolving fund		309,600
Liquor control enforcement and license investigation revolving fund		175,000
Liquor license fee enhancement fund		76,400
Liquor license revenue		8,243,900
Liquor purchase revolving fund		13,396,600
State general fund/general purpose	\$	0
Sec. 105. OCCUPATIONAL REGULATION		
Full-time equated classified positions	1,028.9	
Adult foster care and camps licensing and regulation—FTEs	96.0\$	13,777,600
Bureau of community and health systems administration—FTEs	20.0	2,448,500
Bureau of construction codes—FTEs	182.0	25,180,500
Bureau of fire services—FTEs	79.0	13,969,500
Bureau of professional licensing—FTEs	205.0	41,067,700
Child care licensing and regulation—FTEs	127.0	20,648,400
Corporations, securities, and commercial licensing bureau—FTEs	109.0	15,520,500
Health facilities regulation—FTEs	202.9	33,449,000
Nurse aide program—FTEs	8.0	1,780,800
Urban search and rescue		1,000,000
GROSS APPROPRIATION	\$	168,842,500
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDE, child care licensing		20,146,700
Federal revenues:		
DHS, fire training systems		528,000
DOT, hazardous materials training and planning		20,000
EPA, underground storage tanks		820,600
HHS-Medicaid, certification of health care providers and suppliers		8,992,200
HHS-Medicare, certification of health care providers and suppliers		14,468,300

	For Fiscal Year Ending Sept. 30, 2023	
Special revenue funds:		
Aboveground storage tank fees	\$	234,100
Accountancy enforcement fund		780,300
Adult foster care facilities license fund		417,600
Boiler inspection fund		2,983,900
Builder enforcement fund		644,000
Child care home and center licenses fund		501,700
Construction code fund		10,571,100
Corporation fees		8,193,300
Division on deafness fund		73,400
Elevator fees		3,964,700
Fire alarm fees		135,900
Fire safety standard and enforcement fund		31,200
Fire service fees		2,709,100
Fireworks safety fund		1,243,800
Health professions regulatory fund		25,713,500
Health systems fees		4,019,700
Licensing and regulation fund		12,838,100
Liquor purchase revolving fund		151,100
Marihuana regulatory fund		500,000
Mobile home code fund		2,110,800
Nurse aide registration fund		597,500
Nurse professional fund		1,967,200
Nursing home administrative penalties		100,000
PMECSEMA fund		1,909,800
Property development fees		192,600
Real estate appraiser education fund		65,500
Real estate education fund		347,700
Real estate enforcement fund		554,400
Refined petroleum fund		2,704,100
Securities fees		5,273,900
Securities investor education and training fund		497,000
Security business fund		238,200
Survey and remonumentation fund		892,600
State general fund/general purpose	\$	30,708,900
Sec. 106. CANNABIS REGULATORY AGENCY		
Full-time equated classified positions	168.0	
Medical marihuana facilities licensing and tracking—FTEs	50.0\$	6,546,100
Medical marihuana program—FTEs	25.0	5,031,900
Recreational marihuana regulation—FTEs	93.0	14,594,100
GROSS APPROPRIATION	\$	26,172,100
Appropriated from:		
Special revenue funds:		
Marihuana registry fund		5,031,900
Marihuana regulation fund		14,594,100
Marihuana regulatory fund		6,546,100
State general fund/general purpose	\$	0
Sec. 107. MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES		
Full-time equated classified positions	202.0	
Michigan office of administrative hearings and rules—FTEs	202.0\$	38,965,000
GROSS APPROPRIATION	\$	38,965,000

	For Fiscal Year Ending Sept. 30, 2023
Appropriated from:	
Interdepartmental grant revenues:	
IDG revenues, administrative hearings and rules	\$ 26,730,200
Special revenue funds:	
Construction code fund	26,700
Corporation fees	4,373,600
Health professions regulatory fund	860,200
Health systems fees	165,100
Licensing and regulation fund	903,300
Liquor purchase revolving fund	481,000
Marihuana regulation fund	100,000
Marihuana regulatory fund	252,000
Public utility assessments	2,490,700
Securities fees	1,038,800
Tax tribunal fund	847,600
State general fund/general purpose	\$ 695,800
Sec. 108. COMMISSIONS	
Full-time equated classified positions	16.0
Michigan indigent defense commission—FTEs	16.0\$ 2,763,000
Michigan unarmed combat commission	126,200
GROSS APPROPRIATION	\$ 2,889,200
Appropriated from:	
Special revenue funds:	
Michigan unarmed combat fund	126,200
State general fund/general purpose	\$ 2,763,000
Sec. 109. GRANTS	
Firefighter training grants	\$ 2,300,000
Liquor law enforcement grants	8,400,000
Marihuana operation and oversight grants	3,000,000
Michigan indigent defense commission grants	148,917,400
Remonumentation grants	6,800,000
Utility consumer representation	850,000
GROSS APPROPRIATION	\$ 170,267,400
Appropriated from:	
Special revenue funds:	
Fireworks safety fund	2,300,000
Liquor license revenue	8,400,000
Local indigent defense reimbursement	300,000
Marihuana registry fund	100
Marihuana regulation fund	2,999,900
Survey and remonumentation fund	6,800,000
Utility consumer representation fund	850,000
State general fund/general purpose	\$ 148,617,400
Sec. 110. INFORMATION TECHNOLOGY	
Information technology services and projects	\$ 19,807,100
GROSS APPROPRIATION	\$ 19,807,100
Appropriated from:	
Federal revenues:	
DOT, gas pipeline safety	45,000
EPA, underground storage tanks	100,200
HHS-Medicaid, certification of health care providers and suppliers	358,300
HHS-Medicare, certification of health care providers and suppliers	583,800

	For Fiscal Year Ending Sept. 30, 2023
Special revenue funds:	
Aboveground storage tank fees	\$ 34,600
Accountancy enforcement fund	1,100
Boiler inspection fund	328,100
Construction code fund	1,290,900
Corporation fees	4,240,100
Elevator fees	476,900
Fire safety standard and enforcement fund	3,000
Fire service fees	538,300
Fireworks safety fund	52,000
Health professions regulatory fund	1,854,100
Health systems fees	298,200
Licensing and regulation fund	1,101,700
Liquor purchase revolving fund	3,518,000
Marihuana registry fund	447,100
Marihuana regulation fund	361,600
Marihuana regulatory fund	741,300
Michigan unarmed combat fund	6,800
Mobile home code fund	176,100
PMECSEMA fund	38,600
Public utility assessments	1,242,900
Real estate appraiser education fund	1,000
Real estate education fund	1,900
Refined petroleum fund	170,800
Restructuring mechanism assessments	28,100
Securities fees	244,000
Securities investor education and training fund	1,000
Survey and remonumentation fund	74,100
Tax tribunal fund	183,500
State general fund/general purpose	\$ 1,264,000
Sec. 111. ONE-TIME APPROPRIATIONS	
Bureau of fire services - smoke detectors	\$ 1,000,000
Cannabis market taxation and regulatory compliance analysis pilot program	500,000
Corporations online filing modernization	2,343,600
Michigan saves	2,500,000
Michigan task force on foreign trained medical professional licensing	1,000,000
Urban search and rescue	1,000,000
GROSS APPROPRIATION	\$ 8,343,600
Appropriated from:	
Special revenue funds:	
Corporation fees	2,343,600
Health professions regulatory fund	1,000,000
Marihuana regulation fund	500,000
State general fund/general purpose	\$ 4,500,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2022-2023

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 2022-2023 is \$463,148,300.00 and state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is \$169,417,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

Firefighter training grants	\$ 2,300,000
Liquor law enforcement grants	8,400,000

	For Fiscal Year Ending Sept. 30, 2023
Marihuana operation and oversight grants	\$ 3,000,000
Michigan indigent defense commission grants	148,917,400
Remonumentation grants	6,800,000
TOTAL	\$ 169,417,400

Sec. 202. The appropriations authorized 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. As used in this part and part 1:

- (a) "Department" means the department of licensing and regulatory affairs.
- (b) "DHS" means the United States Department of Homeland Security.
- (c) "Director" means the director of the department.
- (d) "DOT" means the United States Department of Transportation.
- (e) "EPA" means the United States Environmental Protection Agency.
- (f) "FOIA" means the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.
- (g) "FTE" means full-time equated.
- (h) "HHS" means the United States Department of Health and Human Services.
- (i) "IDG" means interdepartmental grant.
- (j) "MDE" means the Michigan department of education.
- (k) "MDIFS" means the Michigan department of insurance and financial services.
- (l) "PMECSEMA" means pain management education and controlled substances electronic monitoring and antidiversion.

(m) "Subcommittees" means the subcommittees of the house and senate appropriations committees with jurisdiction over the budget for the department.

Sec. 204. The department shall use the internet to fulfill the reporting requirements of this part. This requirement shall include transmission of reports via email to the recipients identified for each reporting requirement and it shall include placement of reports on an internet site.

Sec. 205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply:

- (a) The funds appropriated in part 1 must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.
- (b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.
- (c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 206. The department shall not take disciplinary action against an employee of the department or departmental agency in the state classified civil service because the employee communicates with a member of the legislature or a member's staff, unless the communication is prohibited by law and the department or agency taking disciplinary action is exercising its authority as provided by law.

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

- (a) The dates of each travel occurrence.
- (b) The total transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

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

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

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

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

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

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

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

- (a) Fiscal year-to-date expenditures by category.
- (b) Fiscal year-to-date expenditures by appropriation unit.
- (c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.
- (d) The number of active department employees by job classification.
- (e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide the chairpersons of the senate and house appropriations committees, the chairpersons of the subcommittees, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the prior 2 fiscal years.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2023 are estimated at \$40,356,700.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$24,501,800.00. Total agency appropriations for retiree health care legacy costs are estimated at \$15,854,900.00.

Sec. 215. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure that businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 216. (1) On a quarterly basis, the department shall report to the senate and house appropriations committees, the subcommittees, and the senate and house fiscal agencies the following information:

- (a) The number of FTEs in pay status by type of staff and civil service classification.
- (b) A comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTEs employed by the department at the end of the reporting period.
- (2) By March 1 of the current fiscal year, the department shall report to the senate and house appropriations committees, the subcommittees, and the senate and house fiscal agencies the following information:
 - (a) Number of employees that were engaged in remote work in 2022.
 - (b) Number of employees authorized to work remotely and the actual number of those working remotely in the current reporting period.
 - (c) Estimated net cost savings achieved by remote work.
 - (d) Reduced use of office space associated with remote work.

Sec. 217. Appropriations in part 1 shall, to the extent possible by the department, not be expended until all existing work project authorization available for the same purposes is exhausted.

Sec. 218. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this article, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each chamber, intertransfer funds within this article for the particular department, board, commission, officer, or institution.

Sec. 219. The department and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal or state guidelines.

Sec. 220. Not later than April 1, the department shall report on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the senate and house appropriations committees, the subcommittees, the joint committee on administrative rules, and the senate and house fiscal agencies.

Sec. 221. (1) From the funds appropriated in part 1, the department shall do all of the following:

(a) Report to the senate and house appropriations committees, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office any amount of severance pay for a department director, deputy director, or other high-ranking department official not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.

(b) Maintain an internet site that posts any severance pay in excess of 6 weeks of wages, regardless of the position held by the former department employee receiving severance pay.

(c) By February 1, report to the subcommittees, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the total amount of severance pay remitted to former department employees during the fiscal year ending September 30, 2022, and the number of former department employees that were remitted severance pay during the fiscal year ending September 30, 2022.

(2) As used in this section, "severance pay" means compensation that is both payable or paid upon the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits.

Sec. 222. (1) Any department, agency, board, commission, or public officer that receives funding under part 1 shall not:

(a) Require as a condition of accessing any facility or receiving services that an individual provide proof that he or she has received a COVID-19 vaccine except as provided by federal law or as a condition of receiving federal Medicare or Medicaid funding.

(b) Produce, develop, issue, or require a COVID-19 vaccine passport.

(c) Develop a database or make any existing database publicly available to access an individual's COVID-19 vaccine status by any person, company, or governmental entity.

(d) Require as a condition of employment that an employee or official provide proof that he or she has received a COVID-19 vaccine. This subdivision does not apply to any hospital, congregate care facility, or other medical facility or any hospital, congregate care facility, or other medical facility operated by a local subdivision that receives federal Medicare or Medicaid funding.

(2) A department, agency, board, commission, or public officer may not subject any individual to any negative employment consequence, retaliation, or retribution because of that individual's COVID-19 vaccine status.

(3) Subsection (1) does not prohibit any person, department, agency, board, commission, or public officer from transmitting proof of an individual's COVID-19 vaccine status to any person, company, or governmental entity, so long as the individual provides affirmative consent.

(4) If a department, agency, board, commission, subdivision, or official or public officer is required to establish a vaccine policy due to a federal mandate, it must provide exemptions to any COVID-19 vaccine policy to the following individuals:

(a) An individual for whom a physician certifies that a COVID-19 vaccine is or may be detrimental to the individual's health or is not appropriate.

(b) An individual who provides a written statement to the effect that the requirements of the COVID-19 vaccine policy cannot be met because of religious convictions or other consistently held objection to immunization.

(5) As used in this section, "public officer" means a person appointed by the governor or another executive department official or an elected or appointed official of this state or a political subdivision of this state.

Sec. 223. It is the intent of the legislature that the department maximize the efficiency of the state workforce and, where possible, prioritize in-person work. Each executive branch department, agency, board, or commission that receives funding under part 1 must post its in-person, remote, or hybrid work policy on its website.

Sec. 224. The department may carry into the succeeding fiscal year unexpended federal pass-through funds to local institutions and governments that do not require additional state matching funds. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 and that do not require additional state matching funds are appropriated for the purposes intended.

Within 14 days after the receipt of federal pass-through funds, the department shall notify the chairpersons of the subcommittees, the senate and house fiscal agencies, and the state budget office of pass-through funds appropriated under this section.

Sec. 225. (1) Grants supported with private revenues received by the department are appropriated upon receipt and are available for expenditure by the department, subject to subsection (3), for purposes specified within the grant agreement and as permitted under state and federal law.

(2) Within 10 days after the receipt of a private grant appropriated in subsection (1), the department shall notify the chairpersons of the subcommittees, the senate and house fiscal agencies, and the state budget office of the receipt of the grant, including the fund source, purpose, and amount of the grant.

(3) The amount appropriated under subsection (1) shall not exceed \$1,500,000.00.

Sec. 226. (1) The department may charge registration fees to attendees of informational, training, or special events sponsored by the department and related to activities that are under the department's purview.

(2) These fees shall reflect the costs for the department to sponsor the informational, training, or special events.

(3) Revenue generated by the registration fees is appropriated upon receipt and available for expenditure to cover the department's costs of sponsoring informational, training, or special events.

(4) Revenue generated by registration fees in excess of the department's costs of sponsoring informational, training, or special events shall carry forward to the subsequent fiscal year and not lapse to the general fund.

(5) The amount appropriated under subsection (3) shall not exceed \$500,000.00.

Sec. 227. The department may make available to interested entities otherwise unavailable customized listings of nonconfidential information in its possession, such as names and addresses of licensees. The department may establish and collect a reasonable charge to provide this service. The revenue received from this service is appropriated when received and shall be used to offset expenses to provide the service. Any balance of this revenue collected and unexpended at the end of the fiscal year shall lapse to the appropriate restricted fund.

Sec. 228. (1) The department shall sell documents at a price not to exceed the cost of production and distribution. Money received from the sale of these documents shall revert to the department. In addition to the funds appropriated in part 1, these funds are available for expenditure when they are received by the department of treasury. This subsection applies only for the following documents:

(a) Corporation and securities division documents, reports, and papers required or permitted by law pursuant to section 1060(6) of the business corporation act, 1972 PA 284, MCL 450.2060.

(b) The Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1101 to 436.2303.

(c) The mobile home commission act, 1987 PA 96, MCL 125.2301 to 125.2350; the business corporation act, 1972 PA 284, MCL 450.1101 to 450.2098; the nonprofit corporation act, 1982 PA 162, MCL 450.2101 to 450.3192; and the uniform securities act (2002), 2008 PA 551, MCL 451.2101 to 451.2703.

(d) Construction code manuals.

(e) Copies of transcripts from administrative law hearings.

(2) In addition to the funds appropriated in part 1, funds appropriated for the department under sections 57, 58, and 59 of the administrative procedures act of 1969, 1969 PA 306, MCL 24.257, 24.258, and 24.259, and section 203 of the legislative council act, 1986 PA 268, MCL 4.1203, are appropriated for all expenses necessary to provide for the cost of publication and distribution.

(3) Unexpended funds at the end of the fiscal year shall carry forward to the subsequent fiscal year and not lapse to the general fund.

Sec. 229. (1) Not later than December 31, the department shall submit a report to the subcommittees, the senate and house fiscal agencies, and the state budget office pertaining to licensing and regulatory programs during the previous 3 fiscal years, if available, for the following agencies:

(a) Liquor control commission.

(b) Bureau of fire services.

(c) Bureau of construction codes.

(d) Corporations, securities, and commercial licensing bureau.

(e) Bureau of professional licensing.

(f) Bureau of community and health systems.

(2) The report shall be in a format that is consistent between the agencies listed in subsection (1). Agencies listed in subsection (1)(a) and (b) shall report by regulated activity, and agencies listed in subsection (1)(c), (d), (e), and (f) shall report by regulatory product or regulated activity, or both. Subject to this subsection, the report shall provide, but is not limited to, the following information for the previous 3 fiscal years, as applicable, for each agency:

(a) Revenue generated by and expenditures disbursed by regulatory fund.

(b) Revenue generated by regulatory product or regulated activity.

- (c) The renewal cycle and amount of each fee charged.
- (d) Number of initial applications.
- (e) Number of initial applications denied.
- (f) Number of license renewals.
- (g) Average amount of time to approve or deny completed applications.
- (h) Number of examinations proctored for initial applications.
- (i) A description of the types of complaints received.
- (j) A description of the process used to resolve complaints.
- (k) Number of complaints received.
- (l) Number of complaints investigated.
- (m) Number of complaints closed with no action.
- (n) Number of complaints resulting in administrative actions or citations.
- (o) Average amount of time to complete investigations.
- (p) Number of enforcement actions, including license revocations, suspensions, and fines.
- (q) A description of the types of enforcement actions taken against licensees.
- (r) Number of administrative hearing adjudications.

(3) As used in subsection (2), “regulatory product” means each occupation, profession, trade, or program, which includes licensure, certification, registration, inspection, review, permitting, approval, or any other regulatory service provided by the agencies specified in subsection (1) for each regulated activity. As used in this subsection and subsection (2), “regulated activity” means the particular activities, entities, facilities, and industries regulated by the agencies specified in subsection (1).

Sec. 230. It is the intent of the legislature that the department establish an employee performance monitoring process that is consistent throughout the department in addition to current civil service commission evaluations. The department shall submit quarterly reports to the subcommittees, the senate and house fiscal agencies, and the state budget office on changes to the employee performance monitoring process that are planned or implemented, as well as the number of employee evaluations performed.

Sec. 231. Unless prohibited by law, the department may accept credit card or other electronic means of payment for licenses, fees, or permits.

Sec. 232. The department shall submit a report to the subcommittees, the senate and house fiscal agencies, and the state budget office by September 30 detailing any expenditure of funds for a television or radio production that was made to a third-party vendor in the fiscal year ending September 30, 2023. The report must include the following information for each expenditure:

- (a) Total amount of the expenditure.
- (b) Fund source for the expenditure.
- (c) Name of any vendor that created the production and the amount paid to each vendor.
- (d) Purpose of the production.

Sec. 233. Pending litigation related to a licensee must not delay investigations and licensing actions taken by the department toward that licensee under its statutory authority, unless otherwise prohibited by law.

Sec. 234. From the funds appropriated in part 1, the department shall make accessible to the subcommittees, and post on a publicly accessible website, a report describing materials that department employees and contractors are required to review or complete as part of their mandatory training, including mandatory examinations, surveys, audio or visual recordings, and reading materials. All current training materials and future trainings shall be made available for review by members of the subcommittees, or their designees. Contract-based trainings from outside entities must include allowing members of the subcommittees, or their designees, to view the training materials. The report shall be updated and resubmitted to the subcommittees when department training requirements change.

Sec. 235. (1) The department must require that as a condition of employment, each employee must participate in 2 hours of customer service and business ethics training. This training must include, but is not limited to, instruction in customer service professionalism, consumer support, and ethics in business.

(2) Not later than November 3, 2022, the department shall submit a report to the subcommittees, the senate and house fiscal agencies, and the state budget office containing all of the following information:

- (a) The number of classified and unclassified employees that received the customer service and business ethics training.
- (b) A copy of the material that was presented in the customer service and business ethics training.
- (c) Information on the entity that provided the customer service and business ethics training.

PUBLIC SERVICE COMMISSION

Sec. 301. The public service commission administers the low-income energy assistance grant program on behalf of the Michigan department of health and human services via an interagency agreement. Funds supporting the grant program are appropriated in the department upon awarding of grants and may be expended for grant payments and administrative related expenses incurred in the operation of the grant program.

Sec. 302. (1) From the funds appropriated in part 1 for low carbon energy infrastructure enhancement and development, funding must be expended only for grants to businesses, nonprofit organizations, and units of local government for the purposes of planning, developing, designing, acquiring, or constructing low carbon energy facilities, which may include, but are not limited to, natural gas facilities, combined heat and power facilities, renewable natural gas facilities, and electrification programs.

(2) The Michigan public service commission must develop program guidelines and implement an application process for the grant program within 6 months after the effective date of this act and must first prioritize and approve grants that do all of the following:

(a) Are supported by a cost-benefit analysis.

(b) Facilitate the largest number of end-use customers achieving access to low carbon energy facilities at the lowest total cost.

(c) Reduce customer energy cost burdens.

(d) Support the reduction of emissions.

(3) Grant applicants must do all of the following:

(a) Perform an impact study that includes an analysis of potential cost savings, environmental impacts, and local economic benefits of the proposed low carbon energy facilities. A utility, at its sole discretion, may prepare a single impact study covering the utility's service territory that accounts for likely proposals, evaluates regional opportunities, and minimizes or eliminates the need for repetitive studies. Sufficient detail must be provided in the study to allow the Michigan public service commission to evaluate each low carbon energy facility proposed.

(b) Submit a proposal that details the associated costs and benefits of the proposal, including all of the following:

(i) The cost impact to potential new customers, including a cost-benefit analysis demonstrating the impact and cost savings to customers that are directly part of the infrastructure development proposal. The cost-benefit analysis must include all of the following:

(A) A summary of the project, including detailed cost estimates for completion, project timing, and locations impacted.

(B) A prospective list outlining the volume of potential customers that would be impacted by the project development.

(C) A comprehensive analysis of prospective customers' energy costs using those customers' current energy supply versus the proposed new energy supply source and other alternative energy sources that may be available, including all of the following:

(I) The forecasted annual energy costs of a customer's current energy supply in direct comparison with the proposed new energy supply source and other alternative energy sources that may be available.

(II) Any installation or project costs that are the customer's responsibility.

(III) A detailed comparison of the scope 1, scope 2, and scope 3 emissions, as defined by the Environmental Protection Agency, associated with the energy supply within the proposal versus the current energy supply being used by prospective customers and other alternative energy sources that may be available, including all of the following:

(1) The calculated emissions savings for an average customer under the different energy supply options.

(2) Any supporting details for the emissions calculation, including any models and detail on assumptions.

(ii) An analysis to demonstrate impact on the local economy and this state's economy, including all of the following:

(A) The number of jobs created during the project.

(B) The potential impact to the small business community within the local area where the grant or loan is proposed to be spent.

(C) The cost savings to other customers due to the grant being used to supplement spending and revenue in other areas.

(iii) A detailed summary indicating any support from customers and communities associated with the project plans for the infrastructure development, including all of the following:

(A) Any outreach campaigns or events conducted, including dates, times, and number of households reached.

(B) A list of any customers or businesses that have expressed or signaled interest in supporting the project development.

(iv) An analysis of the anticipated community health impacts related to the proposed low carbon energy facility.

(4) In addition to the requirements of subsection (3), an applicant applying for a grant to be used to develop RNG infrastructure shall include all of the following:

(a) The project details, including the location of biogas and the proposed interconnection.

(b) The cost estimates for the interconnection, metering, and gas conditioning equipment needed to connect to an existing pipeline system.

(c) A summary of the environmental and health impacts of the project, including the forecasted emission reductions.

(d) Any local economic impact from the RNG infrastructure development.

(e) The end-use application for the RNG infrastructure with a focus on projects being used for opportunities in this state.

(5) After receiving an application under this section, the Michigan public service commission must allow local units of government, environmental groups, and business interests directly affected by the proposal 45 days to review the application and provide comments. The Michigan public service commission must give the applicant 15 days after the comments have been received from interested parties, at the applicant's discretion, to modify or maintain their initial proposal.

(6) The Michigan public service commission must review all proposals and award grants to applicants it determines have met the criteria in this section. All grants must include full and timely cost recovery from the fund for the infrastructure requirements of the affected utility made necessary by the grant.

(7) Grant recipients under this section must submit a report to the Michigan public service commission detailing how the grant money was used within 30 days after the completion of the relevant project.

(8) As used in this section, "renewable natural gas" or "RNG" means methane derived from organic waste material and degradable carbon sources, including, but not limited to, agricultural waste, manure, municipal waste, plant materials, sewage, green waste, or food waste.

(9) The unexpended funds appropriated in part 1 for low carbon energy infrastructure enhancement and development are designated as a work project appropriation. Any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to support improvements to low carbon energy infrastructure projects.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is \$25,000,000.00.

(d) The tentative completion date is September 30, 2027.

LIQUOR CONTROL COMMISSION

Sec. 401. (1) From the appropriations in part 1 from the direct shipper enforcement revolving fund, the liquor control commission shall expend these funds as required under section 203(11) of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1203, to investigate and audit unlawful direct shipments of wine by unlicensed wineries and retailers, with priority directed toward unlicensed out-of-state retailers and third-party marketers. In addition to other investigative methods, the commission shall use shipping records available to it under section 203(21) of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1203, to assist with this effort. The liquor control commission must refer all unlicensed out-of-state retailers and third-party marketers identified with the shipping records to the attorney general.

(2) By February 1, the liquor control commission shall provide a report to the legislature, the subcommittees, and the state budget office detailing the commission's activities to investigate and audit the illegal shipping of wine and the results of these activities. The report shall include the following:

(a) Work hours spent, specific actions undertaken, and the number of FTEs dedicated to identifying and stopping unlicensed out-of-state retailers, third-party marketers, and wineries that ship illegally in Michigan.

(b) General overview of expenditures associated with efforts to identify and stop unlicensed out-of-state retailers, third-party marketers, and wineries that ship illegally in Michigan.

(c) Number of out-of-state entities found to have illegally shipped wine into Michigan and total number of bottles (750 ml), number of cases with 750 ml bottles, number of liters, number of gallons, or weight of illegally shipped wine. These items must be broken down by total number of retailers and total number of wineries.

(d) Suggested areas of focus on how to address direct shipper enforcement and illegal importation in the future.

(e) Number of unlicensed out-of-state entities found to have illegally shipped wine into Michigan identified with the shipping records under subsection (1).

(f) Number of notices sent under subsection (3).

(3) From the appropriations in part 1 from the direct shipper enforcement revolving fund, the liquor control commission shall send a notice to each unlicensed out-of-state entity found to have illegally shipped wine into Michigan that has been identified via the shipping records under subsection (1). The notice must include all of the following:

(a) Notification that shipping wine into Michigan by retailers and third-party marketers is illegal, and wineries shipping into Michigan must obtain a direct shipper license.

(b) Under section 909 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1909, making unlawful shipments of wine into Michigan may be a felony punishable by imprisonment for not more than 4 years or a fine of not more than \$5,000.00, or both.

(c) Notice that the matter has been referred to the attorney general.

OCCUPATIONAL REGULATION

Sec. 501. Money appropriated under this part and part 1 for the bureau of fire services shall not be expended unless, in accordance with section 2c of the fire prevention code, 1941 PA 207, MCL 29.2c, inspection and plan review fees will be charged according to the following schedule:

<u>Operation and maintenance inspection fee</u>		
<u>Facility type</u>	<u>Facility size</u>	<u>Fee</u>
Hospitals	Any	\$8.00 per bed
<u>Plan review and construction inspection fees for hospitals and schools</u>		
<u>Project cost range</u>	<u>Fee</u>	
\$101,000.00 or less	minimum fee of \$155.00	
\$101,001.00 to \$1,500,000.00	\$1.60 per \$1,000.00	
\$1,500,001.00 to \$10,000,000.00	\$1.30 per \$1,000.00	
\$10,000,001.00 or more	\$1.10 per \$1,000.00	
	or a maximum fee of \$60,000.00.	

Sec. 502. The funds collected by the department for licenses, permits, and other elevator regulation fees set forth in the Michigan Administrative Code and as determined under section 8 of 1976 PA 333, MCL 338.2158, and section 16 of 1967 PA 227, MCL 408.816, that are unexpended at the end of the fiscal year shall carry forward to the subsequent fiscal year.

Sec. 503. Not later than February 15, the department shall submit a report to the subcommittees, the senate and house fiscal agencies, and the state budget office providing the following information:

(a) The number of veterans who were separated from service in the Armed Forces of the United States with an honorable character of service or under honorable conditions (general) character of service, individually or if a majority interest of a corporation or limited liability company, that were exempted from paying licensure, registration, filing, or any other fees collected under each licensure or regulatory program administered by the bureau of construction codes, the bureau of professional licensing, and the corporations, securities, and commercial licensing bureau during the preceding fiscal year.

(b) The specific fees and total amount of revenue exempted under each licensure or regulatory program administered by the bureau of construction codes, the bureau of professional licensing, and the corporations, securities, and commercial licensing bureau during the preceding fiscal year.

(c) The actual costs of providing licensing and other regulatory services to veterans exempted from paying licensure, registration, filing, or any other fees during the preceding fiscal year and a description of how these costs were calculated.

(d) The estimated amount of revenue that will be exempted under each licensure or regulatory program administered by the bureau of construction codes, the bureau of professional licensing, and the corporations, securities, and commercial licensing bureau in both the current and subsequent fiscal years and a description of how the exempted revenue was estimated.

Sec. 504. If the revenue collected by the department for health systems administration from fees and collections exceeds the amount appropriated in part 1, the revenue may be carried forward into the subsequent fiscal year. The revenue carried forward under this section shall be used as the first source of funds in the subsequent fiscal year.

Sec. 505. Not later than February 1, the department shall submit a report to the subcommittees, the senate and house fiscal agencies, and the state budget office providing the following information:

(a) The total amount of reimbursements made to local units of government for delegated inspections of fireworks retail locations pursuant to section 11 of the Michigan fireworks safety act, 2011 PA 256, MCL 28.461, from the funds appropriated in part 1 for the bureau of fire services during the preceding fiscal year.

(b) The amount of reimbursement for delegated inspections of fireworks retail locations for each local unit of government that received reimbursement from the funds appropriated in part 1 for the bureau of fire services during the preceding fiscal year.

Sec. 506. (1) Beginning October 1, for the purpose of defraying the costs associated with responding to false final inspection appointments and to discourage the practice of calling for final inspections when the project is incomplete or noncompliant with a plan of correction previously provided by the bureau of fire services, the bureau of fire services may assess a fee not to exceed \$200.00 for responding to a second or

subsequent confirmed false inspection appointment. Fees collected under this section shall be deposited into the restricted account referenced by section 2c(2) of the fire prevention code, 1941 PA 207, MCL 29.2c, and explicitly identified within the statewide integrated governmental management applications system.

(2) Not later than September 30, the department shall prepare a report that provides the amount of the fee assessed under subsection (1), the number of fees assessed and issued per region, the cost allocation for the work performed and reduced as a result of this section, and any recommendations for consideration by the legislature. The department shall submit this information to the subcommittees, the senate and house fiscal agencies, and the state budget office.

Sec. 507. The department shall submit a report on the Michigan automated prescription system to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget office by November 30. The report shall include, but is not limited to, the following:

- (a) Total number of licensed health professionals registered to the Michigan automated prescription system.
- (b) Total number of dispensers registered to the Michigan automated prescription system.
- (c) Total number of prescribers using the Michigan automated prescription system.
- (d) Total number of dispensers using the Michigan automated prescription system.
- (e) Number of cases related to overprescribing, overdispensing, and drug diversion where the department took administrative action as a result of information and data generated from the Michigan automated prescription system.

(f) The number of hospitals, doctor's offices, pharmacies, and other health facilities that have integrated the Michigan automated prescription system into their electronic health records systems.

(g) Total number of delegate users registered to the Michigan automated prescription system.

Sec. 508. From the amount appropriated in part 1 for bureau of community and health systems administration, upon receipt of the order of suspension of a licensed adult foster care home, home for the aged, or nursing home, the department shall serve the facility and provide contemporaneous notice to the offices of legislators representing a district where the licensed facility is situated and to the senate and house subcommittees on health and human services.

Sec. 509. The department shall not enforce any directive requiring the masking of children less than 5 years of age and shall not take any licensing or administrative action against any licensee for failure to enforce or require the masking of children less than 5 years of age.

Sec. 510. From the funds appropriated in part 1 for bureau of construction codes, at least \$900,000.00 must be allocated for additional inspections and enforcement activities related to the carnival-amusement safety act of 1966, 1966 PA 225, MCL 408.651 to 408.670, and the ski area safety act of 1962, 1962 PA 199, MCL 408.321 to 408.344.

Sec. 511. Funds remaining in the homeowner construction lien recovery fund are appropriated to the department for payment of court-ordered homeowner construction lien recovery fund judgments entered before August 23, 2010. Pursuant to available funds, the payment of final judgments shall be made in the order in which the final judgments were entered and began accruing interest.

Sec. 512. From the funds appropriated in part 1, the bureau of fire services shall allocate \$228,900.00 to increase the number of inspections that the bureau conducts at places of public assembly.

CANNABIS REGULATORY AGENCY

Sec. 601. The department shall submit a comprehensive annual report for all marihuana programs administered by the cannabis regulatory agency by January 31 to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget office. This report shall include, but is not limited to, all of the following information for the prior fiscal year regarding the marihuana programs under the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430, the medical marihuana facilities licensing act, 2016 PA 281, MCL 333.27101 to 333.27801, and the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967:

- (a) The number of initial applications received, by license category.
- (b) The number of initial applications approved and the number of initial applications denied, by license category.
- (c) The average amount of time, from receipt to approval or denial, to process an initial application, by license category.
- (d) The number of renewal applications approved, by license category and by county.
- (e) The number of renewal applications received, by license category and by county, if applicable.
- (f) The number of renewal applications denied, by license category and by county.
- (g) The average amount of time, from receipt to approval or denial, to process a renewal application, by license category, if applicable.
- (h) The percentage of initial applications not approved or denied within the time requirements established in the respective act, by license category, if applicable.
- (i) The percentage of renewal applications not approved or denied within the time requirements established in the respective act, by license category, if applicable.

(j) The total amount collected from application fees or established regulatory assessment and the specific fund this amount is deposited into, by license category.

(k) The costs of administering the licensing program under each act.

(l) The registered names and addresses of all facilities licensed under each act, by license category and by county.

(m) Number of complaints received pertaining to each act, by license type or regulatory activity.

(n) A description of the types of complaints received.

(o) A description of the process used to resolve complaints.

(p) Number of investigations opened pertaining to each license category.

(q) Number of investigations closed pertaining to each license category.

(r) Average amount of time to complete investigations pertaining to each license category.

(s) Number of enforcement actions pertaining to each license category.

(t) A description of the types of enforcement actions taken against licensees.

(u) Number of administrative hearing adjudications pertaining to each license type.

(v) A list of the fees charged for license applications, license renewals, and registry cards.

Sec. 602. From the funds appropriated in part 1, within 15 days before the last day of each fiscal quarter, the cannabis regulatory agency shall post on a publicly accessible website a list of all of the following:

(a) The number of investigative reports that identify suspected illegal or irregular activities of licensees under the agency's purview.

(b) The number of investigative reports that identify suspected marihuana product without the tracking numbers assigned by the statewide monitoring system affixed, tagged, or labeled as required by the act or the rules.

(c) The number of complaints filed by the public with the agency concerning marihuana product without the tracking numbers assigned by the statewide monitoring system affixed, tagged, or labeled as required by the act or the rules.

(d) The number of complaints filed by the public with the agency concerning unlicensed commercial production or sale of delta-8 THC.

(e) The number and outcome of all agency disciplinary proceedings initiated against any licensee subject to the reports in subdivisions (a), (b), (c), and (d).

(f) The number of reports of any suspected or illegal activities and the category of suspected illegal or irregular activities the agency referred to the department of state police, or other appropriate law enforcement agency, of any suspected or illegal activities contained in the reports in subdivisions (a), (b), (c), and (d).

(g) For any licensee subject to disciplinary proceedings initiated by the agency under the reports in subdivisions (a), (b), (c), and (d), the cannabis regulatory agency shall post the following information on a publicly available website upon the closure of any investigative report:

(i) Name of licensee.

(ii) Description of the allegation.

(iii) Complaint type.

(iv) Process used to resolve the allegation.

(v) Name of the law enforcement agency the allegation was referred to, including the date of the referral.

Sec. 603. The department shall submit a comprehensive annual report for all hemp programs administered by the cannabis regulatory agency by January 31 to the subcommittees, the senate and house fiscal agencies, and the state budget office. This report must include a description of all programs transferred from the Michigan department of agriculture and rural development to the cannabis regulatory agency under Executive Order No. 2022-1. The report must include, but is not limited to, all of the following:

(a) Total amount collected by the cannabis regulatory agency from regulatory and licensing activities related to hemp and hemp processor-handlers.

(b) Total cost of administering hemp regulatory and licensing programs.

(c) Total number of hemp processor-handlers and any other hemp licensees licensed in this state, by county.

(d) A list and description of any fees that the cannabis regulatory agency assesses on hemp licensees.

(e) A list and description of the functions of any personnel transferred to the cannabis regulatory agency under Executive Order No. 2022-1.

Sec. 604. (1) From the FTEs provided for in part 1 for recreational marihuana regulation, the cannabis regulatory agency must use at least 5.0 FTEs to conduct in-person no-notice inspections of licensed processors, with higher priority given to inspecting those facilities that produce distillate or other concentrates and that produce the most marihuana product. These inspections shall happen quarterly and at times the facility intakes a significant amount of biomass or other raw material.

(2) The cannabis regulatory agency shall post a quarterly report of these inspections on a publicly accessible website that lists all of the following:

(a) The number of inspections and the number of investigative reports that identify suspected illegal or irregular activities of licensees as identified by the inspections.

(b) The number of complaints filed by the public with the cannabis regulatory agency concerning possible illegal or irregular activities by a licensed processor or cultivation facility regarding the production of distillate or concentrates.

(c) The number and outcome of all cannabis regulatory agency disciplinary proceedings initiated against any licensee subject to the reports in subsections (a) and (b), including if the suspected or illegal activities under subsections (a) and (b) have been referred to the department of state police or other appropriate law enforcement agencies or if any product has been recalled.

(d) For any licensee subject to disciplinary proceedings initiated by the cannabis regulatory agency under the reports in subsections (a) and (b), the cannabis regulatory agency shall post all of the following information on a publicly available website upon the closure of any investigative report:

- (i) Name of the licensee.
- (ii) Description of the allegation.
- (iii) Complaint type (CRA inspection or public).
- (iv) Process used to resolve the investigation.
- (v) Name of the law enforcement agency referred to, including the date of the referral.

COMMISSIONS

Sec. 801. If Byrne formula grant funding is awarded to the Michigan indigent defense commission, the Michigan indigent defense commission may receive and expend Byrne formula grant funds in an amount not to exceed \$250,000.00 as an interdepartmental grant from the department of state police. The Michigan indigent defense commission, created under section 5 of the Michigan indigent defense commission act, 2013 PA 93, MCL 780.985, may receive and expend federal grant funding from the United States Department of Justice in an amount not to exceed \$300,000.00 as other federal grants.

Sec. 802. From the funds appropriated in part 1, the Michigan indigent defense commission shall submit a report by September 30 to the subcommittees, the senate and house fiscal agencies, and the state budget office on the incremental costs associated with the standard development process, the compliance plan process, and the collection of data from all indigent defense systems and attorneys providing indigent defense. Particular emphasis shall be placed on those costs that may be avoided after standards are developed and compliance plans are in place.

Sec. 803. A grant distributed by the Michigan indigent defense commission must not be used by an indigent defense system to support any construction expenses for a new structure. This section does not prohibit expenditures for renovations to existing structures, if such a renovation is part of an indigent defense system's approved compliance plan.

GRANTS

Sec. 901. (1) The department shall expend the funds appropriated in part 1 for marihuana operation and oversight grants for grants to counties for education and outreach programs relating to the Michigan medical marihuana program and the adult-use marihuana program, pursuant to section 6(l) of the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26426, and section 14 of the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27964. The grant funds may be generated from application and license fees authorized under section 8(1)(b) of the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27958. These grants shall be distributed proportionately based on the number of registry identification cards issued to or renewed for the residents of each county that applied for a grant under subsection (2). For the purposes of this subsection, operation and oversight grants are for education, communication, and outreach regarding the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421 to 333.26430, and the Michigan Regulation and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to 333.27967. Grants provided under this section must not be used for law enforcement purposes.

(2) Not later than December 1, the department shall post a listing of potential grant money available to each county on its website. In addition, the department shall work collaboratively with counties regarding the availability of these grant funds. A county requesting a grant shall apply on a form developed by the department and available on its website. The form shall contain the county's specific projected plan for use of the money and its agreement to maintain all records and to submit documentation to the department to support the use of the grant money.

(3) In order to be eligible to receive a grant under subsection (1), a county shall apply not later than January 1 and agree to report how the grant was expended and to provide that report to the department not later than September 15. The department shall submit a report not later than October 15 of the subsequent fiscal year to the state budget office, the subcommittees, and the senate and house fiscal agencies detailing the grant amounts by recipient and the reported uses of the grants in the preceding fiscal year.

Sec. 902. (1) The amount appropriated in part 1 for firefighter training grants shall only be expended for payments to counties to reimburse organized fire departments for firefighter training and other activities required under the firefighters training council act, 1966 PA 291, MCL 29.361 to 29.377.

(2) If the amount appropriated in part 1 for firefighter training grants is expended by the firefighters training council, established in section 3 of the firefighters training council act, 1966 PA 291, MCL 29.363, for payments to counties under section 14 of the firefighters training council act, 1966 PA 291, MCL 29.374, the following apply to the extent otherwise permissible by law:

(a) The amount appropriated in part 1 for firefighter training grants shall be allocated pursuant to section 14(2) of the firefighters training council act, 1966 PA 291, MCL 29.374.

(b) If the amount allocated to any county under subdivision (a) is less than \$5,000.00, the amounts disbursed to each county under subdivision (a) shall be adjusted to provide for a minimum payment of \$5,000.00 to each county.

(3) Not later than February 1, the department shall submit a financial report to the subcommittees, the senate and house fiscal agencies, and the state budget office identifying the following information for the preceding fiscal year:

(a) The amount of the payments that would be made to each county if the distribution formula described by the first sentence of section 14(2) of the firefighters training council act, 1966 PA 291, MCL 29.374, would have been utilized to allocate the total amount appropriated in part 1 for firefighter training grants.

(b) The amount of the payments approved by the firefighters training council for allocation to each county.

(c) The amount of the payments actually expended or encumbered within each county.

(d) A description of any other payments or expenditures made under the authority of the firefighters training council.

(e) The amount of payments approved for allocations to counties that was not expended or encumbered and lapsed back to the fireworks safety fund.

ONE-TIME APPROPRIATIONS

Sec. 1001. From the funds appropriated in part 1 for bureau of fire services – smoke detectors, the bureau of fire services must purchase and distribute sealed-battery smoke detectors to the residents of this state. The bureau of fire services may purchase smoke detectors with additional capabilities for individuals with physical or psychological conditions that require an accommodative technology.

Sec. 1002. (1) From the funds appropriated in part 1 for cannabis market taxation and regulatory compliance analysis pilot program, the cannabis regulatory agency must award a grant to conduct a pilot program in this state with the purpose of conducting an analysis of tax reporting, collection, and regulatory compliance within the Michigan cannabis market. The cannabis regulatory agency shall consult with the department of treasury, as needed, to improve the quality of the pilot program.

(2) The pilot program established under this section shall be for a period of 1 calendar year.

(3) When awarding a grant under this section, the cannabis regulatory agency shall consider the following qualifications:

(a) Prior experience collecting and analyzing data of this nature.

(b) Prior experience working with Michigan government agencies.

(c) Demonstrated ability of the organization to provide data that enhances the cannabis regulatory agency and the public's understanding of the cannabis market.

(4) Not more than 90 days after the conclusion of the pilot program established under this section, the cannabis regulatory agency shall submit a report to the senate and house appropriations committees, the subcommittees, the senate and house fiscal agencies, and the state budget office that includes, but is not limited to, the following:

(a) An assessment of the current state of tax reporting, collection, and compliance by individuals and entities involved in the cannabis market in this state.

(b) Identification of and relevant statistical information regarding unreported and underreported tax revenue from cannabis-related transactions in this state.

(c) A plan of action for capturing past and future unreported and underreported tax revenue in the cannabis market.

(d) Identification of areas within the cannabis market in this state that demonstrate suspected inversion and diversion activities and other regulatory noncompliance.

(e) A plan of action for targeting areas of suspected inversion and diversion activities and regulatory noncompliance for compliance and enforcement.

(f) Identification of tax revenue from cannabis-related transactions that were previously unreported or underreported.

(g) An estimate of the costs associated with the proposed action plans.

Sec. 1003. From the funds appropriated in part 1 for Michigan saves, the Michigan public service commission may award a \$2,500,000.00 grant to a nonprofit green bank with experience in leveraging energy-efficiency and renewable energy improvements, for the purpose of making such loans more affordable for Michigan families, businesses, and public entities. Grant funds may be used to support a loan loss reserve fund or other comparable financial instrument to further leverage private investment in clean energy improvements.

ARTICLE 10
DEPARTMENT OF MILITARY AND VETERANS AFFAIRS
PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of military and veterans affairs for the fiscal year ending September 30, 2023, from the following funds:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS		
APPROPRIATION SUMMARY		
Full-time equated unclassified positions	9.0	
Full-time equated classified positions	1,054.5	
GROSS APPROPRIATION	\$	347,366,000
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		101,800
ADJUSTED GROSS APPROPRIATION	\$	347,264,200
Federal revenues:		
Total federal revenues		200,364,300
Special revenue funds:		
Total local revenues		0
Total private revenues		640,000
Total other state restricted revenues		18,794,900
State general fund/general purpose	\$	127,465,000

Sec. 102. MILITARY

Full-time equated unclassified positions	9.0	
Full-time equated classified positions	371.0	
Unclassified salaries—FTEs	9.0\$	1,702,500
Headquarters and armories—FTEs	86.0	21,931,200
Michigan youth challenge academy—FTEs	68.0	9,955,600
Military family relief fund		150,000
Military retirement		1,457,000
Military training sites and support facilities—FTEs	215.0	42,898,500
National Guard operations		300,500
National guard tuition assistance fund—FTEs	2.0	6,521,900
Starbase grant		2,322,000
GROSS APPROPRIATION	\$	87,239,200
Appropriated from:		
Interdepartmental grant revenues:		
IDG - state police		101,800
Federal revenues:		
DOD - DOA - NGB		61,224,100
Federal counternarcotics revenues		100,000
Special revenue funds:		
Private donations		90,000
Billeting fund		1,377,600
Military family relief fund		150,000
Morale, welfare, and recreation fund		100,000
Rental fees		192,100
Test project fees		100,000
State general fund/general purpose	\$	23,803,600

Sec. 103. MICHIGAN VETERANS AFFAIRS AGENCY

Full-time equated classified positions	52.0	
County veteran service grants	\$	4,250,000
Michigan veterans affairs agency administration—FTEs	44.0	7,590,200
Veterans service grants		4,250,000
Veterans trust fund administration—FTEs	8.0	1,167,600
Veterans trust fund grants		2,500,000
GROSS APPROPRIATION	\$	19,757,800

	For Fiscal Year Ending Sept. 30, 2023	
Appropriated from:		
Special revenue funds:		
Private donations	\$	10,000
Michigan veterans trust fund		3,667,600
Veterans license plate fund		50,000
State general fund/general purpose	\$	16,030,200
Sec. 104. MICHIGAN VETERANS' FACILITY AUTHORITY		
Full-time equated classified positions	631.5	
Chesterfield Township home for veterans—FTEs	115.0\$	21,267,800
D.J. Jacobetti home for veterans—FTEs	200.0	25,184,600
Grand Rapids home for veterans—FTEs	298.5	23,506,900
Information technology services and projects		1,699,800
Michigan veteran homes administration—FTEs	18.0	3,432,100
Veterans cemetery		85,200
GROSS APPROPRIATION	\$	75,176,400
Appropriated from:		
Federal revenues:		
USDVA - VHA		24,081,400
HHS-HCFA, Medicare, hospital insurance		1,380,900
HHS-HCFA, title XIX, Medicaid		11,089,300
Special revenue funds:		
Private - veterans' home post and posthumous		540,000
Income and assessments		11,597,600
State general fund/general purpose	\$	26,487,200
Sec. 105. CAPITAL OUTLAY		
Armory maintenance	\$	1,000,000
Land and acquisitions		1,000,000
Special maintenance - National Guard		30,000,000
Special maintenance - veterans' facilities		500,000
GROSS APPROPRIATION	\$	32,500,000
Appropriated from:		
Federal revenues:		
DOD - DOA - NGB		30,000,000
Special revenue funds:		
Michigan national guard construction fund		1,000,000
State general fund/general purpose	\$	1,500,000
Sec. 106. INFORMATION TECHNOLOGY		
Information technology services and projects	\$	586,600
GROSS APPROPRIATION	\$	586,600
Appropriated from:		
Federal revenues:		
DOD - DOA - NGB		157,600
State general fund/general purpose	\$	429,000
Sec. 107. ONE-TIME APPROPRIATIONS		
Armory modernization	\$	100,000,000
Grand Rapids home for veterans transition		6,456,000
Michigan volunteer defense force		100,000
MVFA facilities transition funding		6,000,000
Selfridge air national guard base		6,100,000
State veterans cemetery		12,000,000
Veterans cemetery feasibility study		250,000
Veterans suicide prevention outreach		1,200,000
GROSS APPROPRIATION	\$	132,106,000

	For Fiscal Year Ending Sept. 30, 2023
Appropriated from:	
Federal revenues:	
DOD - DOA - NGB	\$ 60,000,000
DVA - VHA	1,720,000
HHS-HCFA, Medicare, hospital insurance	110,000
HHS-HCFA, title XIX, Medicaid	1,000
USDVA - NCA	10,500,000
Special revenue funds:	
Income and assessments	520,000
Lease revenue	40,000
State general fund/general purpose	\$ 59,215,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2022-2023

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 the fiscal year ending September 30, 2023 is \$146,259,900.00 and state spending from state sources to be paid to local units of government for fiscal year ending September 30, 2023 is \$4,176,000.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

County veteran service grants	\$ 4,039,500
Michigan veterans affairs agency administration	90,000
Military training sites and support facilities	46,500
TOTAL	\$ 4,176,000

Sec. 202. The appropriations authorized 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. As used in this part and part 1:

- (a) "CENA" means competency evaluated nursing assistant.
- (b) "Department" means the department of military and veterans affairs.
- (c) "Director" means the director of the department.
- (d) "FTE" means full-time equated.
- (e) "HVAC" means heating, ventilation, and air conditioning.
- (f) "IDG" means interdepartmental grant.
- (g) "MVAA" means the Michigan veterans affairs agency created by Executive Reorganization Order No. 2013-2, MCL 32.92.

(h) "MVFA" means the Michigan veterans' facility authority created under section 3 of the Michigan veterans' facility authority act, 2016 PA 560, MCL 36.103.

(i) "MVH" means the Michigan veteran homes as that term is defined in the Michigan veterans' facility authority act, 2016 PA 560, MCL 36.102.

(j) "Subcommittees" means the subcommittees of the senate and house appropriations committees with jurisdiction over the budget of the department.

(k) "USDVA" means the United States Department of Veterans Affairs.

(l) "USDVA-NCA" means the USDVA National Cemetery Administration.

(m) "USDVA-VHA" means the USDVA Veterans Health Administration.

(n) "VSO" means veterans service organization.

(o) "Veterans' facility" means that term as defined in section 2 of the Michigan veterans' facility authority act, 2016 PA 560, MCL 36.102.

(p) "Work project" means that term as defined in section 404 of the management and budget act, 1984 PA 431, MCL 18.1404, and that meets the criteria in section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a.

Sec. 204. The department and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement shall include transmission of reports via email to the recipients identified for each reporting requirement, and it shall include placement of reports on an internet site.

Sec. 205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply:

(a) Funds appropriated in part 1 must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 206. The department shall not take disciplinary action against an employee of the department or departmental agency in the state classified civil service because the employee communicates with a member of the senate or house or a member's staff, unless the communication is prohibited by law and the department or agency taking disciplinary action is exercising its authority as provided by law.

Sec. 207. Consistent with section 217 of the management and budget act, 1984 PA 431, MCL 18.1217, the department and agencies receiving appropriations in part 1 shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department's budget. The travel report shall include the following information:

(a) The dates of each travel occurrence.

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

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

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

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$8,600,000.00 for federal contingency authorization. These funds are not available for expenditure until they have been transferred to another line item in part 1 under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Sec. 211. From the funds appropriated in part 1, the department shall provide to the department of technology, management, and budget information sufficient to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for each department or agency:

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

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

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

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

(e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall provide to the state budget office information sufficient to provide the senate and house appropriations chairs, the subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the prior 2 fiscal years.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2023 are estimated at \$16,989,300.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$10,314,700.00. Total agency appropriations for retiree health care legacy costs are estimated at \$6,674,600.00.

Sec. 215. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

Sec. 216. (1) On a quarterly basis, the department shall report the following information:

(a) The number of FTEs in pay status by type of staff and civil service classification.

(b) A comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTEs employed by the department at the end of the reporting period.

(2) By March 1 of the current fiscal year, the department shall report to the senate and house appropriations committees, the subcommittees, and the senate and house fiscal agencies the following information:

(a) Number of employees that were engaged in remote work in 2022.

(b) Number of employees authorized to work remotely and the actual number of those working remotely in the current reporting period.

(c) Estimated net cost savings achieved by remote work.

(d) Reduced use of office space associated with remote work.

Sec. 217. Appropriations in part 1 shall, to the extent possible by the department, not be expended until all existing work project authorization available for the same purposes is exhausted.

Sec. 218. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this article, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, intertransfer funds within this article for the particular department, board, commission, officer, or institution.

Sec. 219. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 220. The department shall report no later than April 1 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the senate and house appropriations committees, the subcommittees, the joint committee on administrative rules, and the senate and house fiscal agencies.

Sec. 221. The department shall provide biannual reports which shall provide the following data:

(a) A list of all major work projects, including a status report of each project.

(b) The department's financial status, featuring a report of budgeted versus actual expenditures by part 1 line item including a year-end projection of budget requirements.

(c) The number of active employees at the close of the reporting period by job classification and departmental branch of service.

Sec. 222. It is the intent of the legislature that departments and agencies maximize the efficiency of the state workforce and, where possible, prioritize in-person work. Each executive branch department, agency, board, or commission that receives funding under part 1 must post its in-person, remote, or hybrid work policy on its website.

Sec. 223. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

Sec. 224. Sixty days prior to the public announcement of the intention to sell any department real property, the department shall submit notification of that intent to the subcommittees and the senate and house fiscal agencies.

Sec. 225. The department shall report to the subcommittees tentative plans for the required payment of any court judgment against the department, as soon as those plans are developed. The report must include, but is not limited to, all of the following information:

(a) A listing of all known court judgments that would result in a financial obligation for the department.

(b) The amount of time in which each of those financial obligations must be met.

(c) The proposed budget line items from which a payment for a court judgment of \$100,000.00 or more would be made.

(d) The estimated impact of the loss of revenue on the programs funded by the line items from which payments would be made.

Sec. 226. Except as otherwise provided under this part, any report required to be provided by the department or agencies appropriated funds in part 1 shall be provided to the subcommittees, the senate and house fiscal agencies, and the state budget office.

Sec. 227. (1) From the funds appropriated in part 1, the department and agencies that receive funding shall do all of the following:

(a) Report any amounts of severance pay for a department or agency director, deputy director, or other high-ranking department or agency official not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.

(b) Maintain an internet site that posts any severance pay in excess of 6 weeks of wages, regardless of the position held by the former department or agency employee receiving severance pay.

(c) By February 1, report to the subcommittees, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the total amount of severance pay remitted to former department or agency employees during the prior fiscal year and the total number of former department or agency employees that were remitted severance pay during the prior fiscal year.

(2) As used in this section, "severance pay" means compensation that is both payable or paid upon the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits.

Sec. 228. (1) Any department, agency, board, commission, or public officer that receives funding under part 1 shall not:

(a) Require as a condition of accessing any facility or receiving services that an individual provide proof that he or she has received a COVID-19 vaccine except as provided by federal law or as a condition of receiving federal Medicare or Medicaid funding.

(b) Produce, develop, issue, or require a COVID-19 vaccine passport.

(c) Develop a database or make any existing database publicly available to access an individual's COVID-19 vaccine status by any person, company, or governmental entity.

(d) Require as a condition of employment that an employee or official provide proof that he or she has received a COVID-19 vaccine. This subdivision does not apply to any hospital, congregate care facility, or other medical facility or any hospital, congregate care facility, or other medical facility operated by a local subdivision that receives federal Medicare or Medicaid funding.

(2) A department, agency, board, commission, or public officer may not subject any individual to any negative employment consequence, retaliation, or retribution because of that individual's COVID-19 vaccine status.

(3) Subsection (1) does not prohibit any person, department, agency, board, commission, or public officer from transmitting proof of an individual's COVID-19 vaccine status to any person, company, or governmental entity, so long as the individual provides affirmative consent.

(4) If a department, agency, board, commission, subdivision, or official or public officer is required to establish a vaccine policy due to a federal mandate, it must provide exemptions to any COVID-19 vaccine policy to the following individuals:

(a) An individual for whom a physician certifies that a COVID-19 vaccine is or may be detrimental to the individual's health or is not appropriate.

(b) An individual who provides a written statement to the effect that the requirements of the COVID-19 vaccine policy cannot be met because of religious convictions or other consistently held objection to immunization.

(5) As used in this section, "public officer" means a person appointed by the governor or another executive department official or an elected or appointed official of this state or a political subdivision of this state.

Sec. 229. The department shall provide annually to the subcommittees and the senate and house fiscal agencies its updated departmental strategic plan.

MILITARY

Sec. 301. (1) The department shall report to the subcommittees and house and senate fiscal agencies by September 30 a list of the current unclassified positions, which shall include the official titles and responsibilities of each position.

(2) Upon the department being granted a request for an additional unclassified employee position from the civil service commission, or for any substantive changes to the duties of an existing unclassified employee position, the department shall notify the subcommittees and the senate and house fiscal agencies within 15 days.

Sec. 302. (1) From the funds appropriated in part 1 for military operations, effective and efficient executive direction and administrative leadership shall be provided to the department.

(2) The department shall operate and maintain National Guard armories.

(3) The department shall evaluate armories and submit a report biannually, on the status of the armories.

(4) The department shall maintain a system to measure the condition and adequacy of the armories.

(5) The Michigan Army National Guard and Air National Guard shall work to provide a culture that is free of sexual assault, through an environment of prevention, education and training, response capability, victim support, reporting procedures, and appropriate accountability that enhances the safety and well-being of all guard members.

(6) By December 1, the department shall report the following information:

(a) An assessment of the grounds and facilities of each armory to objectively measure and determine the current facility condition and capability to support authorized manpower, unit training, and operations.

(b) Recommendations for the placement of new armories, the relocation or consolidation of existing armories, or a change in the mission of units assigned to armories to ideally position the National Guard in current or projected population centers.

(c) Recommendations for the enhanced use of armories to facilitate family support programs during deployments.

(d) An analysis of the feasibility, potential costs, and benefits of use of armories shared with other local, state, or federal agencies to improve responses to local emergencies as well as the community support provided to armories.

(e) An investment strategy and proposed funding amounts in a prioritized project list to correct the most critical facility shortfalls across the inventory of armories in this state.

Sec. 303. (1) The department shall maintain the Michigan youth challenge academy to provide values, skills, education, and self-discipline instruction for at-risk youth as provided under 32 USC 509.

(2) The department shall take steps to recruit candidates to the challenge academy from economically disadvantaged areas, including those with low-income and high-unemployment backgrounds.

(3) The department shall partner with the department of health and human services to identify youth who may be eligible for the challenge academy from those youth served by department of health and human services programs. These eligible youth shall be given priority for enrollment in the academy.

(4) The department shall maintain the Michigan youth challenge academy to graduate at least the target number of graduates consistent with the state's cooperative agreement with the National Guard Bureau regarding program operations.

(5) The department shall ensure individual academic success as measured by the number of individuals who have received a general equivalency diploma, high school diploma, or high school credit recovery or by the improvement of tests of adult basic education scores, or both.

(6) Any unexpended private donations to support the Michigan youth challenge academy at the close of this fiscal year shall not lapse to the general fund but shall be carried forward to the subsequent fiscal year.

Sec. 304. (1) The department shall provide a report biannually on the revenues, expenditures, and fund balance of the Michigan military family relief fund. Expenditures must be itemized by purpose, including, but not limited to, for advertising and assistance grants. This report shall also include information on the number of applications for assistance received, approved, and denied.

(2) From the funds appropriated in part 1, the department shall provide sufficient staffing and other resources to provide outreach to the Michigan families of members of the reserve component of the Armed Forces of the United States called into active duty and to support the processing and approval of grant applications for this fiscal year under the Michigan military relief fund and report those applications biannually.

Sec. 305. (1) The department shall provide Army and Air National Guard forces, when directed, for state and local emergencies and in support of national military requirements.

(2) The department shall operate and maintain Army National Guard training facilities, including Fort Custer and Camp Grayling.

(3) The department shall maintain a system that measures the condition and adequacy of air facilities using both quality and functionality criteria.

(4) The department shall operate and maintain Air National Guard air bases, including Selfridge Air National Guard base, Battle Creek Air National Guard base, and Alpena combat readiness training center.

(5) The department shall provide the following information biannually:

(a) The apportioned and assigned strength of the Michigan Army National Guard.

(b) The apportioned and assigned strength of the Michigan Air National Guard.

(c) Recruiting, retention, and attrition data, including measurement against stated performance goals, for the Michigan Army National Guard.

(d) Recruiting, retention, and attrition data, including measurement against stated performance goals, for the Michigan Air National Guard.

Sec. 306. There is created and established under the jurisdiction and control of the department a revolving account to be known as the billeting fund account. All of the fees and other revenues generated from the operation of the chargeable transient quarters program shall be deposited in the billeting fund account.

Appropriations will be made from the account for the support of program operations and the maintenance and operations of the chargeable transient quarters program and will not exceed the estimated revenues for the fiscal year in which they are made, together with unexpended balances from prior years. The department shall submit an annual report by December 15 of operations and expenditures regarding the billeting fund account for the prior fiscal year.

Sec. 307. (1) The department shall maintain a National Guard tuition assistance program under section 3 of the Michigan national guard tuition assistance act, 2014 PA 259, MCL 32.433, for eligible persons as defined in section 2 of the Michigan national guard tuition assistance act, 2014 PA 259, MCL 32.432.

(2) The objective of the National Guard tuition assistance program is to bolster military readiness by increasing recruitment and retention of Michigan Army and Air National Guard members, to fill federally authorized strength levels for the state, to improve the Michigan Army and Air National Guard's competitive draw from other military enlistment options in the state, to enhance the ability of the Michigan Army and Air National Guard to compete for guard members and federal dollars with surrounding states, and to increase the pool of eligible candidates within the Michigan Army and Air National Guard to become commissioned officers.

(3) The department shall make efforts to increase the number of guard members who have received a credential or are still enrolled in the Michigan National Guard tuition assistance program after their initial term of enlistment. To evaluate the effectiveness of the program, the department shall monitor the number of new recruits and new reenlistments and the percentage of those who become participants in the program to determine whether the percentage of authorized Michigan Army and Air National Guard strength obtained and retained is competitive in comparison with the neighboring army and air national guards from Illinois, Indiana, Ohio, and Wisconsin.

(4) Not later than March 1, the department shall provide a report on the Michigan National Guard tuition assistance program. The report shall include the following information for the prior fiscal year:

- (a) The number of guard members receiving tuition assistance.
- (b) Where those guard members received education or training under the program.
- (c) The total amount of financial assistance received by each educational institution.
- (d) The total funds expended on the program for financial assistance.
- (e) The total funds expended on the program for administrative costs of the department.
- (f) The total number of applications for tuition assistance denied.
- (g) A list of any educational and training programs removed from eligibility and the rationale for their removal.

(h) An explanation of any identified barriers to the successful utilization of the program, or other unmet needs of the program and applicable proposals for legislative action to address those barriers and needs.

(5) The general fund/general purpose funds appropriated in part 1 for the National Guard tuition assistance fund shall be deposited into the restricted Michigan National Guard tuition assistance fund created in section 4 of the Michigan National Guard tuition assistance act, 2014 PA 259, MCL 32.434. All funds in the restricted Michigan National Guard tuition assistance fund are appropriated and available for expenditure to support the Michigan National Guard tuition assistance program.

Sec. 308. The department shall maintain the starbase program at Air National Guard facilities, as provided under 10 USC 2193b, to improve the knowledge, skills, and interest of students, primarily in the fifth grade, in math, science, and technology. The starbase program is to specifically target minority and at-risk students for participation.

Sec. 309. There is created and established under the jurisdiction and control of the department a revolving account to be known as the test project fees account. All of the fees and other revenues generated from the operation of the test project program shall be deposited in the test project fees fund account. Funds in the account shall be available for expenditure for the support of program operations as appropriated in part 1. Money remaining in the account at the end of the year shall not lapse and shall carry forward to the subsequent fiscal year.

Sec. 310. The morale, welfare, and recreation fund is created within the state treasury. The state treasurer may receive money or other assets from any source for deposit into the fund. The state treasurer shall direct the investment of the fund. The state treasurer shall credit to the fund interest and earnings from fund investments. The department shall be the administrator of the fund for auditing purposes. All of the fees and other revenues generated from the operation of the morale, welfare, and recreation program shall be deposited in the morale, welfare, and recreation fund account. Money in the fund shall be available for expenditure for the support of program operations as appropriated in part 1. Money remaining in the fund at the end of the year shall not lapse and shall carry forward to the subsequent fiscal year.

Sec. 311. There is created and established under the jurisdiction and control of the department a revolving account to be known as the rental fees account. All of the fees and other revenues generated from the operation

of the rental fees program shall be deposited in the rental fees fund account. Money in the account shall be available for expenditure for the support of program operations as appropriated in part 1. Money remaining in the account at the end of the year shall not lapse and shall carry forward to the subsequent fiscal year.

Sec. 312. (1) The department shall maintain the guidelines established under section 251(5) of the Michigan military act, 1967 PA 150, MCL 32.651, for membership goals in the Michigan volunteer defense force and take all steps necessary to carry out and implement those guidelines.

(2) The department shall provide annually to the subcommittees and house and senate fiscal agencies by February 1 the report required under section 251(7) of the Michigan military act, 1967 PA 150, MCL 32.651.

Sec. 313. On or before December 1, the department shall submit a report on the number of COVID-19 vaccine waiver requests submitted by guard members for the fiscal year ending September 30, 2021 and the fiscal year ending September 30, 2022, as of October 1, 2022. The report must include the following information:

- (a) The number of vaccine waiver requests received.
- (b) The number of outstanding vaccine waiver requests.
- (c) The reasons stated for the vaccine waiver requests.
- (d) The number of vaccine waivers denied.
- (e) The number of appeals filed.
- (f) The number of appeals denied.

Sec. 314. On a quarterly basis, the department shall provide a report of the following information:

(a) The average number of days it takes to process retirement requests submitted by members of the National Guard.

(b) The number of retirement requests submitted by members of the National Guard for which the process time exceeds 120 days.

MICHIGAN VETERANS AFFAIRS AGENCY

Sec. 404. (1) Money privately donated to the department for the Michigan veterans affairs agency administration in excess of the appropriation in part 1 is appropriated and may be used for the benefit and life enrichment of veterans and for the purpose designated by the private source, if specified and in compliance with this section.

(2) The department must submit a report quarterly that provides the amount of private donations received by the department for the Michigan veterans affairs agency administration and the purpose for which the funds will be expended, if known. In addition to the quarterly report required under this subsection, if a donation described under this section is \$10,000.00 or greater, the department must submit a report within 14 calendar days after receiving that donation providing the amount of the donation and the purpose for which the funds will be expended, if known.

Sec. 405. (1) The MVAA shall provide a report biannually on the financial status of the Michigan veterans' trust fund, including the number and amount of emergency grants, state operating and administrative expenses, and county administrative expenses.

(2) The Michigan veterans' trust fund board together with the MVAA shall provide emergency grants for disbursement from the Michigan veterans' trust fund, as provided under the following program authorities:

- (a) Sections 37, 38, and 39 of article IX of the state constitution of 1963.
- (b) 1946 (1st Ex Sess) PA 9, MCL 35.602 to 35.610.
- (c) R 35.1 to R 35.7 of the Michigan Administrative Code.
- (d) R 35.621 to R 35.623 of the Michigan Administrative Code.

(3) No later than February 1, the MVAA shall provide a detailed report of the Michigan veterans' trust fund that includes, for the prior fiscal year, information on grants provided from the emergency grant program, including details concerning the methodology of allocations, the selection of emergency grant program authorized agents, a description of how the emergency grant program is administered in each county, and a detailed breakdown of trust fund expenditures for that year, including the amount distributed to each county for operating costs, administrative costs and emergency grants. The report shall also include the number of approved applications, by category of assistance, and the number of denied applications, by reason of denial. The report shall also provide an update on the department's efforts to reduce program administrative costs and maintain the Michigan veterans' trust fund corpus at or above its original amount of at least \$50,000,000.00.

Sec. 406. (1) The MVAA shall provide outreach services to Michigan veterans to advise them on the benefits to which they are entitled, as provided under Executive Reorganization Order No. 2013-2, MCL 32.92.

(2) The MVAA shall also do the following:

(a) Develop and operate an outreach program that communicates benefit eligibility information to at least 50% of Michigan's population of veterans, as assessed by annual census estimates, with a goal of reaching 100% and enabling 100% to access benefit information online.

(b) Communicate veteran benefit information pertaining to the Michigan military family relief fund, Michigan veterans' trust fund, and USDVA health, financial, and memorial benefits to which veterans are entitled.

(c) Fulfill requests for military discharge certificates (DD-214) upon request.

(d) Provide a report annually providing, to the extent known, data on the estimated number of homeless veterans, by county, in this state.

(e) Provide a report annually on the percentage of Michigan veterans contacted through its outreach programs, with a goal of 90%, and report that percentage to the subcommittees biannually on the status of outreach.

Sec. 408. From the funds appropriated in part 1, the MVAA shall provide for the regional coordination of services, as follows:

(a) The MVAA shall coordinate with veteran benefit counselors throughout a specified region.

(b) The MVAA shall coordinate services with the department of health and human services and the department of corrections.

(c) The MVAA shall coordinate with regional workforce and economic development agencies.

(d) The MVAA shall coordinate activities among local foundations, nonprofit organizations, and community groups to improve accessibility, enrollment, and utilization of the array of health care, education, employment stress disorder, depression, anxiety, substance abuse, or other mental health issues.

(e) The MVAA may work with MVAA service officers, county veteran counselors, VSO service officers, and other service providers to incorporate the provision of information relating to mental health care resources into their daily operations to aid veterans in understanding the mental health care support services they may be eligible to receive.

(f) The MVAA shall coordinate with the department of health and human services to identify Medicaid recipients who are veterans and who may be eligible for federal veterans health care benefits or other benefits, to the extent that the identification does not violate applicable confidentiality requirements.

(g) The MVAA shall collaborate with the department of corrections to create and maintain a process by which prisoners can obtain a copy of their DD-214 form or other military discharge documentation if necessary.

(h) The MVAA shall ensure that all MVAA service officers and VSO service officers receive appropriate training in processing applications for benefits payable to veterans due to military sexual trauma, post-traumatic stress disorder, depression, anxiety, substance abuse, or other mental health issues.

Sec. 410. (1) The MVAA shall provide claims processing services to Michigan veterans in support of benefit claims submitted to the USDVA for the health, financial, and memorial benefits for which they are eligible, and shall do both of the following:

(a) Report biannually on the number of benefit claims, by type, submitted to the USDVA by MVAA.

(b) Maintain the staffing and resources necessary to process a minimum of 500 claims per year.

(2) The MVAA shall develop and implement a process to ensure that all county counselors receive the training and accreditation necessary to provide quality services to veterans and shall report information biannually on the number and percentage of county veterans counselors trained by the MVAA, and the number and percentage who received funding from the MVAA to attend training, with an overall goal of 100% of county veterans counselors trained.

(3) From the funds appropriated in part 1 for MVAA, the MVAA is authorized to expend up to \$50,000.00 to hire legal services to represent veterans benefit cases before federal court to maintain accreditation under 38 CFR 14.628(d)(1)(iv).

Sec. 411. (1) From the funds appropriated in part 1 for veterans service grants, the MVAA shall establish, administer, and award competitive grants to 1 or more congressionally chartered veterans service organizations or a coalition of those organizations. Grants shall be used to support efforts to connect veterans and their dependents with federal compensation and pension benefits and state veterans' benefits, including emergency grants through the Michigan veterans' trust fund and other local or nonproject assistance that may be available to veterans and their dependents. The competitive grant process shall include all of the following:

(a) Using a regional service delivery model to ensure that veterans and their dependents in this state, including those within tribal communities, are provided with services, advocacy, and outreach as close to the communities in which they live as possible.

(b) Ensure that grantees are providing adequate veteran services and advocacy, through in-person and virtual meetings, that enables the organization to meet performance goals established in the grant agreement.

(c) Foster innovative and transformative approaches and techniques for the grantee to use when providing services, advocacy, and outreach for veterans and their dependents.

(d) Require grantees to use an MVAA-designated internet-based claims data system to manage caseloads. License fees associated with the claims data system described in this subdivision are considered an allowable expenditure and may be reimbursed with grant funds.

(e) A provision that requires grantees, in coordination with the MVAA, to provide services to incarcerated veterans who are within 1 year of their earliest release date.

(f) Ensure that each grantee is issued performance goals.

(g) Ensure that each grantee expends grant awards as prescribed in the grant agreement.

(h) Require each grantee to report not less than quarterly on all of the following:

(i) An accounting for all grant fund expenditures.

(ii) The number and type of claims originated and submitted by the grantee to the USDVA.

(iii) The number and type of claims originated by an organization other than the grantee and submitted by the grantee to the USDVA.

(iv) The services provided to veterans and their dependents.

(v) Progress in achieving monthly performance benchmark goals.

(i) Ensure that each grantee is issued monthly performance benchmark goals that each grantee must aim to achieve and require each grantee to report to the MVAA, in order to ensure that benchmark goals are being achieved, or on target to be achieved, in the fiscal year.

(2) The MVAA shall do all of the following:

(a) Follow all generally accepted accounting principles in accordance with sections 141 and 485 of the management and budget act, 1984 PA 431, MCL 18.1141 and 18.1485.

(b) When establishing, modifying, or amending the competitive grant process described in subsection (1), consult and collaborate with congressionally chartered veterans service organizations in the state, or a coalition of those organizations, and other stakeholders to ensure a comprehensive approach to providing services, advocacy, and outreach to veterans and their dependents.

(c) Provide notice to current grantees of any MVAA-proposed modifications or amendments to the competitive grant process and provide those grantees with an opportunity to respond through written communication.

(d) Assess the accuracy rate of claims reported by grantees.

(e) Review and audit grantees' expenditure of grant funds to ensure compliance with the grant agreement, as provided under section 470 of the management and budget act, 1984 PA 431, MCL 18.1470.

(3) By March 1, the MVAA shall provide a report summarizing grant activities for the prior fiscal year, including the amount of expenditures, number of service and advocacy hours, number of claims for benefits submitted by type of claim, and other information deemed appropriate by the MVAA.

Sec. 412. (1) The department shall enter into an interagency agreement in cooperation with the department of health and human services in order to work with the federal public assistance reporting information system to identify Medicaid recipients who are veterans and who may be eligible for federal veterans' health care benefits or other benefits. The interagency agreement shall include the specific outcome and performance reporting requirements described in this section. The interagency agreement shall require the department to provide all of the following items by January 1 for the current fiscal year to the subcommittees, the senate and house fiscal agencies, and the policy offices:

(a) The number of veterans identified by the department of health and human services through eligibility determinations.

(b) The number of veterans referred to the department.

(c) The number of referrals made by the department of health and human services that were contacted by the department.

(d) The number of referrals made to the department that were eligible for veterans health care benefits or other benefits.

(e) The specific actions and efforts undertaken by the department of health and human services and the department to identify female veterans who are applying for public assistance benefits, but who are eligible for veterans benefits.

(2) By October 1 of the current fiscal year, the department of health and human services shall change the public assistance application form from asking whether the prospective applicant was a veteran to asking whether the applicant had ever served in the military.

(3) This section does not prohibit the department from entering into interagency agreements with any other public department or agency in this state in order to obtain the information detailed in subsection (1).

Sec. 413. (1) From the funds appropriated in part 1 for county veteran service grants, \$4,177,900.00 shall be deposited to the restricted county veteran service fund created in section 3a of 1953 PA 192, MCL 35.623a. All funds in the restricted county veteran service fund are appropriated and available for expenditure to support county veteran service grants.

(2) From the funds deposited under subsection (1) to the restricted county veteran service fund, \$210,500.00 shall be allocated to the MVAA to be used to cover costs associated with administering and providing technical assistance to counties for this grant program.

(3) From the funds appropriated in part 1 for county veteran service grants, the MVAA shall allocate \$72,100.00 to a county with a population between 30,000 and 31,000 according to the most recent federal decennial census for allowable expenditures related to county veteran service operations.

(4) The MVAA shall provide a report by December 15 that includes the following:

(a) A list of counties that received a grant under this section in the prior fiscal year.

(b) The total amount of grant funding each county received in the prior fiscal year including any amount of funding provided under the emergent need relief program pursuant to section 3a(10) of 1953 PA 192, MCL 35.623a.

(c) A summary of each county's expenditures of grant funding.

(d) The amount of any unexpended grant funding disbursed to the counties that has been recovered and returned to the county veteran service fund.

(e) The balance of the county veteran service fund after the prior fiscal year-end book closing.

(f) A list of counties that have requested funds in the current fiscal year, the amount requested by each county, and the total of these amounts.

(g) A list of counties that did not request funds in the current fiscal year.

(h) The amount of any funds recovered by the MVAA through the MVAA's finding of misused grant funds.

(i) An explanation of any obstacles or reasons for counties not applying for or spending their eligible amount of grant funding.

MICHIGAN VETERANS' FACILITY AUTHORITY

Sec. 451. (1) Money privately donated to the MVH, the MVFA, or a veterans' facility in excess of the appropriation in part 1 is appropriated and may be used for the benefit and life enrichment of veterans and for the purpose designated by the private source, if specified and in compliance with this section.

(2) The MVH must submit a report quarterly that provides the amount of the private donations described under subsection (1) and the purpose for which the funds will be expended, if known. In addition to the quarterly report required under this subsection, if the MVH, the MVFA, or a veterans' facility receives a private donation that is \$10,000.00 or greater, the MVH must submit a report within 14 calendar days after receiving that donation providing the amount of the donation and the purpose for which the funds are to be expended, if known.

Sec. 452. (1) The MVH and the MVFA shall provide compassionate and quality nursing and domiciliary care services at each veterans' facility in this state so that resident members can achieve their highest potential of wellness, independence, self-worth, and dignity.

(2) From the funds appropriated in part 1, the MVFA and the MVH shall provide nursing care services to veterans in accordance with federal standards and report the results of the annual USDVA survey and certification as proof of compliance.

(3) Appropriations in part 1 for a veterans' facility shall not be used for any purpose other than expenses related to the operations of the veterans' facility, resident members, and their families.

Sec. 453. Any contractor providing mental health services to a veterans' facility shall utilize mental health interventions that have been shown to be effective with the conditions they are treating, in accordance with evidence-based best practices supported by the USDVA-VHA, United States Department of Defense, the Substance Abuse and Mental Health Services Administration, the American Psychological Association, and the National Association of Social Workers.

Sec. 454. Any contractor providing CENAs to a veterans' facility shall ensure all of the following:

(a) That each CENA has at least 8 hours of training on information provided by the veterans' facility.

(b) That each CENA has at least one 8-hour shift of shadowing at the veterans' facility.

(c) That each CENA is competent in the basic skills needed to perform his or her assigned duties at the veterans' facility.

(d) That each CENA is provided at least 12 hours of in-service training once that individual has been assigned to the veterans' facility.

Sec. 456. (1) All complaints of abusive or neglectful care at a veterans' facility by a resident member, a resident member's family or legal guardian, or staff of the veterans' facility received by a supervisor shall be referred to the director of nursing or his or her designee upon receipt of the complaint. The director of nursing or his or her designee shall report on not less than a monthly basis, except that the MVFA may specify a more frequent reporting period to the home administrator, MVFA, agency, subcommittees, senate and house fiscal agencies, and state budget office the following information:

(a) A description of the process by which resident members and others may file complaints of alleged abuse or neglect at a veterans' facility.

(b) Summary statistics on the number and general nature of complaints of abuse or neglect.

(c) Summary statistics on the final disposition of complaints of abuse or neglect received.

(2) The process by which visitors, resident members, and staff of the veterans' facility may register complaints shall be displayed in high-traffic areas throughout the veterans' facility.

Sec. 458. The MVH shall do the following regarding member care:

(a) Provide an on-site, board-certified psychiatrist for all resident members with mental health disorders in order to ensure that those resident members receive needed services in a professional and timely manner.

(b) Provide all resident members and staff a safe and secure environment.

(c) Ensure that the veterans' facility effectively develops, executes, and monitors all comprehensive care plans in accordance with federal regulations and the veterans' facility's internal policies, with a goal that a comprehensive care plan is fully developed for all resident members.

Sec. 460. The MVH shall establish and implement internal controls regarding all of the following:

(a) The use and management of food, maintenance, and pharmaceutical and medical supply inventories.

(b) Calculating resident member maintenance assessments in order to accurately calculate resident member maintenance assessments for each billing cycle and ensure that all past due resident member maintenance assessments are addressed within 30 days.

(c) Monetary donations and donated goods.

(d) The handling of resident member funds to ensure the release of funds within 15 calendar days upon the resident member leaving the home and to ensure that a representative of a resident member is provided a full accounting of that resident member's funds within 30 calendar days after the death of that resident member.

Sec. 461. (1) The MVH shall post on its website the following:

(a) All policies adopted by the MVFA and the veterans' facility related to the administrative operations of the veterans' facility.

(b) The agenda and minutes of public meetings of the MVFA board.

(2) The MVH shall provide a report with copies of each veterans' facility's USDVA State Veteran Home quarterly report. These quarterly reports shall also be posted on the MVH website.

(3) The MVH shall provide biannual reports regarding the number of resident members residing in each veterans' facility and the status of Centers for Medicare and Medicaid certification efforts, including, but not limited to, descriptions of incremental milestones, associated expenditures, and the percentage of plan completed until such time certification has been achieved and reported.

(4) The MVH shall provide a report on the results of any annual or for-cause survey conducted by any entity with oversight over the veterans' facility and any corresponding corrective action plan. This information shall also be made available publicly through the MVH website.

Sec. 462. The MVH shall ensure that the quality of care for resident members of each veterans' facility meets or exceeds the quality of care for the full spectrum of health care services to meet or exceed the Centers for Medicare and Medicaid Services certification standards. The MVH shall provide a report biannually to the subcommittees that contains evidence that the quality of care for the full spectrum of health care services has met or exceeded Centers for Medicare and Medicaid Services certification standards.

Sec. 463. In addition to the funds appropriated in part 1, private revenues held by the MVH on a nonfiduciary basis for a resident member of a veterans' facility are appropriated to pay medical expenses, member assessments, and other expenses incurred by that resident member. Any unexpended or unencumbered private revenues held on a nonfiduciary basis by the MVH at the close of the fiscal year shall not lapse to the general fund but shall be carried forward into the subsequent year.

CAPITAL OUTLAY

Sec. 501. (1) The department shall provide for the acquisition and disposition of National Guard armories, facilities, and lands as provided under sections 368, 382, and 382a of the Michigan military act, 1967 PA 150, MCL 32.768, 32.782, and 32.782a.

(2) The department shall provide a listing of property sales and acquisitions biannually.

Sec. 502. (1) The appropriations for special maintenance - National Guard shall be expended in accordance with the requirements of sections 302 and 305 of this part and shall be expended according to the maintenance priorities of the department to repair and modernize military training sites and support facilities, including armories, which may include projects such as roof, HVAC, or boiler replacement, interior renovations, facility expansion, improvements to parking facilities, and other projects.

(2) The department shall provide a report biannually providing information on the status, projected costs, and projected completion date of current and planned special maintenance projects at the armories and other National Guard facilities funded from capital outlay appropriations made in part 1 and in prior appropriations years.

Sec. 503. (1) The appropriations for special maintenance - veterans' facility shall be expended in accordance with the requirements of section 452 of this part and shall be expended according to the maintenance priorities of the MVFA to repair and modernize the state's veterans' facility, which may include physical plant expansions, renovations, or enhancements, and other projects designed to enhance the quality of life and medical care of resident members.

(2) The MVH shall provide a report biannually providing information on the status, projected costs, and projected completion date of current and planned special maintenance projects at each veterans' facility funded from capital outlay appropriations made in part 1 and in prior appropriations years.

Sec. 504. The appropriations for armory maintenance shall be expended in accordance with the requirements of sections 302 and 305 of this part and shall be expended according to the maintenance priorities of the department to repair and modernize military training sites and support facilities, including armories.

ONE-TIME APPROPRIATIONS

Sec. 601. (1) From the funds appropriated in part 1 for state veterans cemetery, the department shall expend those funds, as authorized by law, for 1 or more of only the following purposes:

(a) Acquiring and purchasing land in a county with a population of not less than 12,985 and not greater than 13,000 according to the most recent federal decennial census that is suitable for a state veterans cemetery.

(b) Designating land owned by this state under the jurisdiction of the department in a county with a population of not less than 12,985 and not greater than 13,000 according to the most recent federal decennial census as a state veterans cemetery.

(c) Applying for and accepting all grants available under 38 USC 2408.

(d) Cemetery design or engineering plans, or both, and any necessary environmental impact studies prescribed by law.

(e) Necessary expenses to qualify for federal grants under 38 USC 2408.

(f) Preparing the land that is acquired or purchased for a state veterans cemetery or designated as a state veterans cemetery for operational use.

(g) Ongoing expenses related to the operation of a state veterans cemetery.

(2) The unexpended funds appropriated in part 1 for state veterans cemetery are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to create a state veterans cemetery in a county with a population of not less than 12,985 and not greater than 13,000.

(b) The project will be accomplished by state employees, contract, or both.

(c) The total estimated cost of the project is \$12,000,000.00.

(d) The tentative completion date is September 30, 2027.

Sec. 602. The MVFA shall provide a report by January 1 that provides a detailed strategy, action plan, and timeline for the MVFA to transition this state's veterans' facilities to be fully supported by federal and state restricted revenues and to not require state general fund/general purpose revenue.

Sec. 603. The unexpended funds appropriated in part 1 for veterans suicide prevention outreach are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures for projects under this section until the projects have been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide outreach to prevent suicide among service members, veterans, and their families.

(b) The project will be accomplished by contract.

(c) The total estimated cost of the project is \$1,200,000.00.

(d) The tentative completion date is September 30, 2026.

ARTICLE 11

DEPARTMENT OF NATURAL RESOURCES

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of natural resources for the fiscal year ending September 30, 2023, from the following funds:

DEPARTMENT OF NATURAL RESOURCES

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0
Full-time equated classified positions	2,412.8
GROSS APPROPRIATION	\$ 535,482,800

Appropriated from:

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental transfers	203,100
ADJUSTED GROSS APPROPRIATION	\$ 535,279,700

	For Fiscal Year Ending Sept. 30, 2023
Federal revenues:	
Total federal revenues	\$ 93,630,000
Special revenue funds:	
Total local revenues	0
Total private revenues	7,039,200
Total other state restricted revenues	340,206,500
State general fund/general purpose	\$ 94,404,000
Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT	
Full-time equated unclassified positions	6.0
Full-time equated classified positions	141.1
Unclassified salaries—FTEs	6.0\$ 900,500
Accounting service center	1,505,100
Executive direction—FTEs	11.6 2,307,900
Finance and operations—FTEs	105.5 17,568,800
Gifts and pass-through transactions	5,003,600
Legal services—FTEs	4.0 693,500
Minerals Management—FTEs	20.0 3,032,200
Natural resources commission	77,100
Property management	4,334,300
GROSS APPROPRIATION	\$ 35,423,000
Appropriated from:	
Interdepartmental grant revenues:	
IDG, land acquisition services-to-work orders	203,100
Federal revenues:	
Federal funds	365,400
Special revenue funds:	
Private funds	5,003,600
Deer habitat reserve	162,900
Forest development fund	3,207,900
Forest land user charges	7,800
Forest recreation account	54,100
Game and fish protection fund	7,941,100
Land exchange facilitation and management fund	4,549,700
Local public recreation facilities fund	211,500
Marine safety fund	845,600
Michigan natural resources trust fund	1,416,700
Michigan state parks endowment fund	4,290,700
Michigan state waterways fund	877,300
Nongame wildlife fund	13,800
Off-road vehicle safety education fund	700
Off-road vehicle trail improvement fund	241,200
Park improvement fund	1,968,600
Public use and replacement deed fees	29,500
Recreation improvement account	85,700
Snowmobile registration fee revenue	50,300
Snowmobile trail improvement fund	127,900
Sportsmen against hunger fund	500
Turkey permit fees	80,000
Waterfowl fees	3,400
Wildlife resource protection fund	43,600
State general fund/general purpose	\$ 3,640,400
Sec. 103. DEPARTMENT INITIATIVES	
Full-time equated classified positions	13.0

	For Fiscal Year Ending Sept. 30, 2023	
Great Lakes restoration initiative	\$	2,905,300
Invasive species prevention and control—FTEs	13.0	5,101,600
GROSS APPROPRIATION	\$	8,006,900
Appropriated from:		
Federal revenues:		
Federal funds		2,905,300
State general fund/general purpose	\$	5,101,600
Sec. 104. COMMUNICATION AND CUSTOMER SERVICES		
Full-time equated classified positions	137.3	
Marketing and outreach—FTEs	80.8\$	15,526,400
Michigan historical center—FTEs	56.5	8,212,600
Michigan wildlife council campaign management		80,000
Michigan wildlife council media		936,000
Michigan wildlife council messaging and implementation		448,000
Michigan wildlife council research		136,000
GROSS APPROPRIATION	\$	25,339,000
Appropriated from:		
Federal revenues:		
Federal funds		2,501,800
State park improvement, federal		320,000
Special revenue funds:		
Forest development fund		167,700
Forest recreation account		17,800
Game and fish protection fund		9,099,900
Land exchange facilitation and management fund		50,000
Marine safety fund		38,100
Michigan historical center operations fund		1,217,500
Michigan state parks endowment fund		116,200
Michigan state waterways fund		159,200
Nongame wildlife fund		11,200
Off-road vehicle trail improvement fund		115,000
Park improvement fund		3,587,800
Recreation passport fees		640,400
Snowmobile registration fee revenue		20,600
Snowmobile trail improvement fund		102,100
Sportsmen against hunger fund		250,000
Wildlife management public education fund		1,600,000
Youth hunting and fishing education and outreach fund		49,400
State general fund/general purpose	\$	5,274,300
Sec. 105. WILDLIFE MANAGEMENT		
Full-time equated classified positions	230.5	
Natural resources heritage—FTEs	9.0\$	645,300
Wildlife management—FTEs	221.5	46,896,200
GROSS APPROPRIATION	\$	47,541,500
Appropriated from:		
Federal revenues:		
Federal funds		26,207,600
Special revenue funds:		
Private funds		315,700
Cervidae licensing and inspection fees		85,100
Deer habitat reserve		1,783,900
Forest development fund		277,600
Game and fish protection fund		12,605,500

	For Fiscal Year Ending Sept. 30, 2023	
Nongame wildlife fund	\$	440,000
Pheasant hunting license fees		100,000
Turkey permit fees		1,055,000
Waterfowl fees		114,100
State general fund/general purpose	\$	4,557,000
Sec. 106. FISHERIES MANAGEMENT		
Full-time equated classified positions	227.5	
Aquatic resource mitigation—FTEs	2.0\$	636,000
Fish production—FTEs	63.0	10,736,800
Fisheries resource management—FTEs	162.5	23,076,600
GROSS APPROPRIATION	\$	34,449,400
Appropriated from:		
Federal revenues:		
Federal funds		11,877,800
Special revenue funds:		
Private funds		136,700
Fisheries settlement		635,900
Game and fish protection fund		20,593,900
Invasive species fund		100
State general fund/general purpose	\$	1,205,000
Sec. 107. LAW ENFORCEMENT		
Full-time equated classified positions	293.0	
General law enforcement—FTEs	293.0\$	47,253,700
Body cameras for conservation officers		600,000
GROSS APPROPRIATION	\$	47,853,700
Appropriated from:		
Federal revenues:		
Federal funds		6,921,000
Special revenue funds:		
Cervidae licensing and inspection fees		53,400
Forest development fund		45,400
Forest recreation account		72,800
Game and fish protection fund		20,928,900
Marine safety fund		1,358,200
Michigan state parks endowment fund		71,400
Michigan state waterways fund		21,700
Off-road vehicle safety education fund		166,900
Off-road vehicle trail improvement fund		2,788,000
Park improvement fund		72,800
Snowmobile registration fee revenue		725,300
Snowmobile trail improvement fund		400
Wildlife resource protection fund		1,121,100
State general fund/general purpose	\$	13,506,400
Sec. 108. PARKS AND RECREATION DIVISION		
Full-time equated classified positions	1,033.9	
Forest recreation and trails—FTEs	74.9\$	9,145,400
MacMullan Conference Center—FTEs	15.0	1,226,100
Michigan conservation corps		934,400
Recreational boating—FTEs	179.6	22,967,000
State parks—FTEs	764.4	93,963,600
State parks improvement revenue bonds - debt service		0
GROSS APPROPRIATION	\$	128,236,500

	For Fiscal Year Ending Sept. 30, 2023	
Appropriated from:		
Federal revenues:		
Federal funds	\$	144,700
Michigan state waterways fund, federal		1,698,100
Special revenue funds:		
Private funds		428,300
Forest recreation account		3,846,200
Game and fish protection fund		1,600
MacMullan Conference Center account		1,226,100
Michigan state parks endowment fund		11,427,500
Michigan state waterways fund		21,252,300
Off-road vehicle safety education fund		7,700
Off-road vehicle trail improvement fund		2,198,000
Park improvement fund		77,655,600
Park improvement fund, Belle Isle subaccount		1,201,800
Pure Michigan trails fund		100
Recreation improvement account		577,300
Recreation passport fees		220,300
Snowmobile registration fee revenue		16,700
Snowmobile trail improvement fund		1,982,400
State general fund/general purpose	\$	4,351,800
Sec. 109. MACKINAC ISLAND STATE PARK COMMISSION		
Full-time equated classified positions	17.0	
Historical facilities system—FTEs	13.0\$	1,887,300
Mackinac Island State Park operations—FTEs	4.0	340,300
GROSS APPROPRIATION	\$	2,227,600
Appropriated from:		
Special revenue funds:		
Mackinac Island State Park fund		1,674,200
Mackinac Island State Park operation fund		134,400
State general fund/general purpose	\$	419,000
Sec. 110. FOREST RESOURCES DIVISION		
Full-time equated classified positions	319.5	
Adopt-a-forest program	\$	25,000
Cooperative resource programs—FTEs	11.0	1,633,100
Forest fire equipment		931,500
Forest management and timber market development—FTEs	185.0	44,532,400
Forest management initiatives—FTEs	8.5	929,000
Wildfire protection—FTEs	115.0	16,084,400
GROSS APPROPRIATION	\$	64,135,400
Appropriated from:		
Federal revenues:		
Federal funds		3,451,300
Federal national forest timber fund		9,087,300
Special revenue funds:		
Private funds		1,054,900
Commercial forest fund		26,200
Fire equipment fund		668,700
Forest development fund		41,058,500
Forest land user charges		241,200
Game and fish protection fund		812,000
Michigan state waterways fund		54,100
State general fund/general purpose	\$	7,681,200

For Fiscal Year
Ending Sept. 30,
2023

Sec. 111. GRANTS

Dam management grant program	\$	350,000
Deer habitat improvement partnership initiative		200,000
Federal - clean vessel act grants		400,000
Federal - forest stewardship grants		2,000,000
Federal - land and water conservation fund payments		13,000,000
Federal - rural community fire protection		400,000
Federal - urban forestry grants		900,000
Fisheries habitat improvement grants		1,250,000
Grants to communities - federal oil, gas, and timber payments		3,450,000
Grants to counties - marine safety		3,074,700
National recreational trails		3,907,300
Nonmotorized trail development and maintenance grants		200,000
Off-road vehicle safety training grants		60,000
Off-road vehicle trail improvement grants		6,415,500
Recreation improvement fund grants		916,800
Recreation passport local grants		2,000,000
Snowmobile law enforcement grants		380,100
Snowmobile local grants program		8,090,400
Trail easements		2,200,000
Wildlife habitat improvement grants		1,502,500
GROSS APPROPRIATION	\$	50,697,300
Appropriated from:		
Federal revenues:		
Federal funds		25,624,700
Special revenue funds:		
Private funds		100,000
Deer habitat reserve		200,000
Game and fish protection fund		2,752,500
Local public recreation facilities fund		2,000,000
Marine safety fund		1,407,300
Off-road vehicle safety education fund		60,000
Off-road vehicle trail improvement fund		6,415,500
Permanent snowmobile trail easement fund		2,200,000
Recreation improvement account		916,800
Snowmobile registration fee revenue		380,100
Snowmobile trail improvement fund		8,090,400
State general fund/general purpose	\$	550,000

Sec. 112. INFORMATION TECHNOLOGY

Information technology services and projects	\$	10,562,500
GROSS APPROPRIATION	\$	10,562,500
Appropriated from:		
Special revenue funds:		
Commercial forest fund		2,100
Deer habitat reserve		61,600
Forest development fund		1,539,500
Forest land user charges		23,900
Forest recreation account		42,400
Game and fish protection fund		3,857,400
Land exchange facilitation and management fund		30,600
Marine safety fund		163,600
Michigan natural resources trust fund		22,300
Michigan state parks endowment fund		1,336,000

	For Fiscal Year Ending Sept. 30, 2023
Michigan state waterways fund	\$ 502,500
Nongame wildlife fund	30,500
Off-road vehicle safety education fund	10,400
Off-road vehicle trail improvement fund	24,300
Park improvement fund	1,464,900
Pure Michigan trails fund	100
Recreation improvement account	49,200
Snowmobile registration fee revenue	11,600
Snowmobile trail improvement fund	75,500
Sportsmen against hunger fund	600
Turkey permit fees	33,800
Waterfowl fees	3,300
Wildlife resource protection fund	42,100
Youth hunting and fishing education and outreach fund	2,000
State general fund/general purpose	\$ 1,232,300
Sec. 113. CAPITAL OUTLAY	
(1) RECREATIONAL LANDS AND INFRASTRUCTURE	
State parks repair and maintenance	\$ 19,200,000
State game and wildlife area infrastructure	1,400,000
Wetland restoration, enhancement and acquisition	1,000,000
GROSS APPROPRIATION	\$ 21,600,000
Appropriated from:	
Federal revenues:	
Federal funds	1,050,000
Special revenue funds:	
Game and fish protection fund	350,000
Michigan state parks endowment fund	4,500,000
Recreation passport fees	13,200,000
Waterfowl hunt stamp	1,000,000
State general fund/general purpose	\$ 1,500,000
(2) WATERWAYS BOATING PROGRAM	
Local boating infrastructure maintenance and improvements	\$ 3,622,500
State boating infrastructure maintenance	8,852,500
GROSS APPROPRIATION	\$ 12,475,000
Appropriated from:	
Federal revenues:	
Federal funds	1,275,000
Michigan state waterways fund, federal	200,000
Special revenue funds:	
Michigan state waterways fund	11,000,000
State general fund/general purpose	\$ 0
Sec. 114. ONE-TIME APPROPRIATIONS	
Archives of Michigan digitization	\$ 485,000
Chronic wasting disease testing	500,000
Equipment lifecycle replacement	11,550,000
Great Lakes vessel modernization	4,000,000
State fish hatchery upgrades and improvements	30,000,000
Body cameras for conservation officers, one-time	400,000
GROSS APPROPRIATION	\$ 46,935,000
Appropriated from:	
Special revenue funds:	
Forest development fund	750,000
Game and fish protection fund	400,000
Park improvement fund	400,000
State general fund/general purpose	\$ 45,385,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for the fiscal year ending September 30, 2023 is \$434,610,500.00 and state spending from state resources to be paid to local units of government for the fiscal year ending September 30, 2023 is \$10,971,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF NATURAL RESOURCES

Dam management grant program	\$ 175,000
Fisheries habitat improvement grants	125,000
Grants to counties – marine safety	1,407,300
Invasive species prevention and control	1,900,000
Local boating infrastructure maintenance and improvements	3,622,500
Nonmotorized trail development and maintenance grants	100,000
Off-road vehicle safety training grants	60,000
Off-road vehicle trail improvement grants	959,500
Recreation improvement fund grants	91,700
Recreation passport local grants	2,000,000
Snowmobile law enforcement grants	380,100
Wildlife habitat improvement grants	150,300
TOTAL	\$ 10,971,400

Sec. 202. The appropriations authorized 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. As used in this part and part 1:

- (a) “Department” means the department of natural resources.
- (b) “Director” means the director of the department.
- (c) “FTE” means full-time equated.
- (d) “IDG” means interdepartmental grant.

Sec. 204. The departments and agencies receiving appropriations in part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement shall include transmission of reports via email to the recipients identified for each reporting requirement, and it shall include placement of reports on an internet site.

Sec. 205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply:

- (a) The funds appropriated in part 1 must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.
- (b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses if they are competitively priced and of comparable quality.
- (c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 206. The department shall not take disciplinary action against an employee of the department or departmental agency in the state classified civil service because the employee communicates with a member of the senate or house or his or her staff, unless the communication is prohibited by law and the department or agency taking disciplinary action is exercising its authority as provided by law.

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

- (a) The dates of each travel occurrence.
- (b) The total transportation and related costs of each travel occurrence, including the proportion funded with state general fund/general purpose revenues, the proportion funded with state restricted revenues, the proportion funded with federal revenues, and the proportion funded with other revenues.

Sec. 208. Funds appropriated in part 1 shall not be used by the department to hire a person to provide legal services that are the responsibility of the attorney general. This prohibition does not apply to legal services for bonding activities and for those outside services that the attorney general authorizes.

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

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

Sec. 211. The department shall provide to the department of technology, management, and budget information sufficient to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department:

- (a) Fiscal year-to-date expenditures by category.
- (b) Fiscal year-to-date expenditures by appropriation unit.
- (c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.
- (d) The number of active department employees by job classification.
- (e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall provide to the state budget office information sufficient to provide the chairpersons of the senate and house appropriations committees, the chairpersons of the senate and house appropriations subcommittees on natural resources, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the prior 2 fiscal years.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2023 are estimated at \$41,796,900.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$25,376,200.00. Total agency appropriations for retiree health care legacy costs are estimated at \$16,420,700.00.

Sec. 215. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services or supplies, or both.

Sec. 216. (1) On a quarterly basis, the department shall report to the senate and house appropriations committees, the senate and house appropriations subcommittees on natural resources, and the senate and house fiscal agencies the following information:

- (a) The number of FTEs in pay status by type of staff and civil service classification.
- (b) A comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTEs employed by the department at the end of the reporting period.
- (2) By March 1 of the current fiscal year, the department shall report to the senate and house appropriations committees, the senate and house appropriations subcommittees on natural resources, and the senate and house fiscal agencies the following information:

- (a) Number of employees that were engaged in remote work in 2022.
- (b) Number of employees authorized to work remotely and the actual number of those working remotely in the current reporting period.

- (c) Estimated net cost savings achieved by remote work.
- (d) Reduced use of office space associated with remote work.

Sec. 217. Appropriations in part 1 shall, to the extent possible for the department, not be expended until all existing work project authorization available for the same purpose is exhausted.

Sec. 218. It is the intent of the legislature that departments maximize the efficiency of the state workforce and, where possible, prioritize in-person work. Each executive branch department, agency, board, or commission that receives funding under part 1 must post its in-person, remote, or hybrid work policy on its website.

Sec. 219. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under part 1, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each house, intertransfer funds within part 1 for the particular department, board, commission, officer, or institution.

Sec. 220. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records must be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 221. The department shall report no later than April 1 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the senate and house appropriations committees, the senate and house subcommittees on natural resources, the joint committee on administrative rules, and the senate and house fiscal agencies.

Sec. 222. (1) From the funds appropriated in part 1, the department shall do all of the following:

(a) Report to the house and senate appropriations committees, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office any amount of severance pay for a department director, deputy director, or other high-ranking department official not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.

(b) Maintain an internet site that posts any severance pay in excess of 6 weeks of wages, regardless of the position held by the former department employee receiving severance pay.

(c) By February 1, report to the house and senate appropriations subcommittees on the department budget, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the total amount of severance pay remitted to former department employees during the fiscal year ending September 30, 2022 and the total number of former department employees that were remitted severance pay during the fiscal year ending September 30, 2022.

(2) As used in this section, “severance pay” means compensation that is both payable or paid upon the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits.

Sec. 223. (1) Any department, agency, board, commission, or public officer that receives funding under part 1 shall not:

(a) Require as a condition of accessing any facility or receiving services that an individual provide proof that he or she has received a COVID-19 vaccine except as provided by federal law or as a condition of receiving federal Medicare or Medicaid funding.

(b) Produce, develop, issue, or require a COVID-19 vaccine passport.

(c) Develop a database or make any existing database publicly available to access an individual’s COVID-19 vaccine status by any person, company, or governmental entity.

(d) Require as a condition of employment that an employee or official provide proof that he or she has received a COVID-19 vaccine. This subdivision does not apply to any hospital, congregate care facility, or other medical facility or any hospital, congregate care facility, or other medical facility operated by a local subdivision that receives federal Medicare or Medicaid funding.

(2) A department, agency, board, commission, or public officer may not subject any individual to any negative employment consequence, retaliation, or retribution because of that individual’s COVID-19 vaccine status.

(3) Subsection (1) does not prohibit any person, department, agency, board, commission, or public officer from transmitting proof of an individual’s COVID-19 vaccine status to any person, company, or governmental entity, so long as the individual provides affirmative consent.

(4) If a department, agency, board, commission, subdivision, or official or public officer is required to establish a vaccine policy due to a federal mandate, it must provide exemptions to any COVID-19 vaccine policy to the following individuals:

(a) An individual for whom a physician certifies that a COVID-19 vaccine is or may be detrimental to the individual’s health or is not appropriate.

(b) An individual who provides a written statement to the effect that the requirements of the COVID-19 vaccine policy cannot be met because of religious convictions or other consistently held objection to immunization.

(5) As used in this section, “public officer” means a person appointed by the governor or another executive department official or an elected or appointed official of this state or a political subdivision of this state.

Sec. 224. (1) In addition to the money appropriated in part 1, there is appropriated from the following state restricted funds up to the following amounts to the department of technology, management, and budget:

Game and fish protection fund	\$ 575,600
Michigan state waterways fund	307,800
Park improvement fund	447,300
Forest development fund	307,800

(2) In addition to the money appropriated in part 1, there is appropriated from the following state restricted funds up to the following amounts to the department of attorney general:

Game and fish protection fund	\$	670,900
Michigan state waterways fund		148,700

(3) In addition to the money appropriated in part 1, there is appropriated from the following state restricted funds up to the following amounts to the legislative auditor general:

Game and fish protection fund	\$	34,800
Michigan state waterways fund		12,600

(4) In addition to the money appropriated in part 1, there is appropriated from the following state restricted funds up to the following amounts to the department of treasury:

Game and fish protection fund	\$	3,383,800
Michigan state waterways fund		408,900
Michigan natural resources trust fund		3,195,500

(5) In addition to the money appropriated in part 1, there is appropriated from the following state restricted funds to the civil service commission the amount calculated for each fund pursuant to section 5 of article XI of the state constitution of 1963:

- (a) Michigan conservation and recreation legacy fund.
- (b) Forest development fund.
- (c) Michigan natural resources trust fund.
- (d) Michigan state parks endowment fund.
- (e) Nongame wildlife fund.

Sec. 225. Pursuant to section 43703(3) of the natural resources and environmental protection act, 1994 PA 451, MCL 324.43703, there is appropriated from the game and fish protection trust fund to the game and fish protection account of the Michigan conservation and recreation legacy fund, \$6,000,000.00 for the fiscal year ending September 30, 2023.

Sec. 226. The department may contract with or provide grants to local units of government, institutions of higher education, or nonprofit organizations to support activities authorized by appropriations in part 1. As used in this section, contracts and grants include, but are not limited to, contracts and grants for research, wildlife and fisheries management, forest management, invasive species monitoring and control, and natural resource-related programs.

Sec. 241. If the department activates the incident management team to protect life or property, within 6 hours after the incident management team is activated to a site in this state, the department shall notify the senate and house members whose district includes the site in writing.

DEPARTMENT INITIATIVES

Sec. 251. From the amounts appropriated in part 1 for invasive species prevention and control, the department shall allocate not less than \$3,600,000.00 for grants for the prevention, detection, eradication, and control of invasive species.

DEPARTMENT SUPPORT SERVICES

Sec. 302. The department may charge land acquisition projects appropriated for the fiscal year ending September 30, 2023, and for prior fiscal years, a standard percentage fee to recover actual costs, and may use the revenue derived to support the land acquisition service charges provided for in part 1.

Sec. 303. As appropriated in part 1, the department may charge both application fees and transaction fees related to the exchange or sale of state-owned land or rights in land authorized by part 21 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2101 to 324.2165. The fees shall be set by the director at a rate that allows the department to recover its costs for providing these services.

COMMUNICATION AND CUSTOMER SERVICES

Sec. 408. By October 21, the department shall submit to the senate and house appropriations subcommittees on natural resources a report on all land transactions approved by the natural resources commission in the fiscal year ending September 30, 2022. For each land transaction, the report shall include the size of the parcel, the county and municipality in which the parcel is located, the dollar amount of the transaction, the fund source affected by the transaction, and whether the transaction is by purchase, public auction, transfer, exchange, or conveyance.

WILDLIFE DIVISION

Sec. 506. The United States Department of Agriculture, Wildlife Services, is encouraged to harvest all deer during targeted removal required under the enhanced wildlife biosecurity program.

FOREST RESOURCES DIVISION

Sec. 802. (1) From the funds appropriated in part 1, the department shall provide quarterly reports on the number of acres of state forestland marked or treated for timber harvesting.

(2) The department shall complete and deliver these reports, within 45 days after the end of each fiscal quarter, to the senate and house appropriations subcommittees on natural resources and the standing committees of the senate and house with primary responsibility for natural resources issues. The report must contain the following information:

- (a) The number of acres prepared in the last quarter and the year to date total.
- (b) The number of acres sold in the last quarter and the year to date total.
- (c) The amount of revenue generated by the sale and harvesting of state land in the last quarter and the year to date total.

Sec. 803. In addition to the money appropriated in part 1, the department may receive and expend money from federal sources to provide response to wildfires and hazard incidents as required by a compact with the federal government. If additional expenditure authorization is required, the department shall notify the state budget office that expenditure under this section is required. The department shall notify the house and senate appropriations subcommittees on natural resources and the house and senate fiscal agencies by November 1 of the expenditures under this section during the fiscal year ending September 30, 2022.

Sec. 807. (1) In addition to the funds appropriated in part 1, there is appropriated from the disaster and emergency contingency fund up to \$800,000.00 to cover department costs related to any disaster as defined in section 2 of the emergency management act, 1976 PA 390, MCL 30.402.

(2) Funds appropriated under subsection (1) shall not be expended unless the state budget director recommends the expenditure and the department notifies the house and senate committees on appropriations. By December 1 each year, the department shall provide a report to the senate and house fiscal agencies and the state budget office on the use of the disaster and emergency contingency fund during the prior fiscal year.

(3) If Federal Emergency Management Agency (FEMA) reimbursement is approved for costs paid from the disaster and emergency contingency fund, the federal revenue shall be deposited into the disaster and emergency contingency fund.

(4) Unexpended and unencumbered funds remaining in the disaster and emergency contingency fund at the close of the fiscal year shall not lapse to the general fund and shall be carried forward and be available for expenditures in subsequent fiscal years.

LAW ENFORCEMENT

Sec. 901. The appropriation in part 1 for snowmobile law enforcement grants shall be used by the department to provide grants to county law enforcement agencies to enforce part 821 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.82101 to 324.82161, including rules promulgated under that part and ordinances enacted pursuant to that part. The department shall consider the number of enforcement hours and the number of miles of snowmobile trails in each county in allocating these grants. Any funds not distributed to counties revert back to the snowmobile registration fee subaccount created under section 82111 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.82111. Counties shall provide semiannual reports to the department on the use of grant money received under this section.

Sec. 902. The department shall provide a report on the marine safety grant program to the senate and house appropriations subcommittees on natural resources and the senate and house fiscal agencies by December 1. The report must include the following information for the preceding year:

- (a) The total amount of revenue received for watercraft registrations.
- (b) The amount deposited into the marine safety fund.
- (c) The expenditures made from the marine safety fund, including the amounts expended for department administration, other state agencies, the law enforcement division, and grants to counties.
- (d) The distribution methodology used by the department to distribute the marine safety grants.
- (e) A list of the grants and the amounts awarded by county.

Sec. 903. From the funds appropriated in part 1 for body cameras for conservation officers, as funding permits, the department shall provide body cameras to conservation officers for use in compliance with department policy while in the field performing their state-appointed duties.

GRANTS

Sec. 1001. Federal pass-through funds to local institutions and governments that are received in amounts in addition to those included in part 1 for grants to communities - federal oil, gas, and timber payments and that do not require additional state matching funds are appropriated for the purposes intended. By November 30, the department shall report to the senate and house appropriations subcommittees on natural resources, the senate and house fiscal agencies, and the state budget director on all amounts appropriated under this section during the fiscal year ending September 30, 2022.

CAPITAL OUTLAY

Sec. 1103. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

ONE-TIME APPROPRIATIONS

Sec. 1201. From the funds appropriated in part 1 for chronic wasting disease (CWD) testing, before the 2023 deer hunting season, the department shall make at least 1 CWD check station or drop station available during any deer season in any county that is included in a core CWD area, a CWD management zone, or a core CWD surveillance area.

Sec. 1202. (1) From the appropriation in part 1 for Great Lakes vessel modernization, the department shall provide a replacement of the Lake Michigan survey vessel at the end of its expected lifecycle with a modern vessel of a similar size. The replacement should modernize the vessel, increasing efficiency and safety, and reduce the emissions and overall maintenance costs of the vessel. It is the intent of the legislature that the vessel be completed by a Michigan-based vessel manufacturer.

(2) The unexpended funds appropriated in part 1 for Great Lakes vessel modernization are designated as a work project appropriation, and any unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditure for the project under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to replace and upgrade the Lake Michigan survey vessel.
- (b) The project will be accomplished primarily by utilizing contracts with service providers.
- (c) The total estimated cost of the project is \$4,000,000.00.
- (d) The tentative completion date is September 30, 2024.

Sec. 1203. From the funds appropriated in part 1 for body cameras for conservation officers, one-time, as funding permits, the department shall provide body cameras to conservation officers for use in compliance with department policy while in the field performing their state-appointed duties.

ARTICLE 12
DEPARTMENT OF STATE POLICE
PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of state police for the fiscal year ending September 30, 2023, from the following funds:

DEPARTMENT OF STATE POLICE		
APPROPRIATION SUMMARY		
Full-time equated unclassified positions	3.0	
Full-time equated classified positions	3,754.0	
GROSS APPROPRIATION	\$	823,705,800
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		25,502,400
ADJUSTED GROSS APPROPRIATION	\$	798,203,400
Federal revenues:		
Total federal revenues		81,804,300
Special revenue funds:		
Total local revenues		4,904,500
Total private revenues		35,000
Total other state restricted revenues		158,750,400
State general fund/general purpose	\$	552,709,200
Sec. 102. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions	3.0	
Full-time equated classified positions	139.0	
Unclassified salaries—FTEs	3.0\$	553,600
Department services—FTEs	17.0	7,625,600
Departmentwide		48,770,800
Executive direction—FTEs	45.0	7,359,900
Mobile office and system support—FTEs	39.0	5,861,100
Professional development bureau—FTEs	38.0	10,247,400
GROSS APPROPRIATION	\$	80,418,400
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of corrections, contract		26,000
IDG from department of transportation, state trunkline fund		41,100

	For Fiscal Year Ending Sept. 30, 2023
IDG from department of treasury, casino gaming fees	\$ 163,400
IDG, training academy charges	192,200
Intradepartmental transfers	55,300
Federal revenues:	
Total federal revenues	1,866,600
Special revenue funds:	
Total local revenues	8,400
Michigan merit award trust fund	15,900
Total other state restricted revenues	5,350,200
State general fund/general purpose	\$ 72,699,300

Sec. 103. LAW ENFORCEMENT SERVICES

Full-time equated classified positions	590.0	
Biometrics and identification—FTEs	60.0	\$ 11,108,200
Criminal justice information center—FTEs	155.0	26,995,100
Forensic science—FTEs	279.0	48,111,700
Grants and community services—FTEs	47.0	18,190,800
Office of school safety—FTEs	6.0	1,356,900
State 911 administration—FTEs	5.0	1,128,800
Training—FTEs	38.0	8,272,300
GROSS APPROPRIATION	\$	115,163,800

Appropriated from:

Interdepartmental grant revenues:	
IDG from department of state	396,300
IDG from department of transportation, state trunkline fund	737,100
IDG, training academy charges	2,768,200
Intradepartmental transfers	750,000
Federal revenues:	
Total federal revenues	13,690,200
Special revenue funds:	
Total local revenues	919,200
Total private revenues	20,000
Total other state restricted revenues	43,285,300
State general fund/general purpose	\$ 52,597,500

Sec. 104. MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS

Full-time equated classified positions	20.0	
De-escalation training	\$	500,000
Justice training grants		5,810,000
Public safety officers benefit fund—FTE	1.0	303,000
Standards and training—FTEs	19.0	3,936,900
Training only to local units		654,500
GROSS APPROPRIATION	\$	11,204,400

Appropriated from:

Federal revenues:	
Total federal revenues	278,700
Special revenue funds:	
Total other state restricted revenues	9,800,200
State general fund/general purpose	\$ 1,125,500

Sec. 105. FIELD SERVICES

Full-time equated classified positions	2,379.0	
Investigative services—FTEs	148.5	\$ 38,329,000
Post operations—FTEs	2,200.5	377,374,400
Secure cities partnership—FTEs	30.0	9,380,200
GROSS APPROPRIATION	\$	425,083,600

	For Fiscal Year Ending Sept. 30, 2023	
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of treasury, casino gaming fees	\$	5,492,400
Intradepartmental transfers		952,000
Federal revenues:		
Total federal revenues		9,978,700
Special revenue funds:		
Total local revenues		1,233,600
Michigan merit award trust fund		854,900
Total other state restricted revenues		54,046,800
State general fund/general purpose	\$	352,525,200
Sec. 106. SPECIALIZED SERVICES		
Full-time equated classified positions	622.0	
Commercial vehicle enforcement—FTEs	211.0\$	32,698,800
Emergency management and homeland security—FTEs	64.0	16,576,700
Hazardous materials programs—FTEs	25.0	23,603,200
Highway safety planning—FTEs	26.0	18,238,400
Intelligence operations—FTEs	220.0	31,638,300
Secondary road patrol program—FTE	1.0	15,000,000
Special operations—FTEs	75.0	15,855,300
GROSS APPROPRIATION	\$	153,610,700
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of transportation, state trunkline fund		11,259,800
IDG from department of treasury, public safety answer point training 911 fund		100,000
Intradepartmental transfers		2,047,900
Federal revenues:		
Total federal revenues		55,029,700
Special revenue funds:		
Total local revenues		1,791,600
Total private revenues		15,000
Total other state restricted revenues		33,817,600
State general fund/general purpose	\$	49,549,100
Sec. 107. INFORMATION TECHNOLOGY		
Information technology services and projects	\$	28,912,300
GROSS APPROPRIATION	\$	28,912,300
Appropriated from:		
Interdepartmental grant revenues:		
IDG from department of transportation, state trunkline fund		364,700
IDG from department of treasury, casino gaming fees		122,800
IDG, training academy charges		11,500
Intradepartmental transfers		21,700
Federal revenues:		
Total federal revenues		960,400
Special revenue funds:		
Total local revenues		951,700
Michigan merit award trust fund		3,400
Total other state restricted revenues		11,576,100
State general fund/general purpose	\$	14,900,000
Sec. 108. ONE-TIME APPROPRIATIONS		
Full-time equated classified positions	4.0	
Contracts and services	\$	3,100,000
Crime victim support pilot program—FTEs	4.0	518,400

	For Fiscal Year Ending Sept. 30, 2023
Recruitment, training, and outreach	\$ 1,000,000
Trooper school	4,694,200
GROSS APPROPRIATION	\$ 9,312,600
Appropriated from:	
State general fund/general purpose	\$ 9,312,600

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2022-2023

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 2022-2023 is \$711,459,600.00 and state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is \$21,329,700.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF STATE POLICE	
Justice training grants	\$ 5,810,000
Secondary road patrol program	14,865,200
Training only to local units	654,500
TOTAL	\$ 21,329,700

Sec. 202. The appropriations authorized 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. As used in this part and part 1:
- (a) “CJIS” means Criminal Justice Information Systems.
 - (b) “Department” means the department of state police.
 - (c) “Director” means the director of the department.
 - (d) “DNA” means deoxyribonucleic acid.
 - (e) “DTMB” means the department of technology, management, and budget.
 - (f) “FTE” means full-time equated.
 - (g) “IDG” means interdepartmental grant.
 - (h) “MCOLES” means the Michigan commission on law enforcement standards created in section 3 of the Michigan commission on law enforcement standards act, 1965 PA 203, MCL 28.603.
 - (i) “SIGMA” means the statewide integrated governmental management application.
 - (j) “Subcommittees” means the subcommittees of the senate and house standing committees on appropriations with jurisdiction over the budget for the department.

Sec. 204. The department and agencies receiving appropriations in this part and part 1 shall use the internet to fulfill the reporting requirements of this part. This requirement must include transmission of reports via email to the recipients identified for each reporting requirement and it must include placement of reports on an internet site.

- Sec. 205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply to the funds appropriated in part 1:
- (a) Funds must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.
 - (b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.
 - (c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 206. The department shall not take disciplinary action against an employee of the department or a departmental agency in the state classified civil service because the employee communicates with a member of the legislature or a member’s staff, unless the communication is prohibited by law and the department or departmental agency taking disciplinary action is exercising its authority as provided by law.

- Sec. 207. The department shall prepare a report on out-of-state travel expenses not later than January 1 of each year. The travel report shall be a listing of all travel by classified and unclassified employees outside this state in the immediately preceding fiscal year that was funded in whole or in part with funds appropriated in the department’s budget. The report shall be submitted to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget office. The report shall include the following information:
- (a) The dates of each travel occurrence.

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

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

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

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

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

Sec. 211. From the funds appropriated in part 1, the department shall provide to the DTMB information sufficient to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following for the department:

- (a) Fiscal year-to-date expenditures by category.
- (b) Fiscal year-to-date expenditures by appropriation unit.
- (c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.
- (d) The number of active department employees by job classification.
- (e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall provide to the state budget office information sufficient to provide the senate and house appropriations chairs, the subcommittees chairs, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the prior 2 fiscal years.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2023 are estimated at \$145,238,000.00. From this amount, total department appropriations for pension-related legacy costs are estimated at \$94,652,600.00. Total department appropriations for retiree health care legacy costs are estimated at \$50,585,400.00.

Sec. 215. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure that businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services or supplies, or both.

Sec. 216. (1) On a quarterly basis, the department shall report to the senate and house appropriations committees, the subcommittees, and the senate and house fiscal agencies the following information:

- (a) The number of FTEs in pay status by type of staff and civil service classification.
- (b) A comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTEs employed by the department at the end of the reporting period.
- (2) By March 1 of the current fiscal year, the department shall report to the senate and house appropriations committees, the subcommittees, and the senate and house fiscal agencies the following information:
 - (a) Number of employees that were engaged in remote work in 2022.
 - (b) Number of employees authorized to work remotely and the actual number of those working remotely in the current reporting period.
 - (c) Estimated net cost savings achieved by remote work.
 - (d) Reduced use of office space associated with remote work.

Sec. 217. Appropriations in part 1 shall, to the extent possible by the department, not be expended until all existing work project authorization available for the same purposes is exhausted.

Sec. 218. If the state administrative board, acting under section 3 of 1921 PA 2, MCL 17.3, transfers funds from an amount appropriated under this article, the legislature may, by a concurrent resolution adopted by a majority of the members elected to and serving in each chamber, intertransfer funds within this article for the particular department, board, commission, officer, or institution.

Sec. 219. The department and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal or state guidelines.

Sec. 220. The department shall report not later than April 1 on each specific policy change made to implement a public act affecting the department that was enacted and took effect during the prior calendar year to the senate and house appropriations committees, the subcommittees, the joint committee on administrative rules, and the senate and house fiscal agencies.

Sec. 221. (1) From the funds appropriated in part 1, the department shall do all of the following:

(a) Report to the senate and house appropriations committees, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office any amounts of severance pay for a department director, deputy director, or other high-ranking department official not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.

(b) Maintain an internet site that posts any severance pay in excess of 6 weeks of wages, regardless of the position held by the former department employee receiving severance pay.

(c) By February 1, report to the subcommittees, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office on the total amount of severance pay remitted to former department employees during the fiscal year ending September 30, 2022 and the total number of former department employees that were remitted severance pay during the fiscal year ending September 30, 2022.

(2) As used in this section, "severance pay" means compensation that is both payable or paid upon the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits.

Sec. 222. (1) Any department, agency, board, commission, or public officer that receives funding under part 1 shall not do the following:

(a) Require as a condition of accessing any facility or receiving services that an individual provide proof that he or she has received a COVID-19 vaccine except as provided by federal law or as a condition of receiving federal Medicare or Medicaid funding.

(b) Produce, develop, issue, or require a COVID-19 vaccine passport.

(c) Develop a database or make any existing database publicly available to access an individual's COVID-19 vaccine status by any person, company, or governmental entity.

(d) Require as a condition of employment that an employee or official provide proof that he or she has received a COVID-19 vaccine. This subdivision does not apply to any hospital, congregate care facility, or other medical facility or any hospital, congregate care facility, or other medical facility operated by a local subdivision that receives federal Medicare or Medicaid funding.

(2) A department, agency, board, commission, or public officer may not subject any individual to any negative employment consequence, retaliation, or retribution because of that individual's COVID-19 vaccine status.

(3) Subsection (1) does not prohibit any person, department, agency, board, commission, or public officer from transmitting proof of an individual's COVID-19 vaccine status to any person, company, or governmental entity, so long as the individual provides affirmative consent.

(4) If a department, agency, board, commission, subdivision, or official or public officer is required to establish a vaccine policy due to a federal mandate it must provide exemptions to any COVID-19 vaccine policy to the following individuals:

(a) An individual for whom a physician certifies that a COVID-19 vaccine is or may be detrimental to the individual's health or is not appropriate.

(b) An individual who provides a written statement to the effect that the requirements of the COVID-19 vaccine policy cannot be met because of religious convictions or other consistently held objection to immunization.

(5) As used in this section, "public officer" means a person appointed by the governor or another executive department official or an elected or appointed official of this state or a political subdivision of this state.

Sec. 223. Based on the availability of federal funding and demonstrated need, as indicated by applications submitted to the state court administrative office, the department shall provide \$1,500,000.00 in Byrne justice assistance grant program funding to the judiciary by interdepartmental grant.

Sec. 224. The department shall provide biannual reports to the subcommittees, the senate and house fiscal agencies, and the state budget office that provide the following data:

(a) A list of major work projects, including the status of each project.

(b) The department's financial status, featuring a report of budgeted versus actual expenditures by part 1 line item including a year-end projection of budget requirements. If projected department budget requirements exceed the allocated budget, the report shall include a plan to reduce overall expenses while still satisfying specified service level requirements.

(c) A report on the performance metrics cited or information required to be reported in this part, reasons for nonachievement of metric targets, and proposed corrective actions.

Sec. 225. The department shall notify the subcommittees, the chairpersons of the senate and house appropriations committees, and the senate and house fiscal agencies not less than 90 days before recommending to close or consolidate any state police post. The notification shall include a local and state impact study of the proposed post closure or consolidation.

Sec. 226. At least 90 days before beginning any effort to privatize, the department shall submit a complete project plan to the subcommittees and the senate and house fiscal agencies. The plan shall include the criteria under which the privatization initiative will be evaluated. The evaluation shall be completed and submitted to the subcommittees and the senate and house fiscal agencies within 30 months.

Sec. 227. (1) When the department provides contractual services to a local unit of government, the department shall be reimbursed for all costs incurred in providing the services.

(2) The department shall define service cost models for those services requiring reimbursement.

(3) Contractual services provided to an entity other than a local unit of government may be provided by department personnel, but only on an overtime basis outside the normal work schedule of the personnel. All costs incurred in providing the services are eligible for reimbursement.

(4) This section does not apply to services provided to state agencies.

(5) Revenues received for contractual or reimbursed services in excess of the appropriations in part 1 are appropriated and may be received and expended by the department for the purposes for which the funds are received.

(6) If additional authorization is approved in SIGMA by the state budget office under this section, the department shall notify the subcommittees and the senate and house fiscal agencies within 10 days after the approval. The notification shall include the amount and funding source of the additional authorization, the date of its approval, and the projected use of funds to be expended.

Sec. 228. The department shall serve as an active liaison between the DTMB and state, local, regional, and federal public safety agencies on matters pertaining to the Michigan public safety communications system and shall report user issues to the DTMB.

Sec. 229. The department may establish and collect fees for publications, videos, conferences, workshops, and related materials. Collected fees shall be used to offset expenditures for costs of the publications, videos, workshops, conferences, and related materials. The department shall not collect fees under this section that exceed the cost of the expenditures.

Sec. 230. (1) The department may accept monetary and nonmonetary gifts, bequests, donations, contributions, or grants from any private or public source to support, in whole or in part, a departmental function or program. The department shall expend or use such gifts, bequests, donations, contributions, or grants for the purposes designated by the private or public source, if the purpose is specified.

(2) Revenue collected by the department under this section that is unexpended and unencumbered shall not lapse to the general fund but shall be carried forward to the subsequent fiscal year.

(3) Private revenues received under this section that exceed the appropriations in part 1 are appropriated and may be received and expended by the department for the purposes for which the funds are received.

(4) If additional authorization is approved in SIGMA by the state budget office under this section, the department shall notify the subcommittees and the senate and house fiscal agencies within 10 days after the approval. The notification must include the amount and funding source of the additional authorization, the date of the approval, and the projected use of the funds to be expended.

Sec. 231. (1) Federal revenues authorized by and available from the federal government in excess of the appropriations in part 1 are appropriated and may be received and expended by the department for purposes authorized under state law and subject to federal requirements. The total amount of federal revenues that may be received and expended under this section and section 704(3) must not exceed \$45,000,000.00.

(2) The department shall notify the subcommittees and the senate and house fiscal agencies before expending federal revenues received and appropriated under subsection (1).

(3) If additional authorization is approved in SIGMA by the state budget office under this section, the department shall notify the subcommittees and the senate and house fiscal agencies within 10 days after the approval. The notification shall include the amount and funding source of the additional authorization, the date of its approval, and the projected use of the funds to be expended.

Sec. 232. It is the intent of the legislature that the department shall take all steps necessary to protect the data and privacy of citizens who are not the focus of a departmental investigation and to protect personal

information from unauthorized access or misuse. This includes, but is not limited to, requiring vendors or service providers to protect data shared with them, ensuring that when personal data is collected, but no longer utilized by the department, that reasonable steps be taken to securely destroy records containing personal information when it is to be discarded so that the information is rendered indecipherable and is not sold for marketing or other purposes. In addition, the department shall provide written notification to any data subject whose sensitive personal information is accessed or acquired by an unauthorized person.

Sec. 233. A law enforcement officer or a motor carrier officer funded under part 1 shall not be required to issue a predetermined or specified number of citations for violations of the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923, or of local ordinances substantially corresponding to provisions of the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923, including parking or standing violations. A law enforcement officer's or motor carrier officer's performance evaluation system shall not require a predetermined or specified number of citations to be issued.

Sec. 234. The department shall report to the subcommittees and the senate and house fiscal agencies on tentative plans for the required payment of any court judgment against the department, as soon as those plans are developed. The report must include, but is not limited to, all of the following information:

- (a) A listing of all known court judgments that would result in a financial obligation for the department.
- (b) The amount of time in which each of those financial obligations must be met.
- (c) The proposed budget line items from which a payment for a court judgment of \$100,000.00 or more would be made.
- (d) The estimated impact of the loss of revenue on the programs funded by any line items from which payments would be made.

Sec. 235. In collaboration with the Michigan department of health and human services and the Michigan department of education, the department shall advise on initiatives in schools and other educational organizations that include, but are not limited to, training for educators, teachers, and other personnel in school settings for all of the following:

- (a) Utilization of trauma-informed practices.
- (b) Age-appropriate education and information on human trafficking.
- (c) Age-appropriate education and information on sexual abuse prevention.

Sec. 236. It is the intent of the legislature that the department maximize the efficiency of the state workforce and, where possible, prioritize in-person work. Each executive branch department, agency, board, or commission that receives funding under part 1 must post its in-person, remote, or hybrid work policy on its website.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

Sec. 301. (1) From the funds appropriated in part 1 for professional development bureau, the department may provide or obtain the following training:

- (a) Training that directly relates to the individual's job description and role within the department.
- (b) Professional development training.
- (c) Training that provides the individual with the ability to seek expanded opportunities within the department.
- (d) Advanced education training.
- (e) De-escalation training.

(2) Not later than January 1, 2024, the department shall submit a report to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget office that includes the following information about the funds appropriated in part 1 for the professional development bureau:

- (a) The training courses that the department's employees completed.
- (b) If a training course is developed by the department, a description of that course's curriculum and its purpose.
- (c) The number of the department's employees who have received completed a training pursuant to this section.

LAW ENFORCEMENT SERVICES

Sec. 401. (1) The department shall develop and deliver professional, innovative, and quality training that supports the enforcement and public safety efforts of the criminal justice community.

(2) The department shall provide performance data, as provided under section 224, for days of training being conducted by the academy.

(3) The department shall submit a report to the subcommittees and the senate and house fiscal agencies within 60 days of the conclusion of any trooper, motor carrier, or state properties security recruit school. The report shall include the following:

- (a) The number of veterans and the number of MCOLES-certified police officers who were admitted to and the number who graduated from the recruit school.

(b) The total number of recruits who were admitted to the school, the number of recruits who graduated from the school, and the location at which each of these recruits is assigned.

(4) The department shall distribute and review course evaluations to ensure that quality training is provided.

Sec. 402. (1) In accordance with applicable state and federal laws and regulations, the department shall maintain and ensure compliance with CJIS databases and applications in the support of public safety and law enforcement communities.

(2) The department shall improve the accuracy, timeliness, and completeness of criminal history information by conducting a minimum of 30 outreach activities targeted to criminal justice agencies. The department shall report the number of these outreach activities conducted, as provided under section 224.

(3) The department shall provide for the compilation of crime statistics consistent with the uniform crime reporting (UCR) program and the national incident-based report system (NIBRS).

(4) The department shall provide for the compilation and evaluation of traffic crash reports and the maintenance of the state accident data collection system.

(5) The department shall make individual traffic crash reports available for a fee of \$10.00 per incident. The department may also sell an extract of electronic traffic crash data for a fee of \$0.25 per incident, provided that the name, address, and any other personal identifying information have been excluded.

(6) By March 1, the department shall submit a report to the subcommittees, the senate and house fiscal agencies, and the state budget office detailing the number of traffic crash reports provided, the amount of revenue collected, and all expenditures incurred for activities under subsection (5) in the preceding fiscal year. The report must include an analysis of whether revenue from department activities under subsection (5) is sufficient to offset all costs incurred for those activities and shall provide information regarding any deficit or surplus of revenue.

(7) In accordance with applicable state and federal laws and regulations, the department shall provide for the maintenance and dissemination of criminal history records and juvenile records, including to the extent necessary to exchange criminal history records information with the Federal Bureau of Investigation and other states through the interstate identification index, the National Crime Information Center, and other federal CJIS databases and indices.

(8) In accordance with applicable state and federal laws, the department shall provide for the maintenance of records, including criminal history records regarding firearms licensure, as provided in 1927 PA 372, MCL 28.421 to 28.435.

(9) The department shall provide a report to the legislature on concealed pistol licensing not later than January 1 that includes all of the following:

(a) The department's actual revenue received from fees paid for concealed pistol license (CPL) applications for the prior fiscal year and the uses of that revenue.

(b) The department's prior fiscal year costs for administering its concealed pistol licensing responsibilities under 1927 PA 372, MCL 28.421 to 28.435, but not including costs related to the administration of other state statutes or requirements of federal law.

(10) The department shall provide information on the number of background checks processed through the internet criminal history access tool (ICHAT), as provided in section 224.

(11) The following unexpended and unencumbered revenues deposited into the criminal justice information center service fees shall not lapse to the general fund, but shall be carried forward into the subsequent fiscal year:

(a) Fees for fingerprinting and criminal record checks and name-based criminal record checks under 1935 PA 120, MCL 28.271 to 28.274.

(b) Fees for application and licensing for initial and renewal concealed pistol licenses under 1927 PA 372, MCL 28.421 to 28.435.

(c) Fees for searching, copying, and providing public records under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(d) Revenue from other sources, including, but not limited to, investment and interest earnings.

(12) Unexpended and unencumbered revenue generated by state records management system fees shall not lapse to the general fund, but shall be carried forward into the subsequent fiscal year.

Sec. 403. (1) The department shall provide forensic testing and analysis/profiling of DNA evidence to aid in law enforcement investigations in this state.

(2) The department shall ensure its ability to maintain accreditation by a federally designated accrediting agency, as provided under 34 USC 12592.

(3) The department shall provide forensic science services with an average turnaround time of 55 days, assuming an annual caseload volume commensurate with the average annual caseload received by the forensic science division during the preceding 5 fiscal years, and shall work to achieve a goal of a 30-day average turnaround time across all forensic science disciplines.

- (4) The department shall provide the following data as provided in section 224:
 - (a) The average turnaround time for processing forensic evidence across all disciplines.
 - (b) Forensic laboratory staffing levels, including scientists in training, and vacancies.
 - (c) The number of backlogged cases in each discipline.

Sec. 404. (1) The biometrics and identification division shall house and manage the automated biometric identification system, the statewide network of agency photographs, and combined offender DNA index system biometric databases.

(2) The department shall provide data on the number of 10-print and palm-print submissions to the database, as provided in section 224.

(3) The department shall maintain the staffing and resources necessary to have a 28-day average wait time for scheduling a polygraph examination, assuming an annual caseload received commensurate with the average annual caseload received during the preceding 5 fiscal years, with a goal of achieving a 15-day average wait time.

(4) If changes are made to the department's protocol for retaining and purging DNA analysis samples and records, the department shall post a copy of the protocol changes on the department's website.

Sec. 405. Not later than December 1, the department shall submit a report to the subcommittees and senate and house fiscal agencies that includes, but is not limited to, all of the following information:

- (a) Sexual assault kit analysis backlog at the beginning of the prior fiscal year.
- (b) The number of sexual assault kits collected or submitted for analysis during the prior fiscal year.
- (c) The number of sexual assault kits analyzed and the number of associated DNA profiles created and uploaded during the prior fiscal year.
- (d) Sexual assault kit analysis backlog at the end of the prior fiscal year.
- (e) The average turnaround time to analyze sexual assault kits and to create and upload associated DNA profiles for the prior fiscal year.

Sec. 406. The department shall provide administrative support for the following grant and community service programs:

- (a) The operations of the automobile theft prevention authority.
- (b) Administration of the Edward Byrne memorial justice assistance program and other grant programs, as well as the department's community policing efforts.
- (c) Administration of the office of school safety.
- (d) Administration and outreach of the OK2SAY program.

Sec. 407. Not later than March 30, the office of school safety shall provide a school safety report to the legislature and the senate and house fiscal agencies that must include the following:

- (a) Reports of incidents of school violence or threats reported to the state police by local law enforcement or local school districts, or received through the Michigan incident crime report (MICR).
- (b) Reports of OK2SAY-based incidences and activities.
- (c) Based upon an evaluation of school safety incidents and analysis of school safety grants, recommendations on best practices and other safety measures to ensure school safety in this state.

MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS

Sec. 501. (1) MCOLES shall establish standards for the selection, employment, training, education, licensing, and licensure revocation of all law enforcement officers and provide the basic law enforcement training curriculum for law enforcement training academy programs statewide.

(2) MCOLES shall maintain staffing and resources necessary to update law enforcement standards within 120 days of the enactment date of any new legislation.

Sec. 502. The general fund/general purpose funds appropriated in part 1 for the public safety officers benefit fund must be deposited into the public safety officers benefit fund created in section 3 of the public safety officers benefit act, 2004 PA 46, MCL 28.633. All funds in the public safety officers benefit fund are appropriated and available for expenditure in accordance with section 3 of the public safety officers benefit act, 2004 PA 46, MCL 28.633.

FIELD SERVICES

Sec. 601. (1) Department enlisted personnel who are employed to enforce traffic laws as provided in section 629e of the Michigan vehicle code, 1949 PA 300, MCL 257.629e, are not prohibited from responding to crimes in progress or other emergency situations and are responsible for making every effort to protect all residents of this state.

(2) The department shall maintain the staffing and resources necessary to continually work to enhance traffic safety throughout this state and shall dedicate a minimum of 455,200 hours to statewide patrol, of which a minimum of 40,000 shall be committed to distressed cities in this state. The department shall work to improve public safety efforts within distressed cities by enhancing data analysis capabilities and identifying crime trends and areas with high occurrence of crime.

(3) The department shall report on the number of residence checks of registered sex offenders conducted, as provided under section 224.

(4) The department shall submit a report on or before April 15 to the subcommittees and senate and house fiscal agencies regarding the secure cities partnership during the prior calendar year.

Sec. 602. (1) The department shall identify and apprehend criminals through criminal investigations in this state.

(2) The department shall maintain the staffing and resources necessary to provide a comparable number of hours investigating crimes as the average annual number provided during the preceding 5 fiscal years.

(3) The department shall maintain the staffing and resources necessary to annually meet or exceed a case clearance rate of 62%.

(4) The department shall provide training opportunities to local law enforcement partners with the goal of increasing their knowledge of gambling laws, legal issues, opioid-related investigations, and other emerging law enforcement issues.

(5) The department shall maintain the staffing and resources necessary to investigate the average annual number of opioid-related investigations conducted by multijurisdictional task forces and hometown security teams during the preceding 5 fiscal years. The department shall work to enhance investigative and drug interdiction efforts by enhancing data analysis capabilities and linking investigations among multijurisdictional task forces and hometown security teams.

Sec. 603. (1) The department shall provide protection to this state, its economy, welfare, and vital state-sponsored programs through the prevention and suppression of organized smuggling of untaxed tobacco products in this state, through enforcement of the tobacco products tax act, 1993 PA 327, MCL 205.421 to 205.436, and other laws pertaining to combating criminal activity in this state, and by maintaining a tobacco tax enforcement unit.

(2) The department shall submit an annual report on December 1 to the subcommittees, the senate and house appropriations subcommittees on general government, the senate and house fiscal agencies, and the state budget office that details expenditures and activities related to tobacco tax enforcement for the prior fiscal year.

(3) The marijuana and tobacco investigation section shall dedicate a minimum of 16,600 hours to tobacco tax enforcement.

Sec. 604. (1) The department shall provide fire investigation training and investigative assistance to public safety agencies in this state.

(2) The department shall maintain the staffing and resources necessary to maintain readiness to respond appropriately to at least the average annual number of requests for fire investigation services that occurred during the preceding 5 fiscal years and shall be available for call out statewide 100% of the time.

Sec. 605. From the funds appropriated in part 1 for secure cities partnership, not less than \$700,000.00 shall be allocated for cities with a population over 100,000, according to the most recent federal decennial census, and that have seen no less than a 20% increase in violent crime since 2018, according to the national incident-based report system (NIBRS).

SPECIALIZED SERVICES

Sec. 701. (1) The department shall operate the Michigan intelligence operations center for homeland security as this state's primary federally designated fusion center to receive, analyze, gather, and disseminate threat-related information among federal, state, local, tribal, and private sector partners.

(2) The department shall ensure public safety by providing public and private sector partners with timely and accurate information regarding critical information key resource threats as reported to or discovered by the Michigan intelligence operations center for homeland security and shall increase public awareness on how to report suspicious activity through website or telephone communications.

(3) The department shall maintain the staffing and resources necessary to support the cyber section, including the Michigan cyber command center, the computer crimes unit, and the internet crimes against children task force. The department shall maintain the staffing and resources necessary to complete the average annual number of cases completed by the computer crimes unit during the preceding 5 fiscal years. The unit shall pursue process improvement initiatives to effectively utilize staff resources in providing investigatory assistance and evidentiary analysis for law enforcement and criminal justice agencies statewide. The department shall maintain the staffing and resources necessary to complete the average annual casework that the Michigan cyber command center completed during the preceding 5 fiscal years.

(4) The department shall maintain the staffing and resources necessary to provide digital forensic analysis services with a goal of decreasing backlogs of digital forensic analysis cases annually until the department maintains a 60-day turnaround time.

Sec. 702. (1) The department shall provide specialized services in support of, and to enhance, local, state, and federal law enforcement operations within this state in accordance with all applicable state and federal laws and regulations.

(2) The department shall maintain the staffing and resources necessary to provide training to maintain readiness to respond appropriately to at least the average annual number of requests for specialty services which occurred during the preceding 5 fiscal years.

(3) The canine unit shall be available for call out statewide 100% of the time.

(4) The bomb squad unit shall be available for call out statewide 100% of the time.

(5) The emergency support teams shall be available for call out statewide 100% of the time.

(6) The marine services team shall be available for call out statewide 100% of the time.

(7) Aviation services shall be available for call out statewide 100% of the time, unless prohibited by weather or unexpected mechanical breakdowns.

(8) The department shall maintain the staff and resources necessary to provide security services at the State Capitol Complex facilities, the State Secondary Complex, and other state-owned or leased properties, as provided under section 6c of 1935 PA 59, MCL 28.6c. The department shall also maintain the staff and resources necessary to respond to emergencies at the State Capitol Complex, State Secondary Complex, House Office Building, Binsfeld Office Building, Capitol parking lot, Townsend Parking Ramp, Roosevelt Parking Ramp, and other areas as directed. The department shall maintain a goal of annually conducting 35,000 property inspections of state owned and leased facilities.

Sec. 703. (1) The department shall maintain commercial vehicle regulation, school bus inspections, and enforcement activities, including enforcement of requirements concerning size, weight, and load restrictions; operating authority; registration; fuel taxes; transportation of hazardous materials; operations of new entrants; commercial driver licenses; and inspections pursuant to the federal motor carrier assistance program.

(2) The department shall maintain the staffing and resources necessary to meet inspection goals consistent with the department's federal motor carrier assistance program activities.

(3) Revenue collected under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.42, shall be expended in accordance with that act. Unexpended and unencumbered revenues shall not lapse to the general fund but shall be carried forward into the subsequent fiscal year.

Sec. 704. (1) The department shall coordinate the mitigation, preparation, response, and recovery activities of municipal, county, state, and federal governments, and other governmental entities, for all hazards, disasters, and emergencies.

(2) The state director of emergency management may expend money appropriated under part 1 to call upon any agency or department of the state or any resource of the state to protect life or property or to provide for the health or safety of the population in any area of this state in which the governor proclaims a state of emergency or state of disaster under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. The state director of emergency management may expend the amounts the director considers necessary to accomplish these purposes. The director shall submit to the state budget director, as soon as possible, a complete report of all actions taken under the authority of this section. The report shall contain, as a separate item, a statement of all money expended that is not reimbursable from federal funding. The state budget director shall review the expenditures and submit recommendations to the legislature in regard to any possible need for a supplemental appropriation.

(3) In addition to the funds appropriated in part 1, the department may receive and expend money from local, private, federal, or state sources for the purpose of providing emergency management training to local or private interests and for the purpose of supporting emergency preparedness, response, recovery, and mitigation activity. If additional expenditure authorization in SIGMA is approved by the state budget office under this section, the department and the state budget office shall notify the subcommittees and the senate and house fiscal agencies within 10 days after the approval. The notification shall include the amount and source of the additional authorization, the date of its approval, and the projected use of the funds to be expended under the authorization. The total amount of federal revenues that may be received and expended under this section and section 231 must not exceed \$45,000,000.00. The total amount of state restricted revenues that may be received and expended under this subsection and subsection (7) must not exceed \$15,000,000.00.

(4) The department shall foster, promote, and maintain partnerships to protect this state and homeland from all hazards.

(5) The department shall maintain the staffing and resources necessary to do all of the following:

(a) Serve approximately 105 local emergency management preparedness programs and 88 local emergency planning committees in this state.

(b) Operate and maintain the state's emergency operations center and provide command and control in support of emergency response services.

(c) Maintain readiness, including training and equipment to respond to civil disorders and natural disasters commensurate with the capabilities of fiscal year 2010-2011.

(d) Perform hazardous materials response training.

(6) The department shall conduct a minimum of 3 training sessions to enhance safe response in the event of natural or manmade incidents, emergencies, or disasters.

(7) In addition to the funds appropriated in part 1, there is appropriated from the disaster and emergency contingency fund an amount necessary to cover costs related to any disaster or emergency as defined in the emergency management act, 1976 PA 390, MCL 30.401 to 30.421. However, funds appropriated under this subsection and state restricted funds received and expended under subsection (3) must not exceed \$15,000,000.00. Funds shall be expended as provided under sections 18 and 19 of the emergency management act, 1976 PA 390, MCL 30.418 and 30.419, and R 30.51 to R 30.61 of the Michigan Administrative Code.

(8) Funds in the disaster and emergency contingency fund shall not be expended unless the state budget director approves the expenditure and the department and the state budget office notify the senate and house appropriations committees. If expenditures are made from the disaster and emergency contingency fund during a month, the department shall submit monthly reports to the senate and house fiscal agencies detailing the purpose of the expenditures. These monthly reports shall be submitted within 30 days after the end of the month during which funds from the disaster and emergency contingency fund were expended.

(9) Upon the declaration of a state of emergency or disaster by the governor under section 3 of the emergency management act, 1976 PA 390, MCL 30.403, approval of the state budget director, and notification of the subcommittees and senate and house fiscal agencies, the director may expend funds appropriated from any source to any line item within part 1 for the purpose of paying the necessary and reasonable expenses incurred by the department in responding to or mitigating the effects of any emergency or disaster as those terms are defined in section 2 of the emergency management act, 1976 PA 390, MCL 30.402.

(10) The department shall track and report on a biannual basis, as provided in section 224 of this part, the status of the department's assessment of critical infrastructure vulnerabilities, including the protection status of critical infrastructure items identified by the assessment. The department is not required to report any information that could compromise the security of any critical infrastructure.

Sec. 705. The department shall provide for the planning, administration, and implementation of highway traffic safety programs to save lives and reduce injuries on roads in this state, in partnership with other public and private organizations.

Sec. 706. (1) Funds appropriated in part 1 for the secondary road patrol program shall be used to provide grants to sheriffs under the secondary road patrol program described under section 76 of 1846 RS 14, MCL 51.76.

(2) Not later than April 30, the office of highway safety planning shall work with the state court administrative office, as necessary, to issue a report to the department and the subcommittees on the following data from the previous calendar year:

(a) The total number of traffic civil infractions written under both state and local ordinances for which the \$40.00 justice system assessment is to be assessed.

(b) Of the total number reported under subdivision (a), the number of traffic civil infractions written under both state and local ordinances that the court assessed and ordered payment of the justice system assessment.

(c) Of the number reported under subdivision (b), the number of traffic civil infractions for which the justice system assessment was collected and distributed to the justice system fund created in section 181 of the revised judicature act of 1961, 1961 PA 236, MCL 600.181.

(d) The number of citations, misdemeanors, and felonies written under both state and local ordinances corresponding to a law of this state for a violation of each of the following:

(i) Section 617a of the Michigan vehicle code, 1949 PA 300, MCL 257.617a.

(ii) Section 618 of the Michigan vehicle code, 1949 PA 300, MCL 257.618.

(iii) Section 625(1) of the Michigan vehicle code, 1949 PA 300, MCL 257.625.

(iv) Section 625(8) of the Michigan vehicle code, 1949 PA 300, MCL 257.625.

(v) Section 626 of the Michigan vehicle code, 1949 PA 300, MCL 257.626.

(vi) Section 676b of the Michigan vehicle code, 1949 PA 300, MCL 257.676b.

(vii) Section 904 of the Michigan vehicle code, 1949 PA 300, MCL 257.904.

(3) The sheriffs' duties under the secondary road patrol program, as outlined in section 76(2) of 1846 RS 14, MCL 51.76, are to patrol and monitor traffic violations; to enforce the criminal laws of this state, violations of which are observed by or brought to the attention of the sheriff's department while patrolling and monitoring secondary roads; to investigate accidents involving motor vehicles; and to provide emergency assistance to persons on or near a highway or road the sheriff is patrolling and monitoring.

ONE-TIME APPROPRIATIONS

Sec. 801. From the one-time appropriation in part 1 for contracts and services, \$300,000.00 shall be allocated for providing traffic control support for the Michigan International Speedway.

Sec. 802. From the one-time appropriation in part 1 for crime victim support pilot program, the department shall operate a pilot program to provide support services to crime victims in 2 Michigan state police districts.

ARTICLE 13
STATE TRANSPORTATION DEPARTMENT
PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the state transportation department for the fiscal year ending September 30, 2023, from the following funds:

DEPARTMENT OF TRANSPORTATION

APPROPRIATION SUMMARY

Full-time equated unclassified positions	6.0
Full-time equated classified positions	3,050.3

GROSS APPROPRIATION **\$ 6,104,448,900**

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental transfers	4,123,800
--	-----------

ADJUSTED GROSS APPROPRIATION **\$ 6,100,325,100**

Federal revenues:

Total federal revenues	2,026,480,000
------------------------	---------------

Special revenue funds:

Total local revenues	85,773,500
----------------------	------------

Total private revenues	16,800,000
------------------------	------------

Total other state restricted revenues	3,905,021,600
---------------------------------------	---------------

State general fund/general purpose **\$ 66,250,000**

Sec. 102. DEBT SERVICE

Airport safety and protection plan	\$ 2,274,800
------------------------------------	--------------

Blue Water Bridge fund	3,961,100
------------------------	-----------

Comprehensive transportation	1,466,600
------------------------------	-----------

Economic development	7,650,100
----------------------	-----------

Local bridge fund	556,500
-------------------	---------

State trunkline	209,391,400
-----------------	-------------

GROSS APPROPRIATION **\$ 225,300,500**

Appropriated from:

Special revenue funds:

Blue Water Bridge fund	3,961,100
------------------------	-----------

Comprehensive transportation fund	1,466,600
-----------------------------------	-----------

Economic development fund	7,650,100
---------------------------	-----------

Local bridge fund	556,500
-------------------	---------

State aeronautics fund	2,274,800
------------------------	-----------

State trunkline fund	209,391,400
----------------------	-------------

State general fund/general purpose **\$ 0**

**Sec. 103. COLLECTION, ENFORCEMENT, AND OTHER AGENCY
SUPPORT SERVICES**

CTF grant to civil service commission	\$ 250,000
---------------------------------------	------------

CTF grant to department of attorney general	109,400
---	---------

CTF grant to department of technology, management, and budget	40,900
---	--------

CTF grant to department of treasury	54,900
-------------------------------------	--------

CTF grant to legislative auditor general	43,200
--	--------

MTF grant to department of environment, Great Lakes, and energy	1,524,700
---	-----------

MTF grant to department of state for collection of revenue and fees	20,000,000
---	------------

MTF grant to department of treasury	3,528,000
-------------------------------------	-----------

MTF grant to legislative auditor general	350,200
--	---------

SAF grant to civil service commission	150,000
---------------------------------------	---------

SAF grant to department of attorney general	191,800
---	---------

SAF grant to department of technology, management, and budget	31,700
---	--------

SAF grant to department of treasury	81,600
-------------------------------------	--------

SAF grant to legislative auditor general	33,800
--	--------

STF grant to civil service commission	6,321,000
---------------------------------------	-----------

STF grant to department of attorney general	2,172,800
---	-----------

	For Fiscal Year Ending Sept. 30, 2023	
STF grant to department of state police	\$	12,402,700
STF grant to department of technology, management, and budget		1,406,500
STF grant to department of treasury		167,000
STF grant to legislative auditor general		813,500
GROSS APPROPRIATION	\$	49,673,700
Appropriated from:		
Special revenue funds:		
Comprehensive transportation fund		498,400
Michigan transportation fund		25,402,900
State aeronautics fund		488,900
State trunkline fund		23,283,500
State general fund/general purpose	\$	0
Sec. 104. DEPARTMENTAL ADMINISTRATION AND SUPPORT		
Full-time equated unclassified positions	6.0	
Full-time equated classified positions	263.3	
Unclassified salaries—FTEs	6.0\$	900,400
Asset management council		1,876,400
Business support services—FTEs	43.0	7,165,100
Commission audit and support services—FTEs	29.3	3,643,800
Economic development and enhancement programs—FTEs	11.0	1,911,900
Finance, contracts, and support services—FTEs	180.0	24,277,500
Property management		7,235,700
Worker's compensation		1,859,300
GROSS APPROPRIATION	\$	48,870,100
Appropriated from:		
Interdepartmental grant revenues:		
IDG for accounting service center user charges		4,123,800
Special revenue funds:		
Comprehensive transportation fund		1,654,400
Economic development fund		410,100
Michigan transportation fund		4,437,500
State aeronautics fund		708,900
State trunkline fund		37,535,400
State general fund/general purpose	\$	0
Sec. 105. INFORMATION TECHNOLOGY		
Information technology services and projects	\$	41,691,800
GROSS APPROPRIATION	\$	41,691,800
Appropriated from:		
Federal revenues:		
Federal aid – transportation programs		520,500
Special revenue funds:		
Blue Water Bridge fund		57,600
Comprehensive transportation fund		234,400
Economic development fund		38,800
Michigan transportation fund		306,300
State aeronautics fund		182,800
State trunkline fund		40,351,400
State general fund/general purpose	\$	0
Sec. 106. TRANSPORTATION PLANNING		
Full-time equated classified positions	142.0	
Planning services—FTEs	142.0\$	42,124,400
Grants to regional planning councils		488,800
GROSS APPROPRIATION	\$	42,613,200

	For Fiscal Year Ending Sept. 30, 2023	
Appropriated from:		
Federal revenues:		
Federal aid – transportation programs	\$	24,000,000
Special revenue funds:		
Comprehensive transportation fund		636,100
Michigan transportation fund		10,063,200
State aeronautics fund		16,100
State trunkline fund		7,897,800
State general fund/general purpose	\$	0
Sec. 107. DESIGN AND ENGINEERING SERVICES		
Full-time equated classified positions	1,572.3	
Business services—FTEs	162.2	25,062,600
Program development and delivery—FTEs	1,068.8\$	106,322,500
System operations management—FTEs	341.3	58,869,000
GROSS APPROPRIATION	\$	190,254,100
Appropriated from:		
Federal revenues:		
Federal aid – transportation programs		23,529,800
Special revenue funds:		
Comprehensive transportation fund		187,100
Michigan transportation fund		17,011,300
State trunkline fund		149,525,900
State general fund/general purpose	\$	0
Sec. 108. HIGHWAY MAINTENANCE		
Full-time equated classified positions	901.7	
State trunkline operations—FTEs	901.7\$	443,561,300
GROSS APPROPRIATION	\$	443,561,300
Appropriated from:		
Special revenue funds:		
State trunkline fund		443,561,300
State general fund/general purpose	\$	0
Sec. 109. ROAD AND BRIDGE PROGRAM		
Cities and villages	\$	684,060,200
County road commissions		1,226,915,200
Grants to local programs		33,000,000
Local agency wetland mitigation bank fund		2,000,000
Local bridge program		26,981,600
Local federal aid and road and bridge construction		384,987,800
Movable bridge		5,858,400
Rail grade crossing		3,000,000
Rail grade crossing - surface improvements		3,000,000
State trunkline federal aid and road and bridge construction		1,661,869,600
GROSS APPROPRIATION	\$	4,031,672,800
Appropriated from:		
Federal revenues:		
Federal aid – transportation programs		1,570,218,700
Special revenue funds:		
Local funds		30,003,500
Private funds		10,000,000
Blue Water Bridge fund		8,071,700
Local bridge fund		26,981,600
Michigan transportation fund		1,957,833,800
State trunkline fund		428,563,500
State general fund/general purpose	\$	0

	For Fiscal Year Ending Sept. 30, 2023	
Sec. 110. BLUE WATER BRIDGE		
Full-time equated classified positions	44.0	
Blue Water Bridge operations—FTEs	44.0\$	7,163,800
GROSS APPROPRIATION	\$	7,163,800
Appropriated from:		
Special revenue funds:		
Blue Water Bridge fund		7,163,800
State general fund/general purpose	\$	0
Sec. 111. TRANSPORTATION ECONOMIC DEVELOPMENT		
Community service infrastructure fund	\$	3,000,000
Forest roads		5,000,000
Rural county primary		8,737,800
Rural county urban system		2,500,000
Target industries/economic redevelopment		17,975,400
Urban county congestion		8,737,800
GROSS APPROPRIATION	\$	45,951,000
Appropriated from:		
Special revenue funds:		
Economic development fund		45,951,000
State general fund/general purpose	\$	0
Sec. 112. AERONAUTICS SERVICES		
Full-time equated classified positions	48.0	
Air service program		50,000
Aviation services—FTEs	48.0	7,495,400
GROSS APPROPRIATION	\$	7,545,400
Appropriated from:		
Special revenue funds:		
State aeronautics fund		7,545,400
State general fund/general purpose	\$	0
Sec. 113. PUBLIC TRANSPORTATION SERVICES		
Full-time equated classified positions	40.0	
Passenger transportation services—FTEs	40.0\$	6,386,100
GROSS APPROPRIATION	\$	6,386,100
Appropriated from:		
Federal revenues:		
Federal aid – transportation programs		1,200,000
Special revenue funds:		
Comprehensive transportation fund		5,186,100
State general fund/general purpose	\$	0
Sec. 114. LOCAL BUS TRANSIT		
Local bus operating	\$	201,750,000
Nonurban operating/capital		39,845,600
GROSS APPROPRIATION	\$	241,595,600
Appropriated from:		
Federal revenues:		
Federal aid – transportation programs		37,845,600
Special revenue funds:		
Local funds		2,000,000
Comprehensive transportation fund		201,750,000
State general fund/general purpose	\$	0
Sec. 115. INTERCITY PASSENGER AND FREIGHT		
Full-time equated classified positions	39.0	
Detroit/Wayne County Port Authority	\$	500,000

	For Fiscal Year Ending Sept. 30, 2023
Freight property management	\$ 1,300,000
Intercity services	9,981,800
Marine passenger service	4,964,000
Office of rail—FTEs	39.0 6,865,600
Rail operations and infrastructure	137,750,700
GROSS APPROPRIATION	\$ 161,362,100
Appropriated from:	
Federal revenues:	
Federal aid – transportation programs	38,710,800
Special revenue funds:	
Local funds	760,000
Private funds	2,800,000
Comprehensive transportation fund	109,558,400
Intercity bus equipment fund	600,000
Michigan transportation fund	2,148,700
Rail freight fund	6,000,000
State trunkline fund	784,200
State general fund/general purpose	\$ 0
Sec. 116. PUBLIC TRANSPORTATION DEVELOPMENT	
Municipal credit program	\$ 2,000,000
Service initiatives	18,681,600
Specialized services	26,541,300
Transit capital	179,076,100
Van pooling	195,000
GROSS APPROPRIATION	\$ 226,494,000
Appropriated from:	
Federal revenues:	
Federal aid – transportation programs	100,454,600
Special revenue funds:	
Local funds	35,510,000
Private funds	2,000,000
Comprehensive transportation fund	88,529,400
State general fund/general purpose	\$ 0
Sec. 117. CAPITAL OUTLAY	
(1) BUILDINGS AND FACILITIES	
Salt storage buildings and containment control	\$ 2,500,000
Special maintenance, remodeling, and additions	3,001,500
GROSS APPROPRIATION	\$ 5,501,500
Appropriated from:	
Special revenue funds:	
State trunkline fund	5,501,500
State general fund/general purpose	\$ 0
(2) AIRPORT IMPROVEMENT PROGRAMS	
Airport safety, protection, and improvement program	\$ 160,461,900
Detroit Metropolitan Wayne County Airport	5,850,000
IIJA airport infrastructure grants	95,000,000
GROSS APPROPRIATION	\$ 261,311,900
Appropriated from:	
Federal revenues:	
Federal aid – transportation programs	230,000,000
Special revenue funds:	
Local funds	17,500,000
Private funds	2,000,000

	For Fiscal Year Ending Sept. 30, 2023
Qualified airport fund	\$ 5,850,000
State aeronautics fund	5,961,900
State general fund/general purpose	\$ 0
Sec. 118. ONE-TIME ONLY APPROPRIATIONS	
Aviation weather station equipment replacement	3,900,000
Airport infrastructure grants	25,000,000
Basic marine dock	700,000
Magnetic roadway sweepers	350,000
Priority rail grade crossing/separation initiative	12,000,000
Technical assistance, planning, and IJIA match grants	25,000,000
Upper Peninsula freight rail infrastructure	550,000
GROSS APPROPRIATION	\$ 67,500,000
Appropriated from:	
Special revenue funds:	
Comprehensive transportation fund	1,250,000
State general fund/general purpose	\$ 66,250,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR

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 2022-2023 is \$3,971,271,600.00 and state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is \$2,387,503,600.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

STATE TRANSPORTATION DEPARTMENT	
Grants to regional planning councils	\$ 488,800
Cities and villages	684,060,200
County road commissions	1,226,915,200
Grants to local programs	33,000,000
Local bridge program	26,981,600
Local agency wetland mitigation	2,000,000
Movable bridge	2,929,200
Rail grade crossing	1,500,000
Rail grade surface crossing improvements	3,000,000
Transportation economic development	39,120,300
Air service program	50,000
Local bus operating	201,750,000
Detroit/Wayne County Port Authority	500,000
Marine passenger service	1,812,000
Municipal credit program	2,000,000
Service initiatives	9,029,400
Specialized services	9,228,900
Transit capital	68,076,100
Airport safety, protection, and improvement program	5,961,900
Detroit Metropolitan Wayne County Airport	5,850,000
Priority rail grade crossing/separation initiative	12,000,000
Basic marine dock	700,000
Upper Peninsula freight rail infrastructure	550,000
Airport infrastructure grants	25,000,000
Technical assistance, planning, and IJIA match grants	25,000,000
Total payments to local units of government	\$ 2,387,503,600

Sec. 202. The appropriations authorized 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. As used in this part and part 1:

- (a) "CTF" means comprehensive transportation fund.
- (b) "Department" means the state transportation department.
- (c) "Director" means the director of the department.
- (d) "DOT" means the United States Department of Transportation.
- (e) "DOT-FHWA" means DOT, Federal Highway Administration.
- (f) "FTE" means full-time equated.
- (g) "IDG" means interdepartmental grant.
- (h) "IIJA" means the infrastructure investment and jobs act, 2021, Public Law 117-58.
- (i) "MTF" means Michigan transportation fund.
- (j) "SAF" means state aeronautics fund.
- (k) "STF" means state trunkline fund.

Sec. 204. The department shall use the internet to fulfill the reporting requirements of this part. This requirement shall include transmission of reports via email to the recipients identified for each reporting requirement, and it shall include placement of reports on an internet site.

Sec. 205. To the extent permissible under section 261 of the management and budget act, 1984 PA 431, MCL 18.1261, all of the following apply:

(a) The funds appropriated in part 1 must not be used for the purchase of foreign goods or services, or both, if competitively priced and of comparable quality American goods or services, or both, are available.

(b) Preference must be given to goods or services, or both, manufactured or provided by Michigan businesses, if they are competitively priced and of comparable quality.

(c) Preference must be given to goods or services, or both, that are manufactured or provided by Michigan businesses owned and operated by veterans, if they are competitively priced and of comparable quality.

Sec. 206. To the extent permissible under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, the director shall take all reasonable steps to ensure businesses in deprived and depressed communities compete for and perform contracts to provide services or supplies, or both. The director shall strongly encourage firms with which the department contracts to subcontract with certified businesses in depressed and deprived communities for services, supplies, or both.

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

(a) The dates of each travel occurrence.

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

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

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

Sec. 210. (1) In addition to the funds appropriated in part 1, there is appropriated an amount not to exceed \$40,000,000.00 for federal contingency authorization. These funds are not available for expenditure until they have been transferred to another line item in part 1 pursuant to section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

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

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

Sec. 211. The department shall cooperate with the department of technology, management, and budget to maintain a searchable website accessible by the public at no cost that includes, but is not limited to, all of the following:

- (a) Fiscal year-to-date expenditures by category.
- (b) Fiscal year-to-date expenditures by appropriation unit.
- (c) Fiscal year-to-date payments to a selected vendor, including the vendor name, payment date, payment amount, and payment description.
- (d) The number of active department employees by job classification.
- (e) Job specifications and wage rates.

Sec. 212. Within 14 days after the release of the executive budget recommendation, the department shall cooperate with the state budget office to provide information sufficient to provide the senate and house appropriations chairs, the chairpersons of the senate and house appropriations subcommittees on transportation, and the senate and house fiscal agencies with an annual report on estimated state restricted fund balances, state restricted fund projected revenues, and state restricted fund expenditures for the fiscal years ending September 30, 2022 and September 30, 2023.

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

Sec. 214. Total authorized appropriations from all sources under part 1 for legacy costs for the fiscal year ending September 30, 2023 are \$69,747,100.00. From this amount, total agency appropriations for pension-related legacy costs are estimated at \$42,345,600.00. Total agency appropriations for retiree health care legacy costs are estimated at \$27,401,500.00.

Sec. 215. A department shall not take disciplinary action against an employee of the department or departmental agency in the state classified civil service because the employee communicates with a member of the senate or house of representatives or a member's staff, unless the communication is prohibited by law and the department or agency taking disciplinary action is exercising its authority as provided by law.

Sec. 216. (1) On a quarterly basis, the department shall report to the senate and house appropriations committees, the senate and house appropriations subcommittees on transportation, and the senate and house fiscal agencies the following information:

- (a) The number of FTEs in pay status by type of staff and civil service classification.
- (b) A comparison by line item of the number of FTEs authorized from funds appropriated in part 1 to the actual number of FTEs employed by the department at the end of the reporting period.
- (2) By March 1 of the current fiscal year, the department shall report to the senate and house appropriations committees, the senate and house appropriations subcommittees on transportation, and the senate and house fiscal agencies the following information:

- (a) Number of employees that were engaged in remote work in 2022.
- (b) Number of employees authorized to work remotely and the actual number of those working remotely in the current reporting period.
- (c) Estimated net cost savings achieved by remote work.
- (d) Reduced use of office space associated with remote work.

Sec. 217. Appropriations in part 1 shall, to the extent possible by the department, not be expended until all existing work project authorization available for the same purposes is exhausted.

Sec. 218. 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, intertransfer funds within this act for the particular department, board, commission, officer, or institution.

Sec. 219. The departments and agencies receiving appropriations in part 1 shall receive and retain copies of all reports funded from appropriations in part 1. Federal and state guidelines for short-term and long-term retention of records shall be followed. The department may electronically retain copies of reports unless otherwise required by federal and state guidelines.

Sec. 220. The department shall report no later than April 1 on each specific policy change made to implement a public act affecting the department that took effect during the prior calendar year to the senate and house appropriations committees, the senate and house subcommittees on transportation, the joint committee on administrative rules, and the senate and house fiscal agencies.

Sec. 221. (1) From the funds appropriated in part 1, the department shall do all of the following:

(a) Report to the house and senate appropriations committees, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office any amount of severance pay for a department director, deputy director, or other high-ranking department official not later than 14 days after a severance agreement with the director or official is signed. The name of the director or official and the amount of severance pay must be included in the report required by this subdivision.

(b) Maintain an internet site that posts any severance pay in excess of 6 weeks of wages, regardless of the position held by the former department employee receiving severance pay.

(c) By February 1, report to the house and senate appropriations subcommittees on transportation, the house and senate fiscal agencies, the house and senate policy offices, and the state budget office on the total amount of severance pay remitted to former department employees during the fiscal year ending September 30, 2022 and the total number of former department employees that were remitted severance pay during the fiscal year ending September 30, 2022.

(2) As used in this section, "severance pay" means compensation that is both payable or paid upon the termination of employment and in addition to either wages or benefits earned during the course of employment or generally applicable retirement benefits.

Sec. 222. (1) Any department, agency, board, commission, or public officer that receives funding under part 1 shall not:

(a) Require as a condition of accessing any facility or receiving services that an individual provide proof that he or she has received a COVID-19 vaccine except as provided by federal law or as a condition of receiving federal Medicare or Medicaid funding.

(b) Produce, develop, issue, or require a COVID-19 vaccine passport.

(c) Develop a database or make any existing database publicly available to access an individual's COVID-19 vaccine status by any person, company, or governmental entity.

(d) Require as a condition of employment that an employee or official provide proof that he or she has received a COVID-19 vaccine. This subdivision does not apply to any hospital, congregate care facility, or other medical facility or any hospital, congregate care facility, or other medical facility operated by a local subdivision that receives federal Medicare or Medicaid funding.

(2) A department, agency, board, commission, or public officer may not subject any individual to any negative employment consequence, retaliation, or retribution because of that individual's COVID-19 vaccine status.

(3) Subsection (1) does not prohibit any person, department, agency, board, commission, or public officer from transmitting proof of an individual's COVID-19 vaccine status to any person, company, or governmental entity, so long as the individual provides affirmative consent.

(4) If a department, agency, board, commission, subdivision, or official or public officer is required to establish a vaccine policy due to a federal mandate, it must provide exemptions to any COVID-19 vaccine policy to the following individuals:

(a) An individual for whom a physician certifies that a COVID-19 vaccine is or may be detrimental to the individual's health or is not appropriate.

(b) An individual who provides a written statement to the effect that the requirements of the COVID-19 vaccine policy cannot be met because of religious convictions or other consistently held objection to immunization.

(5) As used in this section, "public officer" means a person appointed by the governor or another executive department official or an elected or appointed official of this state or a political subdivision of this state.

Sec. 223. To the extent possible, the department shall provide notice to the speaker of the house, the house minority leader, the senate majority leader, the senate minority leader, the house and senate standing committees on transportation, the appropriate house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on proposed federal rule changes related to the department that would require amendments to the laws of this state. The notice shall be given within 30 business days of the proposed federal rule being posted to the Federal Register and shall include a description of the proposed federal rule, the publication date, the date when public comment closes, the document citation, and a description of the statutory changes needed when the rule is finalized.

Sec. 224. It is the intent of the legislature that departments maximize the efficiency of the state workforce and, where possible, prioritize in-person work. Each executive branch department, agency, board, or commission that receives funding under part 1 must post its in-person, remote, or hybrid work policy on its website.

DEPARTMENTAL ADMINISTRATION AND SUPPORT

Sec. 301. The department may establish a fee schedule and collect fees sufficient to cover the costs to issue the permits that the department is authorized by law to issue upon request, unless otherwise stipulated by law. All permit fees are nonrefundable application fees and shall be credited to the appropriate fund to recover the direct and indirect costs of receiving, reviewing, and processing the requests.

Sec. 302. Not later than February 1, 2023, the department shall report to the house and senate appropriations subcommittees on transportation, the house and senate fiscal agencies, and the state budget office on STF debt service. The report must include all of the following:

(a) An accounting of the prior fiscal year's STF debt service payments, including a calculation of STF debt service payments as a percentage of STF revenue secured by constitutionally restricted revenue.

(b) A projection of STF debt service obligations for the fiscal year ending September 30, 2023, including a calculation of STF debt service obligations as a percentage of estimated STF revenue secured by constitutionally restricted revenue.

(c) A description of all bond sales planned for the fiscal year ending September 30, 2023.

Sec. 303. (1) When the department places signs identifying trunkline construction projects as bond-financed, the signs shall identify the total cost of the project and the estimated borrowing costs associated with the bonds used to finance the project. Text and numeric figures identifying estimated borrowing costs associated with bonds used to finance projects shall be the same font and font size as the text and numeric figures identifying trunkline construction projects as bond-financed.

(2) The department must remove all signs identifying trunkline construction projects as bond-financed that are not in compliance with this section.

Sec. 304. If, as a requirement of bidding on a highway project, the department requires a contractor to submit financial or proprietary documentation as to how the bid was calculated, that bid documentation shall be kept confidential and shall not be disclosed other than to a department representative without the contractor's written consent. The department may disclose the bid documentation if necessary to address or defend a claim by a contractor.

Sec. 305. The department may permit space on public passenger transportation properties to be occupied by public or private tenants. The department shall require that revenue from the tenants be placed in an account to be used to pay the costs to maintain and improve the property.

Sec. 306. (1) The amounts appropriated in part 1 to support tax and fee collection, law enforcement, and other program services provided to the department and to transportation funds by other state departments shall be expended from transportation funds pursuant to annual contracts between the department and those other state departments. The contracts shall be executed prior to the expenditure or obligation of those funds. The contracts shall provide, but are not limited to, the following data applicable to each state department:

(a) Estimated costs to be recovered from transportation funds.

(b) Description of services provided to the department and/or transportation funds and financed with transportation funds.

(c) Detailed cost allocation methods appropriate to the type of services being provided and the activities financed with transportation funds.

(2) Not later than 2 months after publication of the state of Michigan annual comprehensive financial report, each state department receiving funding pursuant to an interdepartment contract with the department shall submit a written report to the department, the state budget director, the house and senate fiscal agencies, and the auditor general stating by spending authorization account the amount of estimated funds contracted with the department, the amount of funds expended, the amount of funds returned to the transportation funds, and any unreimbursed transportation-related costs incurred but not billed to transportation funds.

Sec. 307. Before March 1 of each year, the department will provide to the legislature, the state budget director, and the house and senate fiscal agencies its rolling 5-year plan listing by county or by county road commission all highway construction projects for the fiscal year and all expected projects for the ensuing fiscal years.

Sec. 308. From the funds appropriated in part 1 for highway maintenance, the department shall initiate a winter maintenance program in accordance with section 11a of 1951 PA 51, MCL 247.661a.

Sec. 309. In order to reduce costs and maintain quality, it is the intent of the legislature that, excluding the fleet of motor vehicles for the department of state police, the department will prioritize the utilization of remanufactured parts or recycled parts as the primary means of maintenance and repair for the state of Michigan's fleet of motor vehicles.

Sec. 310. The department shall provide in a timely manner copies of the agenda, approved minutes, and audio recording of monthly transportation commission meetings to the members of the house and senate appropriations subcommittees on transportation, the house and senate fiscal agencies, and the state budget director.

Sec. 311. Not later than March 30, 2023, the department shall provide a progress report on the CRRSAA highway infrastructure program - local bridge bundling initiative established in section 113(2) of article 14 of 2021 PA 87, to the senate and house transportation appropriations subcommittees, the state budget director, and the senate and house fiscal agencies.

Sec. 312. It is the intent of the legislature that the department prohibit the placement of nondirectional markings on the paved surfaces of public roads or streets of this state and work to remove nondirectional markings when found on the paved surfaces of public roads and streets of this state.

Sec. 313. (1) From funds appropriated in part 1, the department may increase a state infrastructure bank program and grant or loan funds in accordance with regulations of the state infrastructure bank program of the United States Department of Transportation. The state infrastructure bank is to be administered by the department for the purpose of providing a revolving, self-sustaining resource for financing transportation infrastructure projects.

(2) In addition to funds provided in subsection (1), money received by the state as federal grants, repayment of state infrastructure bank loans, or other reimbursement or revenue received by the state as a result of projects funded by the program and interest earned on that money shall be deposited in the revolving state infrastructure bank fund and shall be available for transportation infrastructure projects. At the close of the fiscal year, any unencumbered funds remaining in the state infrastructure bank fund shall remain in the fund and be carried forward into the succeeding fiscal year.

(3) The department shall submit a report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on the status of the state infrastructure bank. The report shall be submitted on or before December 1, 2022. The report shall include all of the following:

(a) The balance in the state infrastructure bank at September 30, 2022, including a breakdown of the balance by cash and cash equivalents, outstanding loans, and balance available for loan to local agencies.

(b) A breakdown of the state infrastructure loan balance by amounts designated as originating from federal sources and the amounts originating from nonfederal sources.

(c) A list of outstanding loans by agency, original loan amount, project description, loan term, and amount outstanding.

Sec. 319. The department shall post signs at each rest area to identify the agency or contractor responsible for maintenance of the rest area. The signs shall include a department telephone number and shall indicate that unsafe or unclean conditions at the rest area may be reported to that telephone number.

Sec. 353. The department shall review its contractor payment process and ensure that all prime contractors are paid promptly. The department shall ensure that prime contractors are in compliance with special provision 109.10 regarding the prompt payment of subcontractors.

Sec. 357. When presented with complete local federal aid project submittals, the department shall complete all necessary reviews and inspections required to let local federal aid projects within 120 days of receipt. The department shall implement a system for monitoring the local federal aid project review process.

Sec. 375. The department is prohibited from reimbursing contractors or consultants for costs associated with groundbreaking ceremonies, receptions, open houses, or press conferences related to transportation projects funded, in whole or in part, by revenue appropriated in part 1.

Sec. 376. The department shall not spend funds appropriated in part 1 for the purpose of examining the potential association between commercial signs, outdoor advertising signs, billboards, digital billboards, or commercial electronic variable message signs and motor vehicle activity or motor vehicle driver behavior.

Sec. 382. In administering a contract with a county road commission, city, or village that allocates costs of construction or reconstruction of highways, roads, and streets as provided in section 18d of 1951 PA 51, MCL 247.668d, the department shall submit the final cost-sharing bill to the county road commission, city, or village not later than 2 years after the date of the final contract payment to the construction contractor.

Sec. 383. (1) The department shall prepare a report on use of department-owned aircraft during the fiscal year ending September 30, 2022. With respect to each department-owned aircraft, the report shall include all of the following:

(a) Total hours of usage.

(b) Description of specific flights including dates of travel, names of passengers including state agency, university, or local government affiliation, travel origin and destination, and total estimated costs associated with the air travel.

(2) The report shall be submitted to the senate and house appropriations subcommittees on transportation, state budget director, and the house and senate fiscal agencies no later than February 1, 2023.

(3) The department shall maintain a system for recovering the cost of operating department-owned aircraft through charges to aircraft users.

Sec. 384. (1) Except as otherwise provided in subsection (2), the department shall not obligate the state to expend any state transportation revenue for construction planning or construction of the Gordie Howe International Crossing or a renamed successor. In addition, except as provided in subsection (2), the department shall not commit the state to any new contract related to the construction planning or construction of the Gordie Howe International Crossing or a renamed successor that would obligate the state to expend

any state transportation revenue. An expenditure for staff resources used in connection with project activities, which expenditure is subject to full and prompt reimbursement from Canada, shall not be considered an expenditure of state transportation revenue.

(2) If the legislature enacts specific enabling legislation for the construction of the Gordie Howe International Crossing or a renamed successor, subsection (1) does not apply once the enabling legislation goes into effect.

Sec. 385. (1) The department shall submit monthly reports to the state budget director, the speaker of the house of representatives, the house of representatives minority leader, the senate majority leader, the senate minority leader, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on all of the following:

(a) All expenditures made by the state related to the Gordie Howe Bridge.

(b) All reimbursements made by Canada under section 384(1) of this part to the state for expenditures for staff resources used in connection with project activities.

(c) All eminent domain and condemnation powers used, the related real estate involved in any governmental taking, the price paid for those properties, and the beneficiary's name or associated corporation.

(2) The initial report required under subsection (1) shall be submitted on or before December 1, 2022. The initial report shall cover the fiscal year ending September 30, 2022.

Sec. 386. On or before May 1 of each year, the department shall submit a report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on its toll credit program. The report shall include the following information:

(a) The amount of toll credits earned and certified by the DOT-FHWA in the prior fiscal year.

(b) The value of toll credits used by programs and projects in the previous fiscal year.

(c) The balance of available toll credits at the end of the prior fiscal year.

(d) A discussion of the department's strategy for using toll credits.

Sec. 387. (1) Within 90 days of completion of any formal traffic study, formal traffic control study, or formal traffic mitigation study, the department shall post the results of the study on the department's website.

(2) As used in this section, the terms "traffic study", "traffic control study", and "traffic mitigation study" include, but are not limited to, investigations into the need for traffic lights, reviews of traffic speeds and related recommendations regarding speed limits, and ways to improve traffic flow during peak travel times.

Sec. 389. Within 30 days of entering into a long-term agreement with a private contractor, a public agency, or a partnership between 1 or more private contractors or public agencies, the department shall notify the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies of the agreement, including the subject of the agreement, the term of the agreement, and financial obligations under the agreement. As used in this section, "long-term agreement" means an agreement that obligates the department for a period of 5 years or more and that actually or contingently obligates the department to make payments over the contract period of \$5,000,000.00 or more.

Sec. 393. The department shall promote best practices for public transportation services in this state, including, but not limited to, the following:

(a) Transit vehicle rehabilitation to reduce life-cycle cost of public transportation through midlife rehabilitation of transit buses.

(b) Cooperation between entities using transit, including school districts, cities, townships, and counties with a view to promoting cost savings through joint purchasing of fuel and other procurements.

(c) Coordination of transportation dollars among state departments that provide transit-related services, including the department of health and human services. Priority should be given to use of public transportation services where available.

(d) Promotion of intelligent transportation services for buses that incorporate computer and navigation technology to make transit systems more efficient, including stoplight coordinating, vehicle tracking, data tracking, and computerized scheduling.

Sec. 394. The department and local road agencies shall make the preservation of their existing road networks a funding priority.

Sec. 395. From the funds appropriated in part 1 for state trunkline federal aid road and bridge construction, the department may expend up to \$10,000,000.00 on highway maintenance activities to support safety-related, high-priority, and other deferred routine maintenance needs on the state trunkline network.

Sec. 398. The department shall continue to work to eliminate fatalities and serious injuries on the state trunkline network and shall maintain the Toward Zero Deaths statewide safety campaign.

Sec. 399. In developing its state trunkline road and bridge construction program, the department shall prioritize spending on capital preventative maintenance. From the funds appropriated in part 1 for state trunkline road and bridge construction, not less than \$100,000,000.00 must be allocated for capital preventative maintenance treatments for pavement preservation.

FEDERAL

Sec. 402. A portion of the federal DOT-FHWA highway research, planning, and construction funds made available to this state shall be allocated to transportation programs administered by local jurisdictions in accordance with section 10o of 1951 PA 51, MCL 247.660o. A local road agency, with respect to a project approved for federal aid funding in a state transportation improvement program, may enter into a voluntary buyout agreement with the department or with another local road agency to exchange the federal aid with state restricted transportation funds as agreed to by the respective parties. The state restricted transportation funds received in exchange for federal aid funds shall be used for the same purpose as the federal aid funds were originally intended.

MICHIGAN TRANSPORTATION FUND

Sec. 501. The money received under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.42, and not appropriated to the department of licensing and regulatory affairs or the department of state police is deposited in the Michigan transportation fund.

Sec. 503. (1) At the close of the fiscal year, funds appropriated in part 1 for the transportation economic development program shall lapse to the transportation economic development fund.

(2) At the close of the fiscal year, funds appropriated in part 1 for the local bridge program shall carry forward and are appropriated for the purposes defined in section 10(5) of 1951 PA 51, MCL 247.660.

(3) Interest earned in the department of transportation economic development fund and local bridge fund shall remain in the respective funds and shall be allocated to the respective programs based on actual interest earned at the end of each fiscal year.

(4) In addition to the funds appropriated in part 1, the department of transportation economic development fund and local bridge fund may receive federal, local, or private funds or restricted source funds such as interest earnings. These funds are appropriated for projects that are consistent with the purposes of the respective funds.

(5) None of the funds statutorily dedicated to the transportation economic development fund and local bridge fund shall be diverted to other projects.

Sec. 504. Funds from the Michigan transportation fund shall be distributed to the comprehensive transportation fund, the economic development fund, the recreation improvement fund, and the state trunkline fund, in accordance with this part and part 1 and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108, and may only be used as specified in this part and part 1, 1951 PA 51, MCL 247.651 to 247.675, and part 711 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.71101 to 324.71108.

STATE TRUNKLINE FUND

Sec. 601. (1) The department shall maintain documentation to support initial acceptance of warranted projects, interim and final inspections, and notifications to contractors that the warranty period had expired. The department also shall review and evaluate consultant evaluation requirements or recommendations and update existing policies and procedures accordingly.

(2) The department shall review its warranty administration processes, procedures, and associated manuals to ensure that all of the following occur:

(a) Initial notifications of needed corrective action are sent prior to warranty expiration.

(b) Consistent and timely second notifications of needed corrective action are sent if contractors do not respond within 30 days of an initial notification.

(c) The department has an effective process to establish time frames for corrective action completion.

(d) Daily inspector reports on all warranty segments are completed consistently.

(3) The department shall report on the review described in subsection (2) and changes resulting from the review. The department shall submit the report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies no later than March 31, 2023.

Sec. 602. From the funds appropriated in part 1, the department shall study the potential impact of electric vehicle (EV) integration on Michigan transportation fund revenue. The study shall include an analysis of the feasibility of alternate user-based systems as funding sources for the Michigan transportation fund. The department shall report its findings to the house and senate appropriations subcommittees on transportation, the house and senate fiscal agencies, and the state budget office no later than September 30, 2023.

Sec. 603. The department shall report to the senate and house appropriations subcommittees on transportation by December 31, 2023 on the operational condition of the Mackinac Bridge, its long-term viability, the costs of preventative maintenance and potential upgrades, and the cost and feasibility of constructing a separate method of transporting commercial, emergency, and passenger vehicle traffic.

Sec. 604. At the close of the fiscal year, any unencumbered and unexpended balance in the state trunkline fund shall remain in the state trunkline fund and shall carry forward and is appropriated for federal aid road and bridge programs for projects contained in the annual state transportation program.

Sec. 612. The department shall establish guidelines governing incentives and disincentives provided under contracts for state trunkline projects. The guidelines shall include specific financial information concerning incentives and disincentives.

Sec. 613. (1) The funds appropriated in part 1 for magnetic roadway sweepers shall be used to provide department maintenance garages, as needed, with industrial magnet roadway sweepers. As used in this section, "industrial magnet roadway sweeper" means an industrial-strength magnet that mounts to the front of road maintenance vehicles and is used to remove metal debris from roadway and highway shoulders.

(2) Industrial magnet roadway sweepers procured by the department must meet the following specifications:

(a) They must fit or be capable of being retrofitted on existing maintenance vehicles.

(b) The vehicle operator must be able to turn the magnet on and off from inside the vehicle cab.

(c) The magnet must not exceed a 2% loss of magnet life per 100 years.

(3) The department must give preference to vendors headquartered in this state.

Sec. 660. (1) The legislature encourages the department to examine the use of alternative road surface materials and develop criteria and specifications for their use in both department-managed and contracted projects.

(2) From funds appropriated in part 1, the department shall establish the Michigan state transportation innovation council to review innovative road materials and innovative road and bridge design and construction specifications. The Michigan state transportation innovation council shall include, but is not limited to, a representative of the DOT-FHWA, an appointee chosen by the speaker of the house of representatives, and an appointee chosen by the senate majority leader.

(3) The department shall report on efforts taken to implement this section. The report shall include descriptions of specific field or laboratory tests. The department shall complete and submit the report to the state budget director, the house and senate appropriations subcommittees on transportation, and the house and senate fiscal agencies on or before March 1 of each year.

TRANSIT AND RAIL RELATED FUNDS

Sec. 701. The department shall establish an intercity bus equipment and facility fund as a subsidiary fund within the comprehensive transportation fund created under section 10b of 1951 PA 51, MCL 247.660b. Proceeds received by this state from the sale of state-owned intercity bus equipment shall be credited to the intercity bus equipment and facility fund for the purchase and repair of intercity bus equipment, as appropriated. Security deposits not returned to a lessee of state-owned intercity bus equipment under terms of the lease agreement shall be credited to the intercity bus equipment and facility fund for the repair of intercity bus equipment, as appropriated. Money received by the department from lease payments for state-owned intercity bus equipment, and facility maintenance charges under terms of leases of state-owned intercity facilities, shall be credited to the intercity bus equipment and facility fund for the purchase and repair of intercity bus equipment or for the maintenance and rehabilitation of state-owned intercity facilities, as appropriated. At the close of the fiscal year, any funds remaining in the intercity bus equipment and facility fund shall remain in the fund and be carried forward into the succeeding fiscal year.

Sec. 702. Money that is received by this state as repayment for loans made for rail or water freight capital projects, and as a result of the sale of property or equipment used or projected to be used for rail or water freight projects shall be deposited in the rail freight fund created by section 17 of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.67. At the close of the fiscal year, any funds remaining in the rail freight fund shall remain in the fund and be carried forward into the succeeding fiscal year.

Sec. 703. After receiving notification from a railroad company pursuant to section 8 of the state transportation preservation act of 1976, 1976 PA 295, MCL 474.58, the department shall immediately notify the house and senate appropriations subcommittees on transportation and the state budget office that the railroad company has filed with the appropriate governmental agencies for abandonment of a line.

Sec. 704. From the funds appropriated in part 1, the department shall prepare and transmit a report that provides detail regarding the department's obligations for programs funded under the appropriation in part 1 for rail operations and infrastructure. The report shall include a breakdown of the appropriation by program, year-to-date obligations under each program itemized by project, and an estimate of future obligations under each program itemized by project for the remainder of the fiscal year. The initial report shall be submitted to the senate and house appropriations subcommittees on transportation, the state budget director, and the senate and house fiscal agencies, on or before February 1, 2023. The department also shall update and resubmit the final report on or before November 1, 2023.

Sec. 706. The Detroit/Wayne County Port Authority shall issue a complete operations assessment and a financial disclosure statement. The operations assessment shall include operational goals for the next 5 years and recommendations to improve land acquisition and development efficiency. The report shall be completed and submitted to the house and senate appropriations subcommittees on transportation, the state budget director, and the house and senate fiscal agencies by June 30 of each fiscal year for the prior fiscal year.

Sec. 707. (1) Before March 1 of each year, the department will provide to the legislature, the state budget office, and the house and senate fiscal agencies its rail strategic plan. The strategic plan shall include, but is not limited to, a rolling 5-year rail plan and summary of the department's obligations for programs funded under the appropriation in part 1 for rail operations and infrastructure.

(2) The rolling 5-year rail plan shall include, but is not limited to, all the following:

(a) A listing by county of all rail infrastructure projects on rail lines within the state utilizing state funds, and the estimated cost of each project.

(b) The actual or projected state expenditures for operation of passenger rail service.

(c) The actual or projected state expenditures for maintenance of passenger service rail lines.

(3) The period of the rolling 5-year rail plan includes the current fiscal year and the 4 fiscal years immediately following the current fiscal year.

(4) The summary of the department's obligations for programs funded under the appropriation in part 1 for rail operations and infrastructure shall include a breakdown of the appropriation by program, year-to-year obligations under each program itemized by project, and an estimate of future obligations under each program itemized by project for the remainder of the fiscal year.

(5) From the funds appropriated in part 1 for rail operations and infrastructure, not less than \$21,500,000.00 must be allocated for the support of rail-related economic development projects and rail freight system preservation projects.

Sec. 720. It is the intent of the legislature that all transit agencies in Michigan should strive to achieve a farebox recovery rate of not less than 6%.

Sec. 735. For the fiscal year ending September 30, 2023, the appropriation to a street railway pursuant to section 10e(22) of 1951 PA 51, MCL 247.660e, is \$0.

Sec. 736. No funds from the appropriations in part 1 may be used for a rail freight development project to support the cessation of energy pipeline operations across the Straits of Mackinac.

Sec. 752. The legislature encourages the department to meet with representatives of a rail industry trade association to provide information on the availability of rail infrastructure loan and grant funding programs and freight economic development project opportunities.

Sec. 753. From the funds appropriated in part 1 for marine passenger service, 60% must be spent on eligible entities servicing multiple destinations. The remaining funds must be spent on eligible entities servicing a single destination.

Sec. 757. In developing its rail passenger corridor investment plan, the department shall include both of the following:

(a) An analysis of the feasibility of rail passenger service from New Buffalo, Michigan to Traverse City, Michigan.

(b) Information necessary to advance a project related to the establishment and operation of rail passenger service between Ann Arbor, Michigan and Traverse City, Michigan.

AERONAUTICS FUND

Sec. 801. Except as otherwise provided in section 903 of this part for capital outlay, at the close of the fiscal year, any unobligated and unexpended balance in the state aeronautics fund created in the aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.1 to 259.208, shall lapse to the state aeronautics fund and be appropriated by the legislature in the immediately succeeding fiscal year.

CAPITAL OUTLAY

Sec. 901. (1) From federal-state-local project appropriations contained in part 1 for the purpose of assisting political entities and subdivisions of this state in the construction and improvement of publicly used airports and landing fields within this state, the state transportation department may permit the award of contracts on behalf of units of local government for the authorized locations not to exceed the indicated amounts, of which the state allocated portion shall not exceed the amount appropriated in part 1.

(2) Political entities and subdivisions shall provide not less than 5% of the cost of any project under this section, unless a total nonfederal share less than 10% is otherwise specified in federal law. State money shall not be allocated until local money is allocated. State money for any 1 project shall not exceed 1/3 of the total appropriation in part 1 from state funds for airport improvement programs.

(3) The Michigan aeronautics commission may take those steps necessary to match federal money available for airport construction and improvement within this state and to meet the matching requirements of the federal government. Whether acting alone or jointly with another political subdivision or public agency or with this state, a political subdivision or public agency of this state shall not submit to any agency of the federal government a project application for airport planning or development unless it is authorized in this part and part 1 and the project application is approved by the governing body of each political subdivision or public agency making the application and by the Michigan aeronautics commission.

Sec. 903. The appropriations in part 1 for capital outlay shall be carried forward at the end of the fiscal year consistent with the provisions of section 248 of the management and budget act, 1984 PA 431, MCL 18.1248.

ONE-TIME ONLY APPROPRIATIONS

Sec. 1001. Funds appropriated in part 1 for priority rail grade crossing/separation initiative shall be expended by the department to support a grant program for the separation of motor vehicle traffic and railroad traffic in a county with a population of between 1,793,500 and 1,794,000, according to the most recent federal decennial census. Grant funds awarded under this program may be used by local road agencies located in the county for design and construction related to a grade separation project or a project that improves traffic at a rail crossing without a full grade separation including, but not limited to, construction of a rail siding or spur. Projects shall be selected for inclusion in the program subject to available funding and according to the following criteria:

- (a) Grade separation projects that will eliminate significant blockages or backups.
- (b) Grade separation projects that will have a positive impact on the local economy, safety, and the efficient movement of goods and people.
- (c) Any other criteria established by the department.

Sec. 1002. The funds appropriated in part 1 for a basic marine dock project shall be awarded for an installation, grade, and surface preparation project located in a city with a population of between 12,000 and 13,000 and in a county with a population of between 36,800 and 37,000, according to the most recent federal decennial census.

Sec. 1003. The funds appropriated in part 1 for Upper Peninsula freight rail infrastructure investment shall be provided to a local county economic development corporation in a county with a population of between 36,000 and 36,800, according to the most recent federal decennial census, for the purpose of replacing aging rail used for freight transportation purposes.

Sec. 1004. (1) The funds appropriated in part 1 for technical assistance, planning, and IJJA match grants shall support grants to local units of government and planning organizations for the purpose of providing technical assistance, planning, and match resources to secure federal grants available under the infrastructure investment and jobs act, Public Law 117-58.

(2) The department shall develop program guidelines and selection criteria in consultation with the Michigan infrastructure office.

(3) The unexpended funds appropriated in part 1 for technical assistance, planning, and IJJA match grants are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to provide technical assistance, planning, and match resources to secure available federal grants.
- (b) The project will be accomplished by utilizing state employees, contracts with vendors, or local partners.
- (c) The estimated cost of the project is \$25,000,000.00.
- (d) The tentative completion date is September 30, 2026.

Sec. 1005. All one-time funds appropriated in part 1 for airport infrastructure grants shall be allocated to the Wayne County Airport Authority to improve transportation infrastructure and facilitate future economic development.

ARTICLE 14
CAPITAL OUTLAY
PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for various state departments and agencies and capital outlay purposes to supplement appropriations for the fiscal year ending September 30, 2023, from the following funds:

CAPITAL OUTLAY

APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 487,400,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 487,400,000
Federal revenues:	
Total federal revenues	378,400,000
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 109,000,000

For Fiscal Year
Ending Sept. 30,
2023

**Sec. 102. STATE AGENCY, COMMUNITY COLLEGE, AND
UNIVERSITY CONSTRUCTION AUTHORIZATIONS**

Michigan State University - renovation and addition of greenhouses and dairy facilities (total authorized cost \$53,000,000; university share \$0; state general fund/general purpose share \$53,000,000)	\$ 53,000,000
Saginaw Valley State University - Brown hall (total authorized cost \$28,845,000; university share \$7,045,000; state general fund/general purpose share \$21,800,000)	21,800,000
Michigan Veterans Affairs Agency - new Marquette veterans home (total authorized cost \$97,600,000; federal share \$63,400,000; state general fund/general purpose share \$34,200,000)	97,600,000
Department of technology, management, and budget - new state psychiatric hospital complex (total authorized cost \$325,000,000; coronavirus state fiscal recovery fund \$325,000,000; state general fund/general purpose share \$0)	315,000,000
GROSS APPROPRIATION	\$ 487,400,000
Appropriated from:	
Federal revenues:	
Coronavirus state fiscal recovery fund	315,000,000
Federal funds	63,400,000
State general fund/general purpose	\$ 109,000,000

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 the fiscal year ending September 30, 2023 is \$109,000,000.00 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 act and the departments, commissions, boards, offices, and programs for which appropriations are made under this act are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

ARTICLE 15

SUPPLEMENTAL

PART 1

LINE-ITEM APPROPRIATIONS

FOR FISCAL YEAR 2021-2022

Sec. 101. There is appropriated for various state departments and agencies, the judicial branch, the legislative branch, and capital outlay purposes to supplement appropriations for the fiscal year ending September 30, 2022, from the following funds:

APPROPRIATION SUMMARY	
Full-time equated classified positions	17.0
GROSS APPROPRIATION	\$ 2,214,820,800
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 2,214,820,800
Federal revenues:	
Total federal revenues	3,629,913,300
Special revenue funds:	
Total local revenues	(21,948,100)
Total private revenues	12,200,400
Total other state restricted revenues	60,191,400
State general fund/general purpose	\$ (1,465,536,200)

Sec. 102. CAPITAL OUTLAY

(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 260,000,000

	For Fiscal Year Ending Sept. 30, 2022
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	\$ 0
ADJUSTED GROSS APPROPRIATION	\$ 260,000,000
Federal revenues:	
Total federal revenues	260,000,000
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 0
(2) STATE AGENCY, COMMUNITY COLLEGE, AND UNIVERSITY PLANNING AUTHORIZATIONS	
Department of technology, management, and budget - new state psychiatric hospital complex - for program and planning (total authorized cost \$10,000,000; coronavirus state fiscal recovery fund share \$10,000,000; state general fund/general purpose share \$0)	\$ 10,000,000
GROSS APPROPRIATION	\$ 10,000,000
Appropriated from:	
Federal revenues:	
Coronavirus state fiscal recovery fund	10,000,000
State general fund/general purpose	\$ 0
(3) STATE AGENCY, COMMUNITY COLLEGE, AND UNIVERSITY CONSTRUCTION AUTHORIZATIONS	
Department of technology, management, and budget - new comprehensive state public health and environmental science laboratory (total authorized cost \$260,000,000; coronavirus state fiscal recovery fund share \$260,000,000; state general fund/general purpose share \$0)	\$ 250,000,000
GROSS APPROPRIATION	\$ 250,000,000
Appropriated from:	
Federal revenues:	
Coronavirus state fiscal recovery fund	250,000,000
State general fund/general purpose	\$ 0
Sec. 103. DEPARTMENT OF CIVIL RIGHTS	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 500,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 500,000
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 500,000
(2) ONE-TIME APPROPRIATIONS	
Advocates and leaders for police and community trust	\$ 500,000
GROSS APPROPRIATION	\$ 500,000
Appropriated from:	
State general fund/general purpose	\$ 500,000
Sec. 104. DEPARTMENT OF CORRECTIONS	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 0

	For Fiscal Year Ending Sept. 30, 2022
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	\$ 0
ADJUSTED GROSS APPROPRIATION	\$ 0
Federal revenues:	
Total federal revenues	883,000,000
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ (883,000,000)
(2) FIELD OPERATIONS ADMINISTRATION	
Field operations	\$ 0
GROSS APPROPRIATION	\$ 0
Appropriated from:	
Federal revenues:	
Coronavirus state fiscal recovery fund	142,609,700
State general fund/general purpose	\$ (142,609,700)
(3) CORRECTIONAL FACILITIES ADMINISTRATION	
Prison food service	\$ 0
Transportation	0
GROSS APPROPRIATION	\$ 0
Appropriated from:	
Federal revenues:	
Coronavirus state fiscal recovery fund	37,762,800
State general fund/general purpose	\$ (37,762,800)
(4) HEALTH CARE	
Clinical complexes	\$ 0
GROSS APPROPRIATION	\$ 0
Appropriated from:	
Federal revenues:	
Coronavirus state fiscal recovery fund	67,697,900
State general fund/general purpose	\$ (67,697,900)
(5) CORRECTIONAL FACILITIES	
Alger Correctional Facility - Munising	\$ 0
Baraga Correctional Facility - Baraga	0
Bellamy Creek Correctional Facility - Ionia	0
Carson City Correctional Facility - Carson City	0
Central Michigan Correctional Facility - St. Louis	0
Charles E. Egeler Correctional Facility - Jackson	0
Chippewa Correctional Facility - Kincheloe	0
Cooper Street Correctional Facility - Jackson	0
Earnest C. Brooks Correctional Facility - Muskegon	0
G. Robert Cotton Correctional Facility - Jackson	0
Gus Harrison Correctional Facility - Adrian	0
Ionia Correctional Facility - Ionia	0
Kinross Correctional Facility - Kincheloe	0
Lakeland Correctional Facility - Coldwater	0
Macomb Correctional Facility - New Haven	0
Marquette Branch Prison - Marquette	0
Michigan Reformatory - Ionia	0
Muskegon Correctional Facility - Muskegon	0
Newberry Correctional Facility - Newberry	0
Oaks Correctional Facility - Eastlake	0

	For Fiscal Year Ending Sept. 30, 2022
Parnall Correctional Facility - Jackson	\$ 0
Richard A. Handlon Correctional Facility - Ionia	0
Saginaw Correctional Facility - Freeland	0
Special Alternative Incarceration Program - Jackson	0
St. Louis Correctional Facility - St. Louis	0
Thumb Correctional Facility - Lapeer	0
Womens Huron Valley Correctional Complex - Ypsilanti	0
Woodland Correctional Facility - Whitmore Lake	0
Northern region administration and support	0
Southern region administration and support	0
GROSS APPROPRIATION	\$ 0
Appropriated from:	
Federal revenues:	
Coronavirus state fiscal recovery fund	634,929,600
State general fund/general purpose	\$ (634,929,600)
Sec. 105. DEPARTMENT OF EDUCATION	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 11,600,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 11,600,000
Federal revenues:	
Total federal revenues	10,300,000
Special revenue funds:	
Total local revenues	0
Total private revenues	1,300,000
Total other state restricted revenues	0
State general fund/general purpose	\$ 0
(2) MICHIGAN SCHOOLS FOR THE DEAF AND BLIND	
Camp Tuhsmehta	\$ 1,300,000
GROSS APPROPRIATION	\$ 1,300,000
Appropriated from:	
Special revenue funds:	
Gifts, bequests, and donations	1,300,000
State general fund/general purpose	\$ 0
(3) MICHIGAN OFFICE OF GREAT START	
Child development and care public assistance	\$ (199,080,000)
Child development and care public assistance	199,080,000
GROSS APPROPRIATION	\$ 0
Appropriated from:	
Federal revenues:	
Federal funds	0
State general fund/general purpose	\$ 0
(4) ONE-TIME APPROPRIATIONS	
ARP - child care entitlement	\$ (30,000,000)
ARP - child care entitlement	30,000,000
ARP - child care stabilization fund	(700,708,800)
ARP - child care stabilization fund	700,708,800
ARP - child care stimulus	(438,107,400)
ARP - child care stimulus	438,107,400
ARP - ESSER administration	10,300,000
Child care award	(34,932,300)
Child care award	34,932,300

	For Fiscal Year Ending Sept. 30, 2022
CRRSA - child care stimulus	\$ (292,115,000)
CRRSA - child care stimulus	292,115,000
GROSS APPROPRIATION	\$ 10,300,000
Appropriated from:	
Federal revenues:	
Coronavirus elementary and secondary school emergency relief fund	10,300,000
Federal funds	0
State general fund/general purpose	\$ 0
Sec. 106. DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 6,500,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 6,500,000
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	6,500,000
State general fund/general purpose	\$ 0
(2) MATERIALS MANAGEMENT DIVISION	
Environmental sustainability and stewardship	\$ 6,500,000
GROSS APPROPRIATION	\$ 6,500,000
Appropriated from:	
Special revenue funds:	
Energy efficiency and renewable energy revolving loan fund	6,500,000
State general fund/general purpose	\$ 0
Sec. 107. DEPARTMENT OF HEALTH AND HUMAN SERVICES	
(1) APPROPRIATION SUMMARY	
Full-time equated classified positions	14.0
GROSS APPROPRIATION	\$ 1,741,063,300
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 1,741,063,300
Federal revenues:	
Total federal revenues	2,403,946,600
Special revenue funds:	
Total local revenues	(21,948,100)
Total private revenues	10,525,400
Total other state restricted revenues	42,694,200
State general fund/general purpose	\$ (694,154,800)
(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT	
Unclassified salaries	\$ 0
Demonstration projects	0
Departmental administration and management	279,300
Property management	0
Terminal leave payments	0
Training and program support	0
Worker's compensation	0
GROSS APPROPRIATION	\$ 279,300

	For Fiscal Year Ending Sept. 30, 2022	
Appropriated from:		
Federal revenues:		
Total other federal revenues	\$	(1,588,900)
State general fund/general purpose	\$	1,868,200
(3) CHILD SUPPORT ENFORCEMENT		
Child support enforcement operations	\$	500,000
GROSS APPROPRIATION	\$	500,000
Appropriated from:		
Federal revenues:		
Total other federal revenues		333,300
State general fund/general purpose	\$	166,700
(4) COMMUNITY SERVICES AND OUTREACH		
Full-time equated classified positions	15.0	
Bureau of community services and outreach—FTEs	3.0	\$ 0
Community services and outreach administration—FTE	1.0	2,617,800
Weatherization assistance - IIJA—FTEs	11.0	20,000,000
GROSS APPROPRIATION	\$	22,617,800
Appropriated from:		
Federal revenues:		
Capped federal revenues		20,106,900
Total other federal revenues		1,367,900
Social security act, temporary assistance for needy families		120,100
State general fund/general purpose	\$	1,022,900
(5) CHILDREN'S SERVICES AGENCY - CHILD WELFARE		
Adoption subsidies	\$	(1,426,800)
Adoption support services		0
Child care fund		(28,548,700)
Child protection		1,000,000
Child welfare field staff - noncaseload compliance		0
Child welfare institute		0
Child welfare licensing		0
Children's protective services - caseload staff		0
Children's protective services supervisors		0
Children's services administration		1,219,000
Children's trust fund		68,800
Contractual services, supplies, and materials		0
Education planners		0
Family preservation and prevention services administration		0
Family preservation programs		0
Foster care payments		(26,600,900)
Foster care services - caseload staff		0
Foster care services supervisors		0
Guardianship assistance program		(22,300)
Peer coaches		0
Performance based funding implementation		0
Permanency resource managers		0
Prosecuting attorney contracts		0
Raise the age fund		4,000,000
Second line supervisors and technical staff		0
Settlement monitor		0
Title IV-E compliance and accountability office		0
Youth in transition		0
GROSS APPROPRIATION	\$	(50,310,900)

	For Fiscal Year Ending Sept. 30, 2022
Appropriated from:	
Federal revenues:	
Capped federal revenues	\$ (5,078,800)
Total other federal revenues	(24,706,700)
Social security act, temporary assistance for needy families	(4,027,100)
Special revenue funds:	
Local funds - county chargeback	(4,258,200)
Total other state restricted revenues	2,000,000
State general fund/general purpose	\$ (14,240,100)
(6) CHILDREN'S SERVICES AGENCY - JUVENILE JUSTICE	
County juvenile officers	\$ 73,300
GROSS APPROPRIATION	\$ 73,300
Appropriated from:	
State general fund/general purpose	\$ 73,300
(7) PUBLIC ASSISTANCE	
Family independence program	\$ (3,394,400)
Food assistance program benefits	1,505,716,600
State disability assistance payments	273,300
State supplementation	(2,483,100)
GROSS APPROPRIATION	\$ 1,500,112,400
Appropriated from:	
Federal revenues:	
Total other federal revenues	1,505,716,600
Social security act, temporary assistance for needy families	(3,394,400)
Special revenue funds:	
Public assistance recoupment revenue	62,200
State general fund/general purpose	\$ (2,272,000)
(8) FIELD OPERATIONS AND SUPPORT SERVICES	
Administrative support workers	\$ 0
Contractual services, supplies, and materials	0
Field policy and administration	0
Field staff travel	0
Public assistance field staff	0
GROSS APPROPRIATION	\$ 0
Appropriated from:	
Federal revenues:	
Total other federal revenues	(2,071,800)
State general fund/general purpose	\$ 2,071,800
(9) BEHAVIORAL HEALTH PROGRAM ADMINISTRATION AND SPECIAL PROJECTS	
Behavioral health program administration	\$ 3,800,000
Family support subsidy	(795,300)
Opioid response activities	16,000,000
GROSS APPROPRIATION	\$ 19,004,700
Appropriated from:	
Federal revenues:	
Social security act, temporary assistance for needy families	(795,300)
Special revenue funds:	
Total private revenues	3,800,000
Total other state restricted revenues	16,000,000
State general fund/general purpose	\$ 0
(10) BEHAVIORAL HEALTH SERVICES	
Autism services	\$ (51,656,900)

	For Fiscal Year Ending Sept. 30, 2022
Certified community behavioral health clinic demonstration	\$ 73,669,500
Health homes	11,700,400
Healthy Michigan plan - behavioral health	(25,923,000)
Medicaid mental health services	(55,900,100)
Medicaid substance use disorder services	(67,100)
GROSS APPROPRIATION	\$ (48,177,200)
Appropriated from:	
Federal revenues:	
Total other federal revenues	120,385,100
Special revenue funds:	
Total other state restricted revenues	6,708,500
State general fund/general purpose	\$ (175,270,800)
(11) STATE PSYCHIATRIC HOSPITALS AND FORENSIC MENTAL HEALTH SERVICES	
Caro Regional Mental Health Center - psychiatric hospital - adult	\$ (4,000,000)
Center for forensic psychiatry	(800,000)
Hawthorn Center - psychiatric hospital - children and adolescents	4,000,000
Kalamazoo Psychiatric Hospital - adult	(4,200,000)
Walter P. Reuther Psychiatric Hospital - adult	5,000,000
GROSS APPROPRIATION	\$ 0
Appropriated from:	
Federal revenues:	
Total other federal revenues	1,267,200
Special revenue funds:	
Total other state restricted revenues	0
State general fund/general purpose	\$ (1,267,200)
(12) HEALTH AND HUMAN SERVICES POLICY AND INITIATIVES	
Full-time equated classified positions	(1.0)
Policy and planning administration—FTE	(1.0)\$ (2,617,800)
Rural health services	(1,380,500)
GROSS APPROPRIATION	\$ (3,998,300)
Appropriated from:	
Federal revenues:	
Capped federal revenues	(106,900)
Total other federal revenues	(2,755,800)
Social security act, temporary assistance for needy families	(120,100)
State general fund/general purpose	\$ (1,015,500)
(13) EPIDEMIOLOGY, EMERGENCY MEDICAL SERVICES, AND LABORATORY	
Epidemiology administration	\$ 400,000
Healthy homes program	0
GROSS APPROPRIATION	\$ 400,000
Appropriated from:	
Federal revenues:	
Total other federal revenues	524,000
Special revenue funds:	
Total other state restricted revenues	400,000
State general fund/general purpose	\$ (524,000)
(14) LOCAL HEALTH AND ADMINISTRATIVE SERVICES	
AIDS prevention, testing, and care programs	\$ 1,181,600
Public health administration	(279,300)
Sexually transmitted disease control program	2,000,000
Smoking prevention program	500,000
GROSS APPROPRIATION	\$ 3,402,300

	For Fiscal Year Ending Sept. 30, 2022
Appropriated from:	
Federal revenues:	
Total other federal revenues	\$ 1,681,600
Special revenue funds:	
Total private revenues	2,000,000
State general fund/general purpose	\$ (279,300)
(15) FAMILY HEALTH SERVICES	
Child and adolescent health care and centers	\$ 3,000,000
Family, maternal, and child health administration	170,000
Pregnancy prevention program	(170,000)
Women, infants, and children program administration and special projects	883,300
GROSS APPROPRIATION	\$ 3,883,300
Appropriated from:	
Special revenue funds:	
Total local revenues	3,000,000
Total private revenues	883,300
State general fund/general purpose	\$ 0
(16) CHILDREN'S SPECIAL HEALTH CARE SERVICES	
Medical care and treatment	\$ (22,275,400)
GROSS APPROPRIATION	\$ (22,275,400)
Appropriated from:	
Federal revenues:	
Total other federal revenues	(2,656,700)
Special revenue funds:	
Total private revenues	(200,000)
State general fund/general purpose	\$ (19,418,700)
(17) AGING AND ADULT SERVICES AGENCY	
Aging and adult services administration	\$ 1,000,000
Community services	1,000,000
Nutrition services	1,500,000
GROSS APPROPRIATION	\$ 3,500,000
Appropriated from:	
Federal revenues:	
Total other federal revenues	3,500,000
State general fund/general purpose	\$ 0
(18) MEDICAL SERVICES	
Adult home help services	\$ 8,634,700
Ambulance services	(2,077,500)
Auxiliary medical services	(146,000)
Dental services	40,062,100
Federal Medicare pharmaceutical program	14,348,600
Health plan services	202,945,400
Healthy Michigan plan	184,592,600
Home health services	(61,700)
Hospice services	(5,714,700)
Hospital disproportionate share payments	0
Hospital services and therapy	(35,632,600)
Integrated care organizations	23,211,600
Long-term care services	(195,632,800)
Maternal and child health	(3,054,800)
Medicaid home- and community-based services waiver	(13,281,400)
Medicare premium payments	59,319,600
Personal care services	(542,000)

	For Fiscal Year Ending Sept. 30, 2022
Pharmaceutical services	\$ 26,940,800
Physician services	(43,139,300)
Program of all-inclusive care for the elderly	(6,338,600)
School-based services	(7,161,400)
Special Medicaid reimbursement	(30,047,000)
Transportation	371,100
GROSS APPROPRIATION	\$ 217,596,700
Appropriated from:	
Federal revenues:	
Total other federal revenues	747,768,600
Special revenue funds:	
Total local revenues	(20,689,900)
Total private revenues	4,042,100
Total other state restricted revenues	17,523,500
State general fund/general purpose	\$ (531,047,600)
(19) INFORMATION TECHNOLOGY	
Comprehensive child welfare information system	\$ 0
Information technology services and projects	0
Michigan statewide automated child welfare information system	0
GROSS APPROPRIATION	\$ 0
Appropriated from:	
Federal revenues:	
Total other federal revenues	(977,500)
State general fund/general purpose	\$ 977,500
(20) ONE-TIME APPROPRIATIONS	
ARP - expanding public health workforce within aging network	\$ 1,257,800
ARP - family violence prevention and services program COVID-19 testing, vaccines, and mobile health units access	9,986,000
ARP - maternal, infant, and early childhood home visiting program	1,892,100
ARP - SHIP expanding public health workforce within aging network	116,800
ARP - TANF pandemic emergency assistance fund	19,001,800
Child caring institution non-contracted rates	15,000,000
COVID-19 ELC environmental public health emergency response	300,000
COVID-19 ELC special projects	474,600
COVID-19 elder justice - aging and field services	5,498,500
Emergency medical services scholarships and grants	30,000,000
Family violence prevention and services	3,595,700
Federal COVID immunization and vaccine grant	7,332,000
GROSS APPROPRIATION	\$ 94,455,300
Appropriated from:	
Federal revenues:	
Capped federal revenues	9,986,000
Social security act, temporary assistance for needy families	19,001,800
Total other federal revenues	20,467,500
State general fund/general purpose	\$ 45,000,000
Sec. 108. JUDICIARY	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 7,000,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 7,000,000
Federal revenues:	
Total federal revenues	6,945,000

	For Fiscal Year Ending Sept. 30, 2022	
Special revenue funds:		
Total local revenues	\$	0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	\$	55,000
(2) SUPREME COURT		
Foster care review board	\$	0
GROSS APPROPRIATION	\$	0
Appropriated from:		
Federal revenues:		
HHS, title IV-E foster care program		(55,000)
State general fund/general purpose	\$	55,000
(3) ONE-TIME APPROPRIATIONS		
ARP - trial court backlog	\$	7,000,000
GROSS APPROPRIATION	\$	7,000,000
Appropriated from:		
Federal revenues:		
Coronavirus state fiscal recovery fund		7,000,000
State general fund/general purpose	\$	0
Sec. 109. DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY		
(1) APPROPRIATION SUMMARY		
Full-time equated classified positions	3.0	
GROSS APPROPRIATION	\$	43,840,400
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	\$	43,840,400
Federal revenues:		
Total federal revenues		27,340,400
Special revenue funds:		
Total local revenues		0
Total private revenues		0
Total other state restricted revenues		0
State general fund/general purpose	\$	16,500,000
(2) EMPLOYMENT SERVICES		
Full-time equated classified positions	3.0	
Workers' compensation board of magistrates—FTEs	3.0	\$ 500,000
GROSS APPROPRIATION	\$	500,000
Appropriated from:		
State general fund/general purpose	\$	500,000
(3) ONE-TIME APPROPRIATIONS		
ARP - coronavirus economic development administration state tourism grant	\$	10,307,400
Broadband equity, access, and deployment		5,000,000
Community development block grant - disaster recovery		12,033,000
Corrections officer post-secondary grants		5,000,000
Michigan one-time grant		11,000,000
GROSS APPROPRIATION	\$	43,340,400
Appropriated from:		
Federal revenues:		
Federal funds		15,307,400
HUD-CPD, community development block grant		12,033,000
State general fund/general purpose	\$	16,000,000
Sec. 110. LEGISLATURE		
(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	\$	2,200,000

	For Fiscal Year Ending Sept. 30, 2022
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	\$ 0
ADJUSTED GROSS APPROPRIATION	\$ 2,200,000
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 2,200,000
(2) LEGISLATIVE COUNCIL	
Independent citizens redistricting commission	\$ 2,200,000
GROSS APPROPRIATION	\$ 2,200,000
Appropriated from:	
State general fund/general purpose	\$ 2,200,000
Sec. 111. DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 1,125,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 1,125,000
Federal revenues:	
Total federal revenues	625,000
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 500,000
(2) ONE-TIME APPROPRIATIONS	
COVID-19 survey activities	\$ 625,000
Michigan-Indiana border survey	500,000
GROSS APPROPRIATION	\$ 1,125,000
Appropriated from:	
Federal revenues:	
HHS-Medicare, certification of health care providers and suppliers	625,000
State general fund/general purpose	\$ 500,000
Sec. 112. DEPARTMENT OF MILITARY AND VETERANS AFFAIRS	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 251,400
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 251,400
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 251,400
(2) MICHIGAN VETERANS' FACILITY AUTHORITY	
Chesterfield Township home for veterans	\$ 50,300
Grand Rapids home for veterans	201,100
GROSS APPROPRIATION	\$ 251,400

	For Fiscal Year Ending Sept. 30, 2022
Appropriated from:	
State general fund/general purpose	\$ 251,400
Sec. 113. DEPARTMENT OF NATURAL RESOURCES	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 14,864,900
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 14,864,900
Federal revenues:	
Total federal revenues	7,756,300
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	6,263,200
State general fund/general purpose	\$ 845,400
(2) COMMUNICATION AND CUSTOMER SERVICES	
Marketing and outreach	\$ 241,600
Michigan historical center	187,900
GROSS APPROPRIATION	\$ 429,500
Appropriated from:	
Federal revenues:	
Federal funds	106,300
Special revenue funds:	
Game and fish protection fund	74,900
Park improvement fund	60,400
Recreation passport fees	187,900
State general fund/general purpose	\$ 0
(3) WILDLIFE MANAGEMENT	
Wildlife management	\$ 100,000
GROSS APPROPRIATION	\$ 100,000
Appropriated from:	
State general fund/general purpose	\$ 100,000
(4) FISHERIES MANAGEMENT	
Fish production	\$ 7,700
Fisheries resource management	37,700
GROSS APPROPRIATION	\$ 45,400
Appropriated from:	
State general fund/general purpose	\$ 45,400
(5) LAW ENFORCEMENT	
General law enforcement	\$ 380,000
GROSS APPROPRIATION	\$ 380,000
Appropriated from:	
State general fund/general purpose	\$ 380,000
(6) PARKS AND RECREATION DIVISION	
Forest recreation and trails	\$ 310,600
Recreational boating	333,300
State parks	5,526,100
GROSS APPROPRIATION	\$ 6,170,000
Appropriated from:	
Special revenue funds:	
Forest recreation account	297,000
Michigan state waterways fund	297,000
Park improvement fund	5,346,000
State general fund/general purpose	\$ 230,000

	For Fiscal Year Ending Sept. 30, 2022
(7) FOREST RESOURCES DIVISION	
Forest management and timber market development	\$ 63,000
Wildfire protection	27,000
GROSS APPROPRIATION	\$ 90,000
Appropriated from:	
State general fund/general purpose	\$ 90,000
(8) ONE-TIME APPROPRIATIONS	
Shooting range development, enhancement, and restoration	\$ 7,650,000
GROSS APPROPRIATION	\$ 7,650,000
Appropriated from:	
Federal revenues:	
Federal funds	7,650,000
State general fund/general purpose	\$ 0
Sec. 114. DEPARTMENT OF STATE	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 600,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 600,000
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 600,000
(2) ELECTION REGULATION	
Election administration and services	\$ 600,000
GROSS APPROPRIATION	\$ 600,000
Appropriated from:	
State general fund/general purpose	\$ 600,000
Sec. 115. DEPARTMENT OF STATE POLICE	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 79,441,800
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 79,441,800
Federal revenues:	
Total federal revenues	30,000,000
Special revenue funds:	
Total local revenues	0
Total private revenues	25,000
Total other state restricted revenues	1,550,000
State general fund/general purpose	\$ 47,866,800
(2) DEPARTMENTAL ADMINISTRATION AND SUPPORT	
Departmentwide	\$ 2,766,800
Mobile office and system support	2,000,000
GROSS APPROPRIATION	\$ 4,766,800
Appropriated from:	
Federal revenues:	
DOJ	2,000,000
State general fund/general purpose	\$ 2,766,800

	For Fiscal Year Ending Sept. 30, 2022
(3) LAW ENFORCEMENT	
Criminal justice information center	\$ 550,000
GROSS APPROPRIATION	\$ 550,000
Appropriated from:	
Special revenue funds:	
Traffic crash revenue	550,000
State general fund/general purpose	\$ 0
(4) MICHIGAN COMMISSION ON LAW ENFORCEMENT STANDARDS	
Public safety officers benefit fund	\$ 400,000
GROSS APPROPRIATION	\$ 400,000
Appropriated from:	
State general fund/general purpose	\$ 400,000
(5) FIELD SERVICES	
Investigative services	\$ 770,000
GROSS APPROPRIATION	\$ 770,000
Appropriated from:	
Special revenue funds:	
Bottle bill enforcement fund	770,000
State general fund/general purpose	\$ 0
(6) SPECIALIZED SERVICES	
Commercial vehicle enforcement	\$ 5,230,000
Highway safety planning	25,000
GROSS APPROPRIATION	\$ 5,255,000
Appropriated from:	
Federal revenues:	
DOT	5,000,000
Special revenue funds:	
Private donations	25,000
Bottle bill enforcement fund	230,000
State general fund/general purpose	\$ 0
(7) ONE-TIME APPROPRIATIONS	
ARP - community policing competitive grant program	\$ 11,000,000
ARP - community policing grants	4,500,000
ARP - police athletic league	7,500,000
Disaster and emergency contingency fund	6,000,000
Michigan commission on law enforcement standards certification fees	2,700,000
Narcotics teams/task force - training and equipment	3,000,000
Public safety academy assistance programs	30,000,000
Traffic stop data collection enhancement	3,000,000
GROSS APPROPRIATION	\$ 67,700,000
Appropriated from:	
Federal revenues:	
Coronavirus state fiscal recovery fund	23,000,000
State general fund/general purpose	\$ 44,700,000
Sec. 116. DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 18,984,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 18,984,000
Federal revenues:	
Total federal revenues	0

	For Fiscal Year Ending Sept. 30, 2022
Special revenue funds:	
Total local revenues	\$ 0
Total private revenues	0
Total other state restricted revenues	3,184,000
State general fund/general purpose	\$ 15,800,000
(2) ONE-TIME APPROPRIATIONS	
Communications radios and towers	\$ 8,800,000
Michigan-Indiana border survey	(500,000)
Michigan public safety communications system towers and equipment	5,000,000
MiLogin	2,500,000
PFAS remediation	3,184,000
GROSS APPROPRIATION	\$ 18,984,000
Appropriated from:	
Special revenue funds:	
State site cleanup fund	3,184,000
State general fund/general purpose	\$ 15,800,000
Sec. 117. STATE DEPARTMENT OF TRANSPORTATION	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 12,350,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 12,350,000
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	350,000
Total other state restricted revenues	0
State general fund/general purpose	\$ 12,000,000
(2) AERONAUTICS SERVICES	
Aviation services	\$ 350,000
GROSS APPROPRIATION	\$ 350,000
Appropriated from:	
Special revenue funds:	
Private funds	350,000
State general fund/general purpose	\$ 0
(3) CAPITAL OUTLAY - AIRPORT IMPROVEMENT PROGRAMS	
IIJA airport infrastructure grants	\$ 12,000,000
GROSS APPROPRIATION	\$ 12,000,000
Appropriated from:	
State general fund/general purpose	\$ 12,000,000
Sec. 118. DEPARTMENT OF TREASURY	
(1) APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 14,500,000
Interdepartmental grant revenues:	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 14,500,000
Federal revenues:	
Total federal revenues	0
Special revenue funds:	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 14,500,000

	For Fiscal Year Ending Sept. 30, 2022
(2) ONE-TIME APPROPRIATIONS	
Fire gear equipment grants	\$ 12,000,000
Wrongful imprisonment compensation fund	2,500,000
GROSS APPROPRIATION	\$ 14,500,000
Appropriated from:	
State general fund/general purpose	\$ 14,500,000

PART 2
PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2021-2022

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 the fiscal year ending September 30, 2022 is (\$1,405,344,800.00) and total state spending from state sources to be paid to local units of government is (\$171,122,200.00). The itemized statement below identifies appropriations from which spending to local units of government will occur:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Child care fund	\$ (24,266,400)
Raise the age fund	4,000,000
County juvenile officers	73,300
Autism services	(30,904,900)
Healthy Michigan plan – behavioral health	(270,400)
Medicaid mental health services	(154,283,600)
Medicaid substance use disorder services	(3,870,200)
	\$ (209,522,200)

DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

Corrections officer post-secondary grants	\$ 5,000,000
	\$ 5,000,000

DEPARTMENT OF STATE

Election administration and services	\$ 600,000
	\$ 600,000

DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET

Communications radios and towers	\$ 8,800,000
	\$ 8,800,000

STATE DEPARTMENT OF TRANSPORTATION

IJA airport infrastructure grants	\$ 12,000,000
	\$ 12,000,000

DEPARTMENT OF TREASURY

Fire gear equipment grants	\$ 12,000,000
	\$ 12,000,000

TOTAL

\$ (171,122,200)

Sec. 202. The appropriations made and expenditures authorized under this part and the departments, commissions, boards, offices, and programs for which appropriations are made under this part 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. Funds appropriated in part 1 are subject to applicable federal audit and reporting requirements. Prompt action shall be taken if instances of noncompliance are identified, including noncompliance identified in an audit finding. If any instance of noncompliance is identified, including noncompliance identified in an audit finding, the state budget director shall take necessary and immediate action to rectify it. The state budget director shall notify the senate and house appropriations committees and the senate and house fiscal agencies when an instance of noncompliance is identified.

Sec. 205. Funds appropriated in part 1 from the federal American rescue plan act of 2021, Public Law 117-2, must be allocated and expended in a manner consistent with federal rules and regulations.

Sec. 206. The state budget director shall report on the status of funds appropriated in part 1, and all funds appropriated related to the coronavirus relief effort, to the senate and house appropriations committees and the senate and house fiscal agencies on a monthly basis until all funds are exhausted.

CAPITAL OUTLAY

Sec. 301. (1) From the funds appropriated in part 1 for planning authorizations, for the new state psychiatric hospital complex, the department of technology, management, and budget shall support the program and planning of a new complex of inpatient psychiatric facilities that will include both of the following:

(a) A new, standalone, state-operated hospital to provide intensive inpatient psychiatric services to children and adolescents.

(b) A new, standalone, state-operated hospital to provide intensive inpatient psychiatric services to adults.

(2) These hospitals shall be separate and distinct facilities and shall not make use of any living or programmatic space for services that includes both children and adults. The complex, however, may include shared administrative and support facilities for the efficient provision of central services, including, but not limited to, food service, laundry, pharmacy, utility services, and maintenance in support of each hospital facility.

(3) The department of technology, management, and budget, in coordination with the department of health and human services, shall submit all of the following to the senate and house appropriations committees and to the joint capital outlay subcommittee:

(a) Program statements and schematic planning documents for the facilities once preliminary design is complete.

(b) A progress report every 3 months until project completion, with the first progress report due no later than December 31, 2022.

DEPARTMENT OF CIVIL RIGHTS

Sec. 351. (1) From the funds appropriated in part 1 for advocates and leaders for police and community trust, the department shall provide and administer grants to local existing advocates and leaders for police and community trust (ALPACT) coalitions to examine issues affecting police and community relations and to promote trust between law enforcement and the communities they serve.

(2) The unexpended funds appropriated in part 1 for advocates and leaders for police and community trust are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to support local existing ALPACT coalitions.

(b) The project will be accomplished by utilizing state employees, contracts with vendors and individuals, or both.

(c) The total estimated cost of the project is \$500,000.00.

(d) The tentative completion date is September 30, 2026.

DEPARTMENT OF EDUCATION

Sec. 401. From the funds appropriated in part 1 for child development and care public assistance, CRRSA – child care stimulus, ARP – child care stimulus, child care award, or ARP – child care entitlement, the department shall implement a biweekly block reimbursement rate schedule through the following block segments:

(a) The block segment for a biweekly block reimbursement rate schedule for child care centers, group homes, and registered family homes, for between 1 to 30 hours, shall be reimbursed as 30 hours.

(b) The block segment for a biweekly block reimbursement rate schedule for child care centers, group homes, and registered family homes, for between 31 to 60 hours, shall be reimbursed as 60 hours (part-time rate).

(c) The block segment for a biweekly block reimbursement rate schedule for child care centers, group homes, and registered family homes, for between 61 to 90 hours, shall be reimbursed as 90 hours (full-time rate).

(d) The block segment for a biweekly block reimbursement rate schedule for license exempt providers shall be reimbursed at their current hourly reimbursement rates.

Sec. 402. (1) From the funds appropriated in part 1 for ARP – child care stimulus, ARP – child care entitlement, or child care award, \$3,000,000.00 shall be used for a pilot program that provides quality support to Michigan providers who seek to adopt business practices that best serve Michigan families.

(2) An eligible recipient of funds under this section must partner with the department of licensing and regulatory affairs and stakeholders to conduct market research of current family-, group-, and center-based child care providers to provide recommendations on ways to streamline the licensing processes for new providers and to provide technical assistance to new, expanding, or existing child care providers.

(3) In order to be eligible for funding under this section, the recipient must agree to do all of the following:

(a) Develop technical assistance materials aimed at assisting family, group, and center child care providers and prospective providers through the licensing processes, health and safety requirements, entrepreneurship, and curriculum development.

(b) Develop informational materials that assist family, group, and center child care providers with marketing, advertising, and parental outreach.

(c) Provide a software platform, including customizable dashboards, to assist family, group, and center child care providers with marketing, enrollment, family communication, billing, and expense reporting.

(4) As a condition of receiving funds appropriated in part 1, recipients must report to the department all necessary information to meet state and federal reporting requirements in law and regulations. This information must be reported in a form and manner determined by the department.

Sec. 403. From the funds appropriated in part 1 for ARP - child care entitlement and child care award, \$3,000,000.00 shall be used by the department to work in collaboration with the department of health and human services to continue the network of infant and early childhood mental health consultation, which provides mental health consultation to child care providers.

Sec. 404. From the funds appropriated in part 1 for CRRSA – child care stimulus, ARP – child care stimulus, child care award, or ARP – child care entitlement, beginning on the first full biweekly pay period of the fiscal year ending September 30, 2022 and ending on the final full biweekly pay period of the fiscal year ending September 30, 2023, the department shall pay on a family's behalf the child development and care program's required family contribution.

Sec. 405. The unexpended funds appropriated in part 1 for ARP – child care entitlement are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide all of the following:

(i) An expanded entrance eligibility threshold.

(ii) An increase to provider reimbursement rates.

(iii) Payments based on enrollment rather than attendance.

(iv) Early childhood mental health consultation.

(v) Quality support for the implementation of business practices that best serve Michigan families.

(b) The project shall be accomplished by the department and the department of health and human services.

(c) The total estimated cost of the project is \$30,000,000.00.

(d) The tentative completion date is September 30, 2023.

Sec. 406. The unexpended funds appropriated in part 1 for ARP - child care stabilization fund are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide stabilization grants to child care providers and support to new and expanding child care providers.

(b) The project shall be accomplished by the department.

(c) The total estimated cost of the project is \$700,708,800.00.

(d) The tentative completion date is September 30, 2023.

Sec. 407. The unexpended funds appropriated in part 1 for ARP – child care stimulus are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide all of the following:

(i) An expanded entrance eligibility threshold.

(ii) An increase to provider reimbursement rates.

(iii) Payments based on enrollment rather than attendance.

(iv) Support to new and expanding child care providers.

(v) Additional pay based on provider reimbursement rates.

(vi) Bonus pay for child care workers.

(vii) Contracts for infant and toddler slots.

(viii) Administrative funding for the department.

(ix) Co-pays for eligible families.

(x) Quality support for the implementation of business practices that best serve Michigan families.

(b) The project shall be accomplished by the department.

(c) The total estimated cost of the project is \$438,107,400.00.

(d) The tentative completion date is September 30, 2023.

Sec. 408. (1) From the funds appropriated in part 1 for CRRSA – child care stimulus, ARP – child care stimulus, child care award, ARP - child care stabilization fund, or ARP – child care entitlement, the department shall administer at least 1 new round of grants through the child care stabilization grant program to provide grants to eligible providers in this state. Providers are eligible to apply for subgrant funds under this section if they are eligible under federal guidance and are currently operating or have temporarily closed due to COVID-19. The first additional round of funding must be awarded before September 30, 2022. Awards are dependent on availability of federal funding and may change after the initial award notification from the department to reflect available federal revenues.

(2) Providers receiving subgrants under this section must use the funds for allowable uses defined in the American rescue plan act of 2021, Public Law 117-2, or division M of the consolidated appropriations act, 2021, Public Law 116-260. In addition, providers receiving subgrants under this section shall comply with reporting requirements as determined by the department.

Sec. 409. From the funds appropriated in part 1 for ARP - ESSER administration, \$10,300,000.00 shall be used by the department to provide administrative assistance and monitoring oversight of this state's public schools utilizing ARP ESSER funding as required by the United States Department of Education and to identify ways to address students' academic and mental health needs, and to address learning loss in this state due to the COVID-19 pandemic. At least 50% of the funds allocated under this section must be used for direct services to districts to address students' academic and mental health needs.

Sec. 410. The unexpended funds appropriated in part 1 for ARP - ESSER administration are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide all of the following:

(i) Provide administrative assistance and monitoring oversight of this state's public schools utilizing ARP ESSER funding.

(ii) Identify strategies to address students' academic and mental health needs, and to address learning loss in this state due to the COVID-19 pandemic.

(b) The project shall be administered by the department.

(c) The total estimated cost of the project is \$10,300,000.00.

(d) The tentative completion date is September 30, 2024.

Sec. 411. The unexpended funds appropriated in part 1 for child care award are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide all of the following:

(i) An expanded entrance eligibility threshold.

(ii) An increase to provider reimbursement rates.

(iii) Payments based on enrollment rather than attendance.

(iv) Early childhood mental health consultation.

(v) Quality support for the implementation of business practices that best serve Michigan families.

(b) The project shall be accomplished by the department and the department of health and human services.

(c) The total estimated cost of the project is \$34,932,300.00.

(d) The tentative completion date is September 30, 2023.

Sec. 412. The unexpended funds appropriated in part 1 for CRRSA - child care stimulus are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide all of the following:

(i) An expanded entrance eligibility threshold.

(ii) An increase to provider reimbursement rates.

(iii) Payments based on enrollment rather than attendance.

(iv) Stabilization grants to child care providers.

(v) Additional pay based on provider reimbursement rates.

(vi) Bonus pay for child care workers.

(vii) Contracts for infant and toddler slots.

(viii) Administrative funding for the department.

(b) The project shall be accomplished by the department.

(c) The total estimated cost of the project is \$292,115,000.00.

(d) The tentative completion date is September 30, 2023.

DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY

Sec. 451. The unexpended funds appropriated in part 1 for environmental sustainability and stewardship are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide grant assistance to this state's public and private sectors as approved by the federal Department of Energy.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is \$6,500,000.00.

(d) The tentative completion date is September 30, 2026.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Sec. 501. The unexpended funds appropriated in part 1 for weatherization assistance - IJJA are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to reduce energy costs for low-income families, particularly for the elderly, people with disabilities, and children, while ensuring their health and safety.

(b) The project will be accomplished through grants to community action agencies with oversight by the department.

(c) The total estimated cost of the project is \$20,000,000.00.

(d) The tentative completion date is September 30, 2026.

Sec. 503. The unexpended funds appropriated in part 1 for ARP - TANF pandemic emergency assistance fund are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide certain nonrecurrent, short-term benefits, including emergency assistance and diversion payments, emergency housing and short-term homelessness assistance, emergency food aid, short-term utilities payments, burial assistance, clothing allowances, and back-to-school payments.

(b) The project will be accomplished by utilizing state employees or contracts with services providers, or both.

(c) The total estimated cost of the project is \$19,001,800.00.

(d) The tentative completion date is September 30, 2026.

Sec. 504. The unexpended funds appropriated in part 1 for child caring institution non-contracted rates are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to support costs associated with child- and program-specific, noncontracted rates determined appropriate to serve children in licensed child caring institutions.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is \$15,000,000.00.

(d) The tentative completion date is September 30, 2026.

Sec. 505. The unexpended funds appropriated in part 1 for COVID-19 ELC environmental public health emergency response are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to enhance innovation and capabilities of the environmental public health tracking network in Michigan.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is \$300,000.00.

(d) The tentative completion date is September 30, 2026.

Sec. 506. The unexpended funds appropriated in part 1 for COVID-19 ELC special projects are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to strengthen public health lab preparedness and capacity, improve health information systems, and support the Center for Disease Control traveler's health program.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is \$474,600.00.

(d) The tentative completion date is September 30, 2026.

Sec. 507. (1) From the funds appropriated in part 1 for emergency medical services scholarships and grants, the department shall work with the department of treasury to establish, implement, and operate a scholarship and grant program to be used for training people in emergency medical services to address the critical shortage of paramedics statewide. The program must also make scholarships available for high school students who want to train for a career in emergency medical services. The program must also allow all state-approved emergency medical services education programs to apply for grants to train licensed emergency medical services personnel.

(2) In developing the scholarship and grant program described in this section, the department shall do all of the following:

(a) Review the critical shortage of paramedics statewide.

(b) Communicate the availability of funding under this section to school districts across the state and request the school districts to inform high school students of the scholarship opportunity.

(c) Communicate the availability of funding under this section to cities, villages, townships, and counties so those entities may assess whether personnel could be trained to become paramedics.

(d) Award funding on a geographically diverse basis.

(e) Award funding that maximizes the number of people that train to become paramedics, while acknowledging differences in training costs, and while improving the status of the critical shortage statewide.

(3) The unexpended funds appropriated in part 1 for emergency medical services scholarships and grants are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to train people in emergency medical services to address the critical shortage of paramedics statewide.

(b) The project will be accomplished by utilizing state employees, contracts with service providers, or local partners.

(c) The estimated cost of the project is \$30,000,000.00.

(d) The tentative completion date is September 30, 2026.

Sec. 508. The unexpended funds appropriated in part 1 for family violence prevention and services are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to make immediate crisis intervention and safety planning services available to victims of domestic violence.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is \$3,595,700.00.

(d) The tentative completion date is September 30, 2026.

Sec. 509. The unexpended funds appropriated in part 1 for federal COVID immunization and vaccine grant are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to increase COVID-19 vaccination capacity, facilitate safe administration and equitable distribution of COVID-19 vaccines, increase vaccine confidence through education, outreach, and partnerships, and implement community engagement strategies to promote COVID-19 vaccination efforts.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is \$7,332,000.00.

(d) The tentative completion date is September 30, 2026.

JUDICIARY

Sec. 551. (1) The funds appropriated for ARP - trial court backlog must be used to create a virtual backlog response docket supporting visiting judges and other costs to help reduce the backlog of criminal cases awaiting in-person proceedings in local courts and the court of appeals.

(2) The unexpended funds appropriated in part 1 for ARP - trial court backlog are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall

be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to assist trial courts with processing backlog cases.
- (b) The project will be accomplished by utilizing state employees, contracts with vendors and individuals, or both.
- (c) The total estimated cost of the project is \$7,000,000.00.
- (d) The tentative completion date is September 30, 2026.

DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

Sec. 601. The unexpended funds appropriated in part 1 for the workers' compensation board of magistrates are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to support temporary magistrates and decrease the backlog related to the COVID-19 pandemic.
- (b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.
- (c) The total estimated cost of the project is \$500,000.00.
- (d) The tentative completion date is September 30, 2026.

Sec. 602. (1) Funds appropriated in part 1 for ARP - coronavirus economic development administration state tourism grant shall be used to support the travel, tourism, and outdoor recreation sectors as these sectors recover from the economic impacts of the coronavirus pandemic. Funds shall be expended as follows:

- (a) A minimum of \$8,307,400.00 shall be expended to augment statewide pure Michigan marketing efforts.
- (b) A minimum of \$1,000,000.00 shall be expended through competitive grants to support accessibility.
- (c) An additional \$1,000,000.00 may be expended for activities under subsection (a) or (b) if approved by the federal United States Economic Development Administration.

(2) The unexpended funds appropriated in part 1 for ARP - coronavirus economic development administration state tourism grant are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to provide support for the state's tourism and hospitality industries.
- (b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.
- (c) The total estimated cost of the project is \$10,307,400.00.
- (d) The tentative completion date is September 30, 2026.

Sec. 603. The unexpended funds appropriated in part 1 for community development block grant - disaster recovery are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to support disaster recovery efforts.
- (b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.
- (c) The total estimated cost of the project is \$12,033,000.00.
- (d) The tentative completion date is September 30, 2026.

Sec. 604. Funds appropriated in part 1 for corrections officer post-secondary grants must be allocated by the department to the Michigan Community College Association to establish a grant program for assistance with corrections officer post-secondary education. The grant program administered by the Michigan Community College Association shall pay for up to 15 college credit hours for current corrections officers and new hires that have not completed college coursework required for employment with the department of corrections.

Sec. 605. The unexpended funds appropriated in part 1 for broadband equity, access, and deployment are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to support broadband equity, access, and deployment projects.
- (b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the work project is \$5,000,000.00.

(d) The tentative completion date is September 30, 2026.

Sec. 606. Funds appropriated in part 1 for Michigan one-time grant shall be allocated to a hospital located in a city with a population of between 11,050 and 11,100 according to the most recent federal decennial census.

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

Sec. 651. (1) Funds appropriated in part 1 for Michigan-Indiana border survey shall be used by the department of licensing and regulatory affairs to conduct a study of the administration and remonumentation of the Michigan-Indiana border. The study must estimate the cost of all of the following:

(a) Administration of a survey and remonumentation of the Michigan-Indiana border.

(b) Recovery or reestablishment of relatively permanent monuments at the mileposts of the Indiana-Michigan state line as established in the 1827 federal survey that defined that line.

(c) Resolving any controversies regarding the location of monuments defining the Michigan-Indiana boundary.

(d) Any additional requirements set forth within the Michigan-Indiana state line remonumentation act, 2022 PA 81, MCL 54.311 to 54.323, and section 12 of the state survey and remonumentation act, 1990 PA 345, MCL 54.272, as amended by 2022 PA 82.

(2) The unexpended funds appropriated in part 1 for Michigan-Indiana border survey are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to study the administration and remonumentation of the Michigan-Indiana border.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is \$500,000.00.

(d) The tentative completion date is September 30, 2026.

Sec. 652. Funds remaining in the homeowner construction lien recovery fund are appropriated to the department for payment of court-ordered homeowner construction lien recovery fund judgments entered prior to August 23, 2010. Pursuant to available funds, the payment of final judgments shall be made in the order in which the final judgments were entered and began accruing interest.

DEPARTMENT OF STATE POLICE

Sec. 701. The unexpended funds appropriated in part 1 for mobile office and system support are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to purchase body-worn cameras and associated equipment for the Michigan state police.

(b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.

(c) The total estimated cost of the project is \$2,000,000.00.

(d) The tentative completion date is September 30, 2026.

Sec. 702. (1) From the funds appropriated in part 1 for ARP - community policing competitive grant program, the Michigan commission on law enforcement standards shall provide and administer grants to law enforcement agencies for community policing grants that develop collaborative partnerships between law enforcement agencies and the communities they serve. Grant funds awarded shall not be used to hire law enforcement personnel. The commission shall develop and publish objective criteria for awarding community policing grants. Criteria shall include, but not be limited to, all of the following:

(a) Implementation of a research-based model or program.

(b) Prioritization of community input to build trust, relationships, and positive outcomes.

(c) Support of a broader community or multi-agency strategy to solve problems.

(d) Promotion of youth engagement activities.

(e) Engagement in partnerships with community-based organizations, local governments, or research institutions.

(2) The commission shall prioritize grant applications to agencies with demonstrated support or established partnerships with the communities being served.

(3) The commission shall provide an annual report to members of the senate and house appropriations committees on the status of community policing grants. The report shall provide a status of grants awarded and recommendations based on the outcomes of grants awarded.

(4) The unexpended funds appropriated in part 1 for community policing competitive grants are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to support community policing competitive grants.
- (b) The project will be accomplished by utilizing state employees, contracts with vendors and individuals, or both.
- (c) The total estimated cost of the project is \$11,000,000.00.
- (d) The tentative completion date is September 30, 2026.

Sec. 703. Funds appropriated in part 1 for ARP - community policing grants must be distributed by the department to support community policing and engagement strategies. Funding must be allocated as follows:

- (a) \$3,000,000.00 to a violence intervention program in a county with a population between 400,000 and 420,000 in a city with a population between 70,000 and 90,000 according to the most recent federal decennial census.
- (b) \$1,000,000.00 to a program that builds positive relationships between law enforcement and the community in a county with a population between 180,000 and 200,000 in a city with a population between 40,000 and 60,000 according to the most recent federal decennial census.
- (c) \$500,000.00 to a community violence intervention program in a county with a population between 1,700,000 and 1,800,000 in a city with a population between 620,000 and 640,000 according to the most recent federal decennial census.

Sec. 704. (1) Funds appropriated in part 1 for ARP - police athletic league shall be distributed to support the existing program in Detroit and to expand the program into the Grand Rapids and Flint areas. Funding must be distributed over a 4-year period, in installments of \$1,875,000.00 per year.

(2) The unexpended funds appropriated in part 1 for ARP - police athletic league are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to support the existing police athletic league program in Detroit and to expand the program into the Grand Rapids and Flint areas.
- (b) The project will be accomplished by utilizing state employees, contracts with vendors, or local partners.
- (c) The estimated cost of the project is \$7,500,000.00.
- (d) The tentative completion date is September 30, 2026.

Sec. 705. The general fund/general purpose funds appropriated in part 1 for disaster and emergency contingency fund shall be deposited to the restricted disaster and emergency contingency fund created in section 18 of the emergency management act, 1976 PA 390, MCL 30.418.

Sec. 706. (1) Funds appropriated in part 1 for Michigan commission on law enforcement standards certification fees must be utilized by the Michigan commission on law enforcement standards to pay for certification of law enforcement officers relocating to this state from out of state for employment by a local law enforcement agency or the Michigan state police.

(2) The unexpended funds appropriated in part 1 for Michigan commission on law enforcement standards certification fees are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to pay for certification of law enforcement officers relocating to Michigan from out of state for employment by a local law enforcement agency or the Michigan state police.
- (b) The project will be accomplished by utilizing state employees, contracts with vendors, or local partners.
- (c) The estimated cost of the project is \$2,700,000.00.
- (d) The tentative completion date is September 30, 2026.

Sec. 707. (1) Funds appropriated in part 1 for narcotic teams/task force – training and equipment must be distributed by the Michigan commission on law enforcement standards, through a grant program, to joint narcotic teams and task forces for purchasing equipment and for training.

(2) From the funds appropriated in part 1, the Michigan commission on law enforcement standards must report detailed expenditure data quarterly to the senate and house appropriations committees, the senate and house fiscal agencies, and the state budget office.

(3) The unexpended funds appropriated in part 1 for narcotic teams/task force – training and equipment are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been

completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to assist joint narcotic teams and task forces with purchasing equipment and for training.

(b) The project will be accomplished by utilizing state employees, contracts with vendors, or local partners.

(c) The estimated cost of the project is \$3,000,000.00.

(d) The tentative completion date is September 30, 2026.

Sec. 708. (1) Funds appropriated in part 1 for public safety academy assistance programs must be allocated for training academy recruit salaries for recruits from local public safety departments, to provide salaries of up to \$4,000.00 to police cadets who are receiving tuition assistance under subsection (2).

(2) Funds appropriated in part 1 for public safety academy assistance programs must be distributed by the Michigan commission on law enforcement standards or the department of treasury through a competitive scholarship program for local public safety department recruits that will provide a police academy scholarship of up to \$20,000.00 per recruit on a first-come, first-served basis to applicants who meet the necessary requirements and enroll in a police academy program.

(3) An applicant must meet both of the following requirements to receive a scholarship under this section:

(a) Have applied to at least 1 law enforcement basic training academy approved by the Michigan commission on law enforcement standards.

(b) Have completed an interview and received approval for the scholarship from the local public safety department that the applicant intends to serve.

(4) For the purposes of this section, no more than 25 scholarships may be approved by a particular local public safety department.

(5) The Michigan commission on law enforcement standards is authorized to use up to \$140,000.00 for administration of the scholarship program.

(6) The unexpended funds appropriated in part 1 for public safety academy assistance programs are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

(a) The purpose of the project is to provide salaries and scholarships for public safety recruits.

(b) The project will be accomplished by utilizing state employees, contracts with vendors, or local partners.

(c) The estimated cost of the project is \$30,000,000.00.

(d) The tentative completion date is September 30, 2026.

Sec. 709. (1) From the funds appropriated in part 1 for traffic stop data collection enhancement, the department shall develop new tracking and documentation systems, including a benchmarking dashboard, and expand data collected during traffic stops to allow for easier review and analysis of traffic stops.

(2) The unexpended funds appropriated in part 1 for traffic stop data collection enhancement are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a(1) of the management and budget act, 1984 PA 431, MCL 1984 PA 18.1451a:

(a) The purpose of the project is to support traffic stop data collection enhancement.

(b) The project will be accomplished by utilizing state employees, contracts with vendors and individuals, or both.

(c) The total estimated cost of the project is \$3,000,000.00.

(d) The tentative completion date is September 30, 2026.

DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET

Sec. 751. (1) Funds appropriated in part 1 for communications radios and towers shall be allocated as follows:

(a) \$1,000,000.00 for radios in a county with a population between 81,000 and 86,000 according to the most recent federal decennial census.

(b) \$3,000,000.00 for towers in a county with a population between 61,000 and 63,000 according to the most recent federal decennial census.

(c) \$4,800,000.00 for towers in a county with a population between 63,000 and 65,000 according to the most recent federal decennial census.

(2) Grants to local units of government for the construction of new towers or the augmentation of existing towers and associated equipment shall support the integration of a county into the Michigan public safety communications system (MPSCS) or to expand the interoperability of all local public safety entities within the county on the MPSCS.

Sec. 752. (1) Funds appropriated in part 1 for Michigan public safety communications system towers and equipment shall be used to support the construction or maintenance of towers, shelter equipment, state radio replacements, and any other associated equipment involved in maintaining or augmenting the MPSCS. Funding shall be used to aid in the maintenance and improvement of the statewide integration and interoperability of all state and local public safety communications resources.

(2) The unexpended funds appropriated in part 1 for Michigan public safety communications system towers and equipment are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to issue grants for communication towers and other communication equipment.
- (b) The project will be accomplished by utilizing state employees, contracts with vendors, or local partners.
- (c) The estimated cost of the project is \$5,000,000.00.
- (d) The tentative completion date is September 30, 2026.

Sec. 753. The unexpended funds appropriated in part 1 for PFAS remediation are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be made available for expenditures for site remediation activities at the Michigan state police emergency management and homeland security training center. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of this project is to support PFAS remediation activities at the Michigan state police emergency management and homeland security training center, which may include, but are not limited to, investigation, diversion, disposal, mitigation, monitoring, and coordination with agency partners to ensure that public health and the environment are protected in accordance with all applicable state and federal requirements.
- (b) The project will be accomplished by utilizing state employees or contracts with service providers, or both.
- (c) The total estimated cost of the project is \$3,184,000.00.
- (d) The tentative completion date is September 30, 2026.

Sec. 754. There is appropriated from general fund/general purpose revenue, for the fiscal year ending September 30, 2022, beyond any amounts previously deposited, the sum of \$180,000,000.00 for deposit into the countercyclical budget and economic stabilization fund created in section 351 of the management and budget act, 1984 PA 431, MCL 18.1351.

DEPARTMENT OF TREASURY

Sec. 801. (1) Funds appropriated in part 1 for fire gear equipment grants must be distributed by the department of treasury to local units, through a competitive grant process, to assist fire departments that are predominately on-call, part-time, or volunteer with purchasing fire gear for fire fighters. A grant that is provided by utilizing funding appropriated in part 1 must not exceed \$10,000.00.

(2) The unexpended funds appropriated in part 1 for fire gear equipment grants are designated as a work project appropriation. Unencumbered or unallotted funds shall not lapse at the end of the fiscal year and shall be available for expenditures under this section until the project has been completed. The following is in compliance with section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

- (a) The purpose of the project is to assist fire departments that are predominately on-call, part-time, or volunteer with purchasing fire gear for fire fighters.
- (b) The project will be accomplished by utilizing state employees, contracts with vendors, or local partners.
- (c) The estimated cost of the project is \$12,000,000.00.
- (d) The tentative completion date is September 30, 2026.

Sec. 802. The disbursement by the department of treasury from the bottle deposit fund to dealers as required by section 3c(3) of 1976 IL 1, MCL 445.573c, is appropriated.

REPEALERS

- Sec. 1101. Section 1011 of article 3 of 2021 PA 87 is repealed.
- Sec. 1102. Section 1012 of article 3 of 2021 PA 87 is repealed.
- Sec. 1103. Section 1025 of article 3 of 2021 PA 87 is repealed.
- Sec. 1104. Section 1030 of article 3 of 2021 PA 87 is repealed.
- Sec. 1105. Section 1031 of article 3 of 2021 PA 87 is repealed.
- Sec. 1106. Section 1032 of article 3 of 2021 PA 87 is repealed.
- Sec. 1107. Section 1033 of article 3 of 2021 PA 87 is repealed.
- Sec. 1108. Section 1034 of article 3 of 2021 PA 87 is repealed.
- Sec. 1109. Section 892 of article 5 of 2021 PA 87 is repealed.
- Sec. 1110. Section 910 of article 5 of 2021 PA 87 is repealed.

Third: That the House and Senate agree to the title of the bill to read as follows:

A bill to make, supplement, adjust, and consolidate appropriations for various state departments and agencies, capital outlays, the judicial branch, and the legislative branch for the fiscal years ending September 30, 2022 and September 30, 2023; to provide for certain conditions on appropriations; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.

Thomas A. Albert
Greg VanWoerkom
Terry J. Sabo
Conferees for the House

Jim Stamas
Roger Victory
Curtis Hertel Jr.
Conferees for the Senate

Rep. Frederick moved pursuant to Joint Rule 9, that the Journal printing requirement be suspended, printed copies of the text having been made available to each Member.

The motion prevailed, a majority of the members serving voting therefor.

The question being on the adoption of the conference report,

The conference report was then adopted, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 369

Yeas—97

Aiyash	Damoose	LaFave	Rogers
Albert	Eisen	LaGrand	Roth
Allor	Ellison	Lasinski	Sabo
Anthony	Farrington	Liberati	Scott
Beeler	Filler	Lightner	Shannon
Bellino	Fink	Lilly	Slagh
Beson	Frederick	Manoogian	Sneller
Bezotte	Garza	Marino	Sowerby
Bolden	Glanville	Markkanen	Steckloff
Bollin	Glenn	Martin	Steenland
Borton	Green	Meerman	Stone
Brabec	Griffin	Mekoski	Tate
Brann	Haadsma	Morse	Thanedar
Breen	Hall	Mueller	Tisdell
Brixie	Harris	Neeley	VanWoerkom
Calley	Hauck	O'Malley	Wakeman
Cambensy	Hertel	O'Neal	Weiss
Camilleri	Hood	Outman	Wendzel
Carter, B	Hope	Paquette	Wentworth
Carter, T	Hornberger	Pepper	Whiteford
Cavanagh	Howell	Peterson	Witwer
Cherry	Kahle	Pohutsky	Yancey
Clemente	Koleszar	Posthumus	Yaroch
Clements	Kuppa	Rabhi	Young
Coleman			

Nays—9

Alexander	Hoitenga	Maddock	Rendon
Berman	Johnson, S	Reilly	VanSingel
Carra			

In The Chair: Hornberger

Senate Bill No. 845, entitled

A bill to amend 1979 PA 94, entitled “The state school aid act of 1979,” by amending sections 3, 6, 6a, 11, 11a, 11j, 11k, 11m, 11s, 15, 18, 20, 20d, 20f, 20m, 21b, 21f, 21h, 22a, 22b, 22c, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 28, 31a, 31d, 31f, 31j, 31n, 31o, 31p, 31y, 31z, 32d, 32p, 35a, 35d, 35f, 35g, 35h, 39, 39a, 41, 51a, 51c, 51d, 51g, 53a, 54, 54b, 54d, 55, 56, 61a, 61b, 61c, 61d, 62, 65, 67, 67a, 74, 81, 94, 94a, 95b, 97, 97a, 98, 98b, 99h, 99i, 99s, 99t, 99u, 99x, 99aa, 101, 104, 104f, 104h, 107, 147, 147a, 147b, 147c, 147e, 152a, 152b, 201, 202a, 206, 207a, 207b, 207c, 209, 209a, 210h, 226b, 226d, 226g, 229, 229a, 230, 236, 236b, 236c, 236h, 237b, 241, 245a, 251, 252, 256, 259, 260, 263, 264, 265, 265a, 265b, 267, 268, 269, 270c, 274, 275, 275b, 275f, 275g, 275h, 275i, 276, 277, 278, 279, 280, 281, and 282 (MCL 388.1603, 388.1606, 388.1606a, 388.1611, 388.1611a, 388.1611j, 388.1611k, 388.1611m, 388.1611s, 388.1615, 388.1618, 388.1620, 388.1620d, 388.1620f, 388.1620m, 388.1621b, 388.1621f, 388.1621h, 388.1622a, 388.1622b, 388.1622c, 388.1622d, 388.1622m, 388.1622p, 388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1626a, 388.1626b, 388.1626c, 388.1626d, 388.1628, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631n, 388.1631o, 388.1631p, 388.1631y, 388.1631z, 388.1632d, 388.1632p, 388.1635a, 388.1635d, 388.1635f, 388.1635g, 388.1635h, 388.1639, 388.1639a, 388.1641, 388.1651a, 388.1651c, 388.1651d, 388.1651g, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1655, 388.1656, 388.1661a, 388.1661b, 388.1661c, 388.1661d, 388.1662, 388.1665, 388.1667, 388.1667a, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1695b, 388.1697, 388.1697a, 388.1698, 388.1698b, 388.1699h, 388.1699i, 388.1699s, 388.1699t, 388.1699u, 388.1699x, 388.1699aa, 388.1701, 388.1704, 388.1704f, 388.1704h, 388.1707, 388.1747, 388.1747a, 388.1747b, 388.1747c, 388.1747e, 388.1752a, 388.1752b, 388.1801, 388.1802a, 388.1806, 388.1807a, 388.1807b, 388.1807c, 388.1809, 388.1809a, 388.1810h, 388.1826b, 388.1826d, 388.1826g, 388.1829, 388.1829a, 388.1830, 388.1836, 388.1836b, 388.1836c, 388.1836h, 388.1837b, 388.1841, 388.1845a, 388.1851, 388.1852, 388.1856, 388.1859, 388.1860, 388.1863, 388.1864, 388.1865, 388.1865a, 388.1865b, 388.1867, 388.1868, 388.1869, 388.1870c, 388.1874, 388.1875, 388.1875b, 388.1875f, 388.1875g, 388.1875h, 388.1875i, 388.1876, 388.1877, 388.1878, 388.1879, 388.1880, 388.1881, and 388.1882), sections 3, 202a, 237b, and 275 as amended by 2020 PA 165, sections 6, 6a, 11a, 11j, 11k, 11m, 11s, 15, 18, 20, 20d, 20f, 21f, 21h, 22a, 22b, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 28, 31a, 31d, 31f, 31j, 31n, 32d, 32p, 35a, 35d, 35f, 39, 39a, 41, 51a, 51c, 51d, 53a, 54, 54b, 54d, 55, 56, 61a, 61b, 61c, 61d, 62, 65, 67, 67a, 74, 81, 94, 94a, 95b, 98, 99h, 99i, 99s, 99t, 99u, 99x, 101, 104, 104f, 107, 147, 147a, 147b, 147c, 147e, 152a, and 152b as amended and sections 20m, 22c, 26d, 31o, 31p, 31y, 31z, 35g, 35h, 51g, 97, 97a, 98b, 99aa, and 104h as added by 2021 PA 48, section 11 as amended by 2022 PA 93, section 21b as amended by 2014 PA 196, sections 201, 206, 207a, 207b, 207c, 209, 209a, 226b, 226d, 229, 229a, 230, 236, 236b, 236c, 241, 245a, 256, 259, 260, 263, 264, 265, 265b, 267, 268, 269, 270c, 274, 275f, 275g, 275h, 275i, 276, 277, 278, 279, 280, 281, and 282 as amended and sections 210h, 226g, and 236h as added by 2021 PA 86, sections 251 and 252 as amended by 2019 PA 162, section 265a as amended by 2019 PA 62, and section 275b as amended by 2018 PA 265, and by adding sections 8c, 11x, 11y, 23f, 27a, 27b, 27c, 27d, 27e, 27f, 30c, 31q, 31aa, 31bb, 31cc, 31dd, 31ee, 32n, 32t, 32u, 41b, 51e, 61i, 67c, 67d, 67e, 97b, 97e, 97f, 98c, 99cc, 99dd, 99ee, 104i, 216, 216a, 216b, 226e, 226f, 227, 227a, 236j, 236k, 265f, 265g, 266a, 274a, 275j, and 275k; and to repeal acts and parts of acts.

The Senate has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

The Conference Report was read as follows:

First Conference Report

The Committee of Conference on the matters of difference between the two Houses concerning

Senate Bill No. 845, entitled

A bill to amend 1979 PA 94, entitled “The state school aid act of 1979,” by amending sections 11, 17b, 201, and 236 (MCL 388.1611, 388.1617b, 388.1801, and 388.1836), section 11 as amended by 2021 PA 48, section 17b as amended by 2007 PA 137, and sections 201 and 236 as amended by 2021 PA 86.

Recommends:

First: That the House and Senate agree to the Substitute of the House as passed by the House, amended to read as follows:

A bill to amend 1979 PA 94, entitled “The state school aid act of 1979,” by amending sections 3, 6, 6a, 11, 11a, 11j, 11k, 11m, 11s, 15, 18, 20, 20d, 20f, 20m, 21b, 21f, 21h, 22a, 22b, 22c, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 28, 31a, 31d, 31f, 31j, 31n, 31o, 31p, 31y, 31z, 32d, 32p, 35a, 35d, 35f, 35g, 35h, 39, 39a, 41, 51a, 51c, 51d, 51g, 53a, 54, 54b, 54d, 55, 56, 61a, 61b, 61c, 61d, 62, 65, 67, 67a, 74, 81,

94, 94a, 95b, 97, 97a, 98, 98b, 99h, 99i, 99s, 99t, 99u, 99x, 99aa, 101, 104, 104f, 104h, 107, 147, 147a, 147b, 147c, 147e, 152a, 152b, 201, 202a, 206, 207a, 207b, 207c, 209, 209a, 210h, 226b, 226d, 226g, 229, 229a, 230, 236, 236b, 236c, 236h, 237b, 241, 245a, 251, 252, 256, 259, 260, 263, 264, 265, 265a, 265b, 267, 268, 269, 270c, 274, 275, 275b, 275f, 275g, 275h, 275i, 276, 277, 278, 279, 280, 281, and 282 (MCL 388.1603, 388.1606, 388.1606a, 388.1611, 388.1611a, 388.1611j, 388.1611k, 388.1611m, 388.1611s, 388.1615, 388.1618, 388.1620, 388.1620h, 388.1620f, 388.1620m, 388.1621, 388.1621f, 388.1621h, 388.1622a, 388.1622b, 388.1622c, 388.1622d, 388.1622m, 388.1622p, 388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1626a, 388.1626b, 388.1626c, 388.1626d, 388.1628, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631n, 388.1631o, 388.1631p, 388.1631y, 388.1631z, 388.1632d, 388.1632p, 388.1635a, 388.1635d, 388.1635f, 388.1635g, 388.1635h, 388.1635i, 388.1639, 388.1639a, 388.1641, 388.1651a, 388.1651c, 388.1651d, 388.1651g, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1655, 388.1656, 388.1661a, 388.1661b, 388.1661c, 388.1661d, 388.1662, 388.1665, 388.1667, 388.1667a, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1695b, 388.1697, 388.1697a, 388.1698, 388.1698b, 388.1699h, 388.1699i, 388.1699s, 388.1699t, 388.1699u, 388.1699x, 388.1699aa, 388.1701, 388.1704, 388.1704f, 388.1704h, 388.1707, 388.1747, 388.1747a, 388.1747b, 388.1747c, 388.1747e, 388.1752a, 388.1752b, 388.1801, 388.1802a, 388.1806, 388.1807a, 388.1807b, 388.1807c, 388.1809, 388.1809a, 388.1810h, 388.1826b, 388.1826d, 388.1826g, 388.1829, 388.1829a, 388.1830, 388.1836, 388.1836b, 388.1836c, 388.1836h, 388.1837b, 388.1841, 388.1845a, 388.1851, 388.1852, 388.1856, 388.1859, 388.1860, 388.1863, 388.1864, 388.1865, 388.1865a, 388.1865b, 388.1867, 388.1868, 388.1869, 388.1870c, 388.1874, 388.1875, 388.1875b, 388.1875f, 388.1875g, 388.1875h, 388.1875i, 388.1876, 388.1877, 388.1878, 388.1879, 388.1880, 388.1881, and 388.1882), sections 3, 202a, 237b, and 275 as amended by 2020 PA 165, sections 6, 6a, 11a, 11j, 11k, 11m, 11s, 15, 18, 20, 20d, 20f, 21f, 21h, 22a, 22b, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 28, 31a, 31d, 31f, 31j, 31n, 32d, 32p, 35a, 35d, 35f, 39, 39a, 41, 51a, 51c, 51d, 53a, 54, 54b, 54d, 55, 56, 61a, 61b, 61c, 61d, 62, 65, 67, 67a, 74, 81, 94, 94a, 95b, 98, 99h, 99i, 99s, 99t, 99u, 99x, 101, 104, 104f, 107, 147, 147a, 147b, 147c, 147e, 152a, and 152b as amended and sections 20m, 22c, 26d, 31o, 31p, 31y, 31z, 35g, 35h, 51g, 51j, 97, 97a, 98b, 99aa, and 104h as added by 2021 PA 48, section 11 as amended by 2022 PA 93, section 21b as amended by 2014 PA 196, sections 201, 206, 207a, 207b, 207c, 209, 209a, 226b, 226d, 229, 229a, 230, 236, 236b, 236c, 241, 245a, 256, 259, 260, 263, 264, 265, 265b, 267, 268, 269, 270c, 274, 275f, 275g, 275h, 275i, 276, 277, 278, 279, 280, 281, and 282 as amended and sections 210h, 226g, and 236h as added by 2021 PA 86, sections 251 and 252 as amended by 2019 PA 162, section 265a as amended by 2019 PA 62, and section 275b as amended by 2018 PA 265, and by adding sections 8c, 11x, 11y, 23f, 27a, 27b, 27c, 27d, 27e, 27f, 30c, 31q, 31aa, 31bb, 31cc, 31dd, 31ee, 32n, 32t, 32u, 41b, 51e, 61i, 67c, 67d, 67e, 97b, 97e, 97f, 98c, 99cc, 99dd, 99ee, 104i, 216, 216a, 216b, 226e, 226f, 227, 227a, 236j, 236k, 265f, 265g, 266a, 274a, 275j, and 275k; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 3. (1) “Average daily attendance”, for the purposes of complying with federal law, means 92% of the pupils counted in membership on the pupil membership count day, as defined in section 6(7).

(2) “Board” means the governing body of a district or public school academy.

(3) “Center” means the center for educational performance and information created in section 94a.

(4) “Community district” means a school district organized under part 5b of the revised school code, **MCL 380.381 to 380.396**.

(5) “Cooperative education program” means a written voluntary agreement between and among districts to provide certain educational programs for pupils in certain groups of districts. The written agreement must be approved by all affected districts at least annually and must specify the educational programs to be provided and the estimated number of pupils from each district who will participate in the educational programs.

(6) “Department”, except as otherwise provided in this article, means the department of education.

(7) “District” means, **except as otherwise specifically provided in this act**, a local school district established under the revised school code or, except in sections 6(4), 6(6), **11x, 11y**, 13, 20, 22a, 22p, 31a, 51a(14), 105, 105c, and 166b, a public school academy. Except in section 20, district also includes a community district.

(8) “District of residence”, except as otherwise provided in this subsection, means the district in which a pupil’s custodial parent or parents or legal guardian resides. For a pupil described in section 24b, the pupil’s district of residence is the district in which the pupil enrolls under that section. For a pupil described in section 6(4)(d), the pupil’s district of residence is considered to be the district or intermediate district in which the pupil is counted in membership under that section. For a pupil under court jurisdiction who is placed outside the district in which the pupil’s custodial parent or parents or legal guardian resides, the pupil’s district of residence is considered to be the educating district or educating intermediate district.

(9) “District superintendent” means the superintendent of a district or the chief administrator of a public school academy.

Sec. 6. (1) "Center program" means a program operated by a district or by an intermediate district for special education pupils from several districts in programs for pupils with autism spectrum disorder, pupils with severe cognitive impairment, pupils with moderate cognitive impairment, pupils with severe multiple impairments, pupils with hearing impairment, pupils with visual impairment, and pupils with physical impairment or other health impairment. Programs for pupils with emotional impairment housed in buildings that do not serve regular education pupils also qualify. Unless otherwise approved by the department, a center program either serves all constituent districts within an intermediate district or serves several districts with less than 50% of the pupils residing in the operating district. In addition, special education center program pupils placed part-time in noncenter programs to comply with the least restrictive environment provisions of section 1412 of the individuals with disabilities education act, 20 USC 1412, may be considered center program pupils for pupil accounting purposes for the time scheduled in either a center program or a noncenter program.

(2) "District and high school graduation rate" means the annual completion and pupil dropout rate that is calculated by the center pursuant to nationally recognized standards.

(3) "District and high school graduation report" means a report of the number of pupils, excluding adult education participants, in the district for the immediately preceding school year, adjusted for those pupils who have transferred into or out of the district or high school, who leave high school with a diploma or other credential of equal status.

(4) "Membership", except as otherwise provided in this subsection or this article, means for a district, a public school academy, or an intermediate district the sum of the product of .90 times the number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance in the district, public school academy, or intermediate district on the pupil membership count day for the current school year, plus the product of .10 times the final audited count from the supplemental count day of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance in the district, public school academy, or intermediate district for the immediately preceding school year. A district's, public school academy's, or intermediate district's membership is adjusted as provided under section 25e for pupils who enroll after the pupil membership count day in a strict discipline academy operating under sections 1311b to 1311m of the revised school code, MCL 380.1311b to 380.1311m. For 2021-2022 only, membership means for a district, a public school academy, or an intermediate district, the sum of the product of .90 times the number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance in the district, public school academy, or intermediate district on the pupil membership count day for the current school year and the product of .10 times the final audited count of the number of full-time equated pupils engaged in pandemic learning for spring 2021, or, for a public school academy that operates as a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, the final audited count from the supplemental count day of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance in the public school academy for the immediately preceding school year. All pupil counts used in this subsection are as determined by the department and calculated by adding the number of pupils registered for attendance plus pupils received by transfer and minus pupils lost as defined by rules promulgated by the superintendent, and as corrected by a subsequent department audit. The amount of the foundation allowance for a pupil in membership is determined under section 20. In making the calculation of membership, all of the following, as applicable, apply to determining the membership of a district, a public school academy, or an intermediate district:

(a) Except as otherwise provided in this subsection, and pursuant to subsection (6), a pupil is counted in membership in the pupil's educating district or districts. An individual pupil must not be counted for more than a total of 1.0 full-time equated membership.

(b) If a pupil is educated in a district other than the pupil's district of residence, if the pupil is not being educated as part of a cooperative education program, if the pupil's district of residence does not give the educating district its approval to count the pupil in membership in the educating district, and if the pupil is not covered by an exception specified in subsection (6) to the requirement that the educating district must have the approval of the pupil's district of residence to count the pupil in membership, the pupil is not counted in membership in any district.

(c) A special education pupil educated by the intermediate district is counted in membership in the intermediate district.

(d) A pupil placed by a court or state agency in an on-grounds program of a juvenile detention facility, a child caring institution, or a mental health institution, or a pupil funded under section 53a, is counted in membership in the district or intermediate district approved by the department to operate the program.

(e) A pupil enrolled in the Michigan Schools for the Deaf and Blind is counted in membership in the pupil's intermediate district of residence.

(f) A pupil enrolled in a career and technical education program supported by a millage levied over an area larger than a single district or in an area vocational-technical education program established under section 690 of the revised school code, MCL 380.690, is counted in membership only in the pupil's district of residence.

(g) A pupil enrolled in a public school academy is counted in membership in the public school academy.

(h) For the purposes of this section and section 6a, for a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, that is in compliance with section 553a of the revised school code, MCL 380.553a, a pupil's participation in the cyber school's educational program is considered regular daily attendance, and for a district or public school academy, a pupil's participation in a virtual course as that term is defined in section 21f is considered regular daily attendance. **Beginning July 1, 2021, this subdivision is subject to section 8c. It is the intent of the legislature that the immediately preceding sentence apply retroactively and is effective July 1, 2021.** For the purposes of this subdivision, for a pupil enrolled in a cyber school, and utilizing sequential learning, **all of the following apply with regard to the participation means that term as defined in the pupil accounting manual, section 5-O-D: requirements for counting pupils in membership subsection 10 requirement as described in this subdivision:**

(i) Except as otherwise provided in this subdivision, the pupil shall participate in each scheduled course on pupil membership count day or supplemental count day, as applicable. If the pupil is absent on pupil membership count day or supplemental count day, as applicable, the pupil must attend and participate in class during the next 10 consecutive school days if the absence was unexcused, or during the next 30 calendar days if the absence was excused.

(ii) For a pupil who is not learning sequentially, 1 or more of the following must be met on pupil membership count day or supplemental count day, as applicable, for each scheduled course to satisfy the participation requirement under this subdivision:

(A) The pupil attended a live lesson from the teacher.

(B) The pupil logged into a lesson or lesson activity and the login can be documented.

(C) The pupil and teacher engaged in a subject-oriented telephone conversation.

(D) There is documentation of an email dialogue between the pupil and teacher.

(E) There is documentation of activity or work between the learning coach and pupil.

(F) An alternate form of attendance as determined and agreed upon by the cyber school and the pupil membership auditor was met.

(iii) For a pupil using sequential learning, the participation requirement under this subdivision is satisfied if either of the following occurs:

(A) Except as otherwise provided in this sub-subparagraph, the pupil and the teacher of record or mentor complete a 2-way interaction for 1 course during the week on which pupil membership count day or supplemental count day, as applicable, occurs, and the 3 consecutive weeks following that week. However, if a school break is scheduled during any of the weeks described in this sub-subparagraph that is 4 or more days in length or instruction has been canceled districtwide during any of the weeks described in this sub-subparagraph for 3 or more school days, the district is not required to ensure that the pupil and the teacher of record or mentor completed a 2-way interaction for that week. As used in this sub-subparagraph:

(I) "2-way interaction" means the communication that occurs between the teacher of record or mentor and pupil, where 1 party initiates communication and a response from the other party follows that communication. Responses as described in this sub-sub-subparagraph must be to the communication initiated by the teacher of record or mentor, and not some other action taken. This interaction may occur through, but is not limited to, means such as email, telephone, instant messaging, or face-to-face conversation. A parent- or legal-guardian-facilitated 2-way interaction is considered a 2-way interaction if the pupil is in any of grades K to 5 and does not yet possess the skills necessary to participate in 2-way interactions unassisted. The interactions described in this sub-sub-subparagraph must relate to a virtual course on the pupil's schedule and pertain to course content or progress.

(II) "Mentor" means a professional employee of the district who monitors the pupil's progress, ensures the pupil has access to needed technology, is available for assistance, and ensures access to the teacher of record. A mentor may also be the teacher of record if the mentor meets the definition of a teacher of record under this sub-subparagraph and the district is the provider for the course.

(III) "Teacher of record" means a teacher to whom all of the following apply:

(1) He or she is responsible for providing instruction, determining instructional methods for each pupil, diagnosing learning needs, assessing pupil learning, prescribing intervention strategies and modifying lessons, reporting outcomes, and evaluating the effects of instruction and support strategies. The teacher of record may coordinate the distribution and assignment of the responsibilities described in this sub-sub-subparagraph with other teachers participating in the instructional process for a course.

(2) He or she is certified for the grade level or is working under a valid substitute permit, authorization, or approval issued by the department.

(3) He or she has a personnel identification code provided by the center.

(IV) "Week" means a period that starts on Wednesday and ends the following Tuesday.

(B) The pupil completes a combination of 1 or more of the following activities for each scheduled course on pupil membership count day or supplemental count day, as applicable:

(I) Documented attendance in a virtual course where synchronous, live instruction occurred with the teacher.

(II) Documented completion of a course assignment.

(III) Documented completion of a course lesson or lesson activity.

(IV) Documented pupil access to an ongoing lesson, which does not include a login.

(V) Documented physical attendance on pupil membership count day or supplemental count day, as applicable, in each scheduled course, if the pupil will attend at least 50% of the instructional time for each scheduled course on-site, face-to-face with the teacher of record. As used in this sub-subparagraph, "teacher of record" means that term as defined in subparagraph (iii)(A).

(iv) For purposes of subparagraph (iii), each scheduled course currently being attempted by the pupil, rather than every course on the pupil's schedule for the entire term, is considered a part of each scheduled course for the pupil.

(i) For a new district or public school academy beginning its operation after December 31, 1994, membership for the first 2 full or partial fiscal years of operation is determined as follows:

(i) If operations begin before the pupil membership count day for the fiscal year, membership is the average number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance on the pupil membership count day for the current school year and on the supplemental count day for the current school year, as determined by the department and calculated by adding the number of pupils registered for attendance on the pupil membership count day plus pupils received by transfer and minus pupils lost as defined by rules promulgated by the superintendent, and as corrected by a subsequent department audit, plus the final audited count from the supplemental count day for the current school year, and dividing that sum by 2.

(ii) If operations begin after the pupil membership count day for the fiscal year and not later than the supplemental count day for the fiscal year, membership is the final audited count of the number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance on the supplemental count day for the current school year.

(j) If a district is the authorizing body for a public school academy, then, in the first school year in which pupils are counted in membership on the pupil membership count day in the public school academy, the determination of the district's membership excludes from the district's pupil count for the immediately preceding supplemental count day any pupils who are counted in the public school academy on that first pupil membership count day who were also counted in the district on the immediately preceding supplemental count day.

(k) For an extended school year program approved by the superintendent, a pupil enrolled, but not scheduled to be in regular daily attendance, on a pupil membership count day, is counted in membership.

(l) To be counted in membership, a pupil must meet the minimum age requirement to be eligible to attend school under section 1147 of the revised school code, MCL 380.1147, ~~or must be enrolled under subsection (3) of that section~~, and must be less than 20 years of age on September 1 of the school year except as follows:

(i) A special education pupil who is enrolled and receiving instruction in a special education program or service approved by the department, who does not have a high school diploma, and who is less than 26 years of age as of September 1 of the current school year is counted in membership.

(ii) A pupil who is determined by the department to meet all of the following may be counted in membership:

(A) Is enrolled in a public school academy or an alternative education high school diploma program, that is primarily focused on educating pupils with extreme barriers to education, such as being homeless as that term is defined under 42 USC 11302.

(B) Had dropped out of school.

(C) Is less than 22 years of age as of September 1 of the current school year.

(iii) If a child does not meet the minimum age requirement to be eligible to attend school for that school year under section 1147 of the revised school code, MCL 380.1147, but will be 5 years of age not later than December 1 of that school year, the district may count the child in membership for that school year if the parent or legal guardian has notified the district in writing that he or she intends to enroll the child in kindergarten for that school year.

(m) An individual who has achieved a high school diploma is not counted in membership. An individual who has achieved a high school equivalency certificate is not counted in membership unless the individual is a student with a disability as that term is defined in R 340.1702 of the Michigan Administrative Code. An individual participating in a job training program funded under former section 107a or a jobs program funded under former section 107b, administered by the department of labor and economic opportunity, or participating in any successor of either of those 2 programs, is not counted in membership.

(n) If a pupil counted in membership in a public school academy is also educated by a district or intermediate district as part of a cooperative education program, the pupil is counted in membership only in the public school academy unless a written agreement signed by all parties designates the party or parties in which the pupil is counted in membership, and the instructional time scheduled for the pupil in the district or intermediate district is included in the full-time equated membership determination under subdivision (q) and section 101. However, for pupils receiving instruction in both a public school academy and in a district or intermediate district but not as a part of a cooperative education program, the following apply:

(i) If the public school academy provides instruction for at least 1/2 of the class hours required under section 101, the public school academy receives as its prorated share of the full-time equated membership for each of those pupils an amount equal to 1 times the product of the hours of instruction the public school academy provides divided by the number of hours required under section 101 for full-time equivalency, and the remainder of the full-time membership for each of those pupils is allocated to the district or intermediate district providing the remainder of the hours of instruction.

(ii) If the public school academy provides instruction for less than 1/2 of the class hours required under section 101, the district or intermediate district providing the remainder of the hours of instruction receives as its prorated share of the full-time equated membership for each of those pupils an amount equal to 1 times the product of the hours of instruction the district or intermediate district provides divided by the number of hours required under section 101 for full-time equivalency, and the remainder of the full-time membership for each of those pupils is allocated to the public school academy.

(o) An individual less than 16 years of age as of September 1 of the current school year who is being educated in an alternative education program is not counted in membership if there are also adult education participants being educated in the same program or classroom.

(p) The department shall give a uniform interpretation of full-time and part-time memberships.

(q) The number of class hours used to calculate full-time equated memberships must be consistent with section 101. In determining full-time equated memberships for pupils who are enrolled in a postsecondary institution or for pupils engaged in an internship or work experience under section 1279h of the revised school code, MCL 380.1279h, a pupil is not considered to be less than a full-time equated pupil solely because of the effect of his or her postsecondary enrollment or engagement in the internship or work experience, including necessary travel time, on the number of class hours provided by the district to the pupil.

(r) Full-time equated memberships for pupils in kindergarten are determined by dividing the number of instructional hours scheduled and provided per year per kindergarten pupil by the same number used for determining full-time equated memberships for pupils in grades 1 to 12. However, to the extent allowable under federal law, for a district or public school academy that provides evidence satisfactory to the department that it used federal title I money in the 2 immediately preceding school fiscal years to fund full-time kindergarten, full-time equated memberships for pupils in kindergarten are determined by dividing the number of class hours scheduled and provided per year per kindergarten pupil by a number equal to 1/2 the number used for determining full-time equated memberships for pupils in grades 1 to 12. The change in the counting of full-time equated memberships for pupils in kindergarten that took effect for 2012-2013 is not a mandate.

(s) For a district or a public school academy that has pupils enrolled in a grade level that was not offered by the district or public school academy in the immediately preceding school year, the number of pupils enrolled in that grade level to be counted in membership is the average of the number of those pupils enrolled and in regular daily attendance on the pupil membership count day and the supplemental count day of the current school year. Membership is calculated by adding the number of pupils registered for attendance in that grade level on the pupil membership count day plus pupils received by transfer and minus pupils lost as defined by rules promulgated by the superintendent, and as corrected by subsequent department audit, plus the final audited count from the supplemental count day for the current school year, and dividing that sum by 2.

(t) A pupil enrolled in a cooperative education program may be counted in membership in the pupil's district of residence with the written approval of all parties to the cooperative agreement.

(u) If, as a result of a disciplinary action, a district determines through the district's alternative or disciplinary education program that the best instructional placement for a pupil is in the pupil's home or otherwise apart from the general school population, if that placement is authorized in writing by the district superintendent and district alternative or disciplinary education supervisor, and if the district provides appropriate instruction as described in this subdivision to the pupil at the pupil's home or otherwise apart from the general school population, the district may count the pupil in membership on a pro rata basis, with the proration based on the number of hours of instruction the district actually provides to the pupil divided by the number of hours required under section 101 for full-time equivalency. For the purposes of this subdivision, a district is considered to be providing appropriate instruction if all of the following are met:

(i) The district provides at least 2 nonconsecutive hours of instruction per week to the pupil at the pupil's home or otherwise apart from the general school population under the supervision of a certificated teacher.

(ii) The district provides instructional materials, resources, and supplies that are comparable to those otherwise provided in the district's alternative education program.

(iii) Course content is comparable to that in the district's alternative education program.

(iv) Credit earned is awarded to the pupil and placed on the pupil's transcript.

(v) If a pupil was enrolled in a public school academy on the pupil membership count day, if the public school academy's contract with its authorizing body is revoked or the public school academy otherwise ceases to operate, and if the pupil enrolls in a district within 45 days after the pupil membership count day, the department shall adjust the district's pupil count for the pupil membership count day to include the pupil in the count.

(w) For a public school academy that has been in operation for at least 2 years and that suspended operations for at least 1 semester and is resuming operations, membership is the sum of the product of .90 times the number of full-time equated pupils in grades K to 12 actually enrolled and in regular daily attendance on the first pupil membership count day or supplemental count day, whichever is first, occurring after operations resume, plus the product of .10 times the final audited count from the most recent pupil membership count day or supplemental count day that occurred before suspending operations, as determined by the superintendent.

(x) If a district's membership for a particular fiscal year, as otherwise calculated under this subsection, would be less than 1,550 pupils, the district has 4.5 or fewer pupils per square mile, as determined by the department, and the district does not receive funding under section 22d(2), the district's membership is considered to be the membership figure calculated under this subdivision. If a district educates and counts in its membership pupils in grades 9 to 12 who reside in a contiguous district that does not operate grades 9 to 12 and if 1 or both of the affected districts request the department to use the determination allowed under this sentence, the department shall include the square mileage of both districts in determining the number of pupils per square mile for each of the districts for the purposes of this subdivision. If a district has established a community engagement advisory committee in partnership with the department of treasury, is required to submit a deficit elimination plan or an enhanced deficit elimination plan under section 1220 of the revised school code, MCL 380.1220, and is located in a city with a population between 9,000 and 11,000, as determined by the department, that is in a county with a population between 150,000 and 160,000, as determined by the department, the district's membership is considered to be the membership figure calculated under this subdivision. The membership figure calculated under this subdivision is the greater of the following:

(i) The average of the district's membership for the 3-fiscal-year period ending with that fiscal year, calculated by adding the district's actual membership for each of those 3 fiscal years, as otherwise calculated under this subsection, and dividing the sum of those 3 membership figures by 3.

(ii) The district's actual membership for that fiscal year as otherwise calculated under this subsection.

(y) Full-time equated memberships for special education pupils who are not enrolled in kindergarten but are enrolled in a classroom program under R 340.1754 of the Michigan Administrative Code are determined by dividing the number of class hours scheduled and provided per year by 450. Full-time equated memberships for special education pupils who are not enrolled in kindergarten but are receiving early childhood special education services under R 340.1755 or R 340.1862 of the Michigan Administrative Code are determined by dividing the number of hours of service scheduled and provided per year per pupil by 180.

(z) A pupil of a district that begins its school year after Labor Day who is enrolled in an intermediate district program that begins before Labor Day is not considered to be less than a full-time pupil solely due to instructional time scheduled but not attended by the pupil before Labor Day.

(aa) For the first year in which a pupil is counted in membership on the pupil membership count day in a middle college program, the membership is the average of the full-time equated membership on the pupil membership count day and on the supplemental count day for the current school year, as determined by the department. If a pupil described in this subdivision was counted in membership by the operating district on the immediately preceding supplemental count day, the pupil is excluded from the district's immediately preceding supplemental count for the purposes of determining the district's membership.

(bb) A district or public school academy that educates a pupil who attends a United States Olympic Education Center may count the pupil in membership regardless of whether or not the pupil is a resident of this state.

(cc) A pupil enrolled in a district other than the pupil's district of residence under section 1148(2) of the revised school code, MCL 380.1148, is counted in the educating district.

(dd) For a pupil enrolled in a dropout recovery program that meets the requirements of section 23a, the pupil is counted as 1/12 of a full-time equated membership for each month that the district operating the program reports that the pupil was enrolled in the program and was in full attendance. However, if the special membership counting provisions under this subdivision and the operation of the other membership counting

provisions under this subsection result in a pupil being counted as more than 1.0 FTE in a fiscal year, the payment made for the pupil under sections 22a and 22b must not be based on more than 1.0 FTE for that pupil, and any portion of an FTE for that pupil that exceeds 1.0 is instead paid under section 25g. The district operating the program shall report to the center the number of pupils who were enrolled in the program and were in full attendance for a month not later than 30 days after the end of the month. A district shall not report a pupil as being in full attendance for a month unless both of the following are met:

(i) A personalized learning plan is in place on or before the first school day of the month for the first month the pupil participates in the program.

(ii) The pupil meets the district's definition under section 23a of satisfactory monthly progress for that month or, if the pupil does not meet that definition of satisfactory monthly progress for that month, the pupil did meet that definition of satisfactory monthly progress in the immediately preceding month and appropriate interventions are implemented within 10 school days after it is determined that the pupil does not meet that definition of satisfactory monthly progress.

(ee) A pupil participating in a virtual course under section 21f is counted in membership in the district enrolling the pupil.

(ff) If a public school academy that is not in its first or second year of operation closes at the end of a school year and does not reopen for the next school year, the department shall adjust the membership count of the district or other public school academy in which a former pupil of the closed public school academy enrolls and is in regular daily attendance for the next school year to ensure that the district or other public school academy receives the same amount of membership aid for the pupil as if the pupil were counted in the district or other public school academy on the supplemental count day of the preceding school year.

(gg) If a special education pupil is expelled under section 1311 or 1311a of the revised school code, MCL 380.1311 and 380.1311a, and is not in attendance on the pupil membership count day because of the expulsion, and if the pupil remains enrolled in the district and resumes regular daily attendance during that school year, the district's membership is adjusted to count the pupil in membership as if he or she had been in attendance on the pupil membership count day.

(hh) A pupil enrolled in a community district is counted in membership in the community district.

(ii) A part-time pupil enrolled in a nonpublic school in grades K to 12 in accordance with section 166b must not be counted as more than 0.75 of a full-time equated membership.

(jj) A district that borders another state or a public school academy that operates at least grades 9 to 12 and is located within 20 miles of a border with another state may count in membership a pupil who is enrolled in a course at a college or university that is located in the bordering state and within 20 miles of the border with this state if all of the following are met:

(i) The pupil would meet the definition of an eligible student under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, if the course were an eligible course under that act.

(ii) The course in which the pupil is enrolled would meet the definition of an eligible course under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, if the course were provided by an eligible postsecondary institution under that act.

(iii) The department determines that the college or university is an institution that, in the other state, fulfills a function comparable to a state university or community college, as those terms are defined in section 3 of the postsecondary enrollment options act, 1996 PA 160, MCL 388.513, or is an independent nonprofit degree-granting college or university.

(iv) The district or public school academy pays for a portion of the pupil's tuition at the college or university in an amount equal to the eligible charges that the district or public school academy would pay to an eligible postsecondary institution under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, as if the course were an eligible course under that act.

(v) The district or public school academy awards high school credit to a pupil who successfully completes a course as described in this subdivision.

(kk) A pupil enrolled in a middle college program may be counted for more than a total of 1.0 full-time equated membership if the pupil is enrolled in more than the minimum number of instructional days and hours required under section 101 and the pupil is expected to complete the 5-year program with both a high school diploma and at least 60 transferable college credits or is expected to earn an associate's degree in fewer than 5 years.

(ll) If a district's or public school academy's membership for a particular fiscal year, as otherwise calculated under this subsection, includes pupils counted in membership who are enrolled under section 166b, all of the following apply for the purposes of this subdivision:

(i) If the district's or public school academy's membership for pupils counted under section 166b equals or exceeds 5% of the district's or public school academy's membership for pupils not counted in membership under section 166b in the immediately preceding fiscal year, then the growth in the district's or public school academy's membership for pupils counted under section 166b must not exceed 10%.

(ii) If the district's or public school academy's membership for pupils counted under section 166b is less than 5% of the district's or public school academy's membership for pupils not counted in membership under section 166b in the immediately preceding fiscal year, then the district's or public school academy's membership for pupils counted under section 166b must not exceed the greater of the following:

(A) ~~5%~~ **Five percent** of the district's or public school academy's membership for pupils not counted in membership under section 166b.

(B) ~~10%~~ **Ten percent** more than the district's or public school academy's membership for pupils counted under section 166b in the immediately preceding fiscal year.

(iii) If 1 or more districts consolidate or are parties to an annexation, then the calculations under subparagraphs (i) and (ii) must be applied to the combined total membership for pupils counted in those districts for the fiscal year immediately preceding the consolidation or annexation.

(5) "Public school academy" means that term as defined in section 5 of the revised school code, MCL 380.5.

(6) "Pupil" means an individual in membership in a public school. A district must have the approval of the pupil's district of residence to count the pupil in membership, except approval by the pupil's district of residence is not required for any of the following:

(a) A nonpublic part-time pupil enrolled in grades K to 12 in accordance with section 166b.

(b) A pupil receiving 1/2 or less of his or her instruction in a district other than the pupil's district of residence.

(c) A pupil enrolled in a public school academy.

(d) A pupil enrolled in a district other than the pupil's district of residence if the pupil is enrolled in accordance with section 105 or 105c.

(e) A pupil who has made an official written complaint or whose parent or legal guardian has made an official written complaint to law enforcement officials and to school officials of the pupil's district of residence that the pupil has been the victim of a criminal sexual assault or other serious assault, if the official complaint either indicates that the assault occurred at school or that the assault was committed by 1 or more other pupils enrolled in the school the pupil would otherwise attend in the district of residence or by an employee of the district of residence. A person who intentionally makes a false report of a crime to law enforcement officials for the purposes of this subdivision is subject to section 411a of the Michigan penal code, 1931 PA 328, MCL 750.411a, which provides criminal penalties for that conduct. As used in this subdivision:

(i) "At school" means in a classroom, elsewhere on school premises, on a school bus or other school-related vehicle, or at a school-sponsored activity or event whether or not it is held on school premises.

(ii) "Serious assault" means an act that constitutes a felony violation of chapter XI of the Michigan penal code, 1931 PA 328, MCL 750.81 to 750.90h, or that constitutes an assault and infliction of serious or aggravated injury under section 81a of the Michigan penal code, 1931 PA 328, MCL 750.81a.

(f) A pupil whose district of residence changed after the pupil membership count day and before the supplemental count day and who continues to be enrolled on the supplemental count day as a nonresident in the district in which he or she was enrolled as a resident on the pupil membership count day of the same school year.

(g) A pupil enrolled in an alternative education program operated by a district other than his or her district of residence who meets 1 or more of the following:

(i) The pupil has been suspended or expelled from his or her district of residence for any reason, including, but not limited to, a suspension or expulsion under section 1310, 1311, or 1311a of the revised school code, MCL 380.1310, 380.1311, and 380.1311a.

(ii) The pupil had previously dropped out of school.

(iii) The pupil is pregnant or is a parent.

(iv) The pupil has been referred to the program by a court.

(h) A pupil enrolled in the Michigan Virtual School, for the pupil's enrollment in the Michigan Virtual School.

(i) A pupil who is the child of a person who works at the district or who is the child of a person who worked at the district as of the time the pupil first enrolled in the district but who no longer works at the district due to a workforce reduction. As used in this subdivision, "child" includes an adopted child, stepchild, or legal ward.

(j) An expelled pupil who has been denied reinstatement by the expelling district and is reinstated by another school board under section 1311 or 1311a of the revised school code, MCL 380.1311 and 380.1311a.

(k) A pupil enrolled in a district other than the pupil's district of residence in a middle college program if the pupil's district of residence and the enrolling district are both constituent districts of the same intermediate district.

(l) A pupil enrolled in a district other than the pupil's district of residence who attends a United States Olympic Education Center.

(m) A pupil enrolled in a district other than the pupil's district of residence under section 1148(2) of the revised school code, MCL 380.1148.

(n) A pupil who enrolls in a district other than the pupil's district of residence as a result of the pupil's school not making adequate yearly progress under the no child left behind act of 2001, Public Law 107-110, or the every student succeeds act, Public Law 114-95.

However, if a district educates pupils who reside in another district and if the primary instructional site for those pupils is established by the educating district after 2009-2010 and is located within the boundaries of that other district, the educating district must have the approval of that other district to count those pupils in membership.

(7) "Pupil membership count day" of a district or intermediate district means:

(a) Except as provided in subdivision (b), the first Wednesday in October each school year or, for a district or building in which school is not in session on that Wednesday due to conditions not within the control of school authorities, with the approval of the superintendent, the immediately following day on which school is in session in the district or building.

(b) For a district or intermediate district maintaining school during the entire school year, the following days:

(i) Fourth Wednesday in July.

(ii) First Wednesday in October.

(iii) Second Wednesday in February.

(iv) Fourth Wednesday in April.

(8) "Pupils in grades K to 12 actually enrolled and in regular daily attendance" means, **except as otherwise provided in this section**, pupils in grades K to 12 in attendance and receiving instruction in all classes for which they are enrolled on the pupil membership count day or the supplemental count day, as applicable. Except as otherwise provided in this **section and** subsection, a pupil who is absent from any of the classes in which the pupil is enrolled on the pupil membership count day or supplemental count day and who does not attend each of those classes during the 10 consecutive school days immediately following the pupil membership count day or supplemental count day, except for a pupil who has been excused by the district, is not counted as 1.0 full-time equated membership. ~~A-Except as otherwise provided in this section, a~~ pupil who is excused from attendance on the pupil membership count day or supplemental count day and who fails to attend each of the classes in which the pupil is enrolled within 30 calendar days after the pupil membership count day or supplemental count day is not counted as 1.0 full-time equated membership. ~~It~~ **Except as otherwise provided in this section**, in addition, a pupil who was enrolled and in attendance in a district, intermediate district, or public school academy before the pupil membership count day or supplemental count day of a particular year but was expelled or suspended on the pupil membership count day or supplemental count day is only counted as 1.0 full-time equated membership if the pupil resumed attendance in the district, intermediate district, or public school academy within 45 days after the pupil membership count day or supplemental count day of that particular year. ~~A-Except as otherwise provided in this section, a~~ pupil not counted as 1.0 full-time equated membership due to an absence from a class is counted as a prorated membership for the classes the pupil attended. For purposes of this subsection, "class" means either of the following, as applicable:

(a) A period of time in 1 day when pupils and an individual who is appropriately placed under a valid certificate, substitute permit, authorization, or approval issued by the department, are together and instruction is taking place. This subdivision does not apply for the 2020-2021, ~~and 2021-2022~~, **and 2022-2023** school years.

(b) For the 2020-2021, ~~and 2021-2022~~, **and 2022-2023** school years only, a period of time in 1 day when pupils and a certificated teacher, a teacher engaged to teach under section 1233b of the revised school code, MCL 380.1233b, or an individual working under a valid substitute permit, authorization, or approval issued by the department are together and instruction is taking place.

~~(9) "Pupils engaged in pandemic learning for spring 2021" means that term as defined in section 6a.~~

(9) (40) "Rule" means a rule promulgated pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

(10) ~~(11)~~ "The revised school code" means the revised school code, 1976 PA 451, MCL 380.1 to 380.1852.

(11) ~~(12)~~ "School district of the first class", "first class school district", and "district of the first class" mean, for the purposes of this article only, a district that had at least 40,000 pupils in membership for the immediately preceding fiscal year.

(12) ~~(13)~~ "School fiscal year" means a fiscal year that commences July 1 and continues through June 30.

(13) ~~(14)~~ "State board" means the state board of education.

(14) ~~(15)~~ "Superintendent", unless the context clearly refers to a district or intermediate district superintendent, means the superintendent of public instruction described in section 3 of article VIII of the state constitution of 1963.

(15) ~~(16)~~ "Supplemental count day" means the day on which the supplemental pupil count is conducted under section 6a. ~~or the day specified as supplemental count day under section 6a.~~

(16) (17)–“Tuition pupil” means a pupil of school age attending school in a district other than the pupil’s district of residence for whom tuition may be charged to the district of residence. Tuition pupil does not include a pupil who is a special education pupil, a pupil described in subsection (6)(d) to (n), or a pupil whose parent or guardian voluntarily enrolls the pupil in a district that is not the pupil’s district of residence. A pupil’s district of residence shall not require a high school tuition pupil, as provided under section 111, to attend another school district after the pupil has been assigned to a school district.

(17) (18)–“State school aid fund” means the state school aid fund established in section 11 of article IX of the state constitution of 1963.

(18) (19)–“Taxable value” means, except as otherwise provided in this article, the taxable value of property as determined under section 27a of the general property tax act, 1893 PA 206, MCL 211.27a.

(19) (20)–“Textbook” means a book, electronic book, or other instructional print or electronic resource that is selected and approved by the governing board of a district and that contains a presentation of principles of a subject, or that is a literary work relevant to the study of a subject required for the use of classroom pupils, or another type of course material that forms the basis of classroom instruction.

(20) (21)–“Total state aid” or “total state school aid”, except as otherwise provided in this article, means the total combined amount of all funds due to a district, intermediate district, or other entity under this article.

Sec. 6a. (1)–Except as otherwise provided in this subsection and this act, in addition to the pupil membership count day, there is a supplemental pupil count of the number of full-time equated pupils in grades K-12 actually enrolled and in regular daily attendance in a district or intermediate district on the second Wednesday in February or, for a district that is not in session on that day due to conditions not within the control of school authorities, with the approval of the superintendent, the immediately following day on which the district is in session. ~~but, for 2020-2021 only, in addition to the pupil membership count day, there is a supplemental pupil count of the number of full-time equated pupils engaged in pandemic learning for spring 2021 or, for a district that operates as a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, the number of full-time equated pupils in grades K to 12 actually enrolled and in regular attendance in the district on 2020-2021 supplemental count day.~~ For the purposes of this act, and except as otherwise provided in this subsection, the day on which the supplemental pupil count is conducted is the supplemental count day. ~~For 2020-2021, for purposes of this act, and except as otherwise specifically provided in this article, supplemental count day is the second Wednesday in February or, for a district that is not in session on that day due to conditions not within the control of school authorities, with the approval of the superintendent, the immediately following day on which the district is in session. A district is considered to be in session for purposes of this subsection when the district is providing pupil instruction pursuant to an extended COVID-19 learning plan approved under section 98a.~~

(2) As used in this section, “pupils engaged in pandemic learning for spring 2021” means pupils in grades K to 12 who are enrolled in a district, excluding a district that operates as a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, or intermediate district and to which any of the following apply:

(a) For a pupil who is not learning sequentially, any of the following occurs for each of the pupil’s scheduled courses:

(i) The pupil attends a live lesson from the pupil’s teacher or at least 1 of the pupil’s teachers on 2020-2021 supplemental count day.

(ii) The pupil logs into an online or virtual lesson or lesson activity on 2020-2021 supplemental count day and the login can be documented by the district or intermediate district.

(iii) The pupil and the pupil’s teacher or at least 1 of the pupil’s teachers engage in a subject-oriented telephone conversation on 2020-2021 supplemental count day.

(iv) The district or intermediate district documents that an email dialogue occurred between the pupil and the pupil’s teacher or at least 1 of the pupil’s teachers on 2020-2021 supplemental count day.

(b) For a pupil who is using sequential learning, any of the following occurs for each of the pupil’s scheduled courses:

(i) The pupil attends a virtual course where synchronous, live instruction occurs with the pupil’s teacher or at least 1 of the pupil’s teachers on 2020-2021 supplemental count day and the attendance is documented by the district or intermediate district.

(ii) The pupil completes a course assignment on 2020-2021 supplemental count day and the completion is documented by the district or intermediate district.

(iii) The pupil completes a course lesson or lesson activity on 2020-2021 supplemental count day and the completion is documented by the district or intermediate district.

(iv) The pupil accesses an ongoing lesson that is not a login on 2020-2021 supplemental count day and the access is documented by the district or intermediate district.

(c) At a minimum, 1-2-way interaction has occurred between the pupil and the pupil's teacher or at least 1 of the pupil's teachers or another district employee who has responsibility for the pupil's learning, grade progression, or academic progress during the week on which 2020-2021 supplemental count day falls and during each week for the 3 consecutive weeks after the week on which 2020-2021 supplemental count day falls. A district may utilize 2-way interactions that occur under this subdivision toward meeting the requirement under section 101(3)(h). As used in this subdivision:

(i) "2-way interaction" means a communication that occurs between a pupil and the pupil's teacher or at least 1 of the pupil's teachers or another district employee who has responsibility for the pupil's learning, grade progression, or academic progress, where 1 party initiates communication and a response from the other party follows that communication, and that is relevant to course progress or course content for at least 1 of the courses in which the pupil is enrolled or relevant to the pupil's overall academic progress or grade progression. Responses, as described in this subparagraph, must be to communication initiated by the teacher, by another district employee who has responsibility for the pupil's learning, grade progression, or academic progress, or by the pupil, and not some other action taken. The communication described in this subparagraph may occur through, but is not limited to, any of the following means:

- (A) Email.
- (B) Telephone.
- (C) Instant messaging.
- (D) Face-to-face conversation.

(ii) "Week" means a period beginning on Wednesday and ending on the following Tuesday.

(d) The pupil has not participated or completed an activity described in subdivision (a), (b), or (c) and the pupil was not excused from participation or completion, but the pupil participates in or completes an activity described in subdivision (a) or (b) during the 10 consecutive school days immediately following the 2020-2021 supplemental count day.

(e) The pupil has not participated or completed an activity described in subdivision (a), (b), or (c) and the pupil was excused from participation or completion, but the pupil participates in or completes an activity described in subdivision (a) or (b) during the 30 calendar days immediately following the 2020-2021 supplemental count day.

(f) The pupil meets the criteria of pupils in grades K to 12 actually enrolled and in regular daily attendance.

Sec. 8c. (1) Beginning July 1, 2021, the department shall not require, including, but not limited to, through the pupil accounting manual or pupil auditing manual, for any of the following purposes, that a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, ensure that each pupil enrolled in the cyber school participate in all of the hours of educational services made available to the pupil by the cyber school or track a pupil's participation in the educational program offered by the cyber school through attendance:

(a) For the purposes of section 6(4)(h), for establishing a pupil's participation in the cyber school's educational program. However, to the extent that the cyber school is required to track a pupil's participation in the educational program offered by the cyber school through attendance as specifically specified in section 6(4)(h), it shall.

(b) For the receipt of any funding under this act, including, but not limited to, the receipt of funding under section 51a.

(c) For purposes of section 101, for the application of the exemption under section 101(11).

(2) It is the intent of the legislature that this section apply retroactively and is effective July 1, 2021.

Sec. 11. (1) For the fiscal year ending September 30, 2022, there is appropriated for the public schools of this state and certain other state purposes relating to education the sum of \$14,821,340,700.00 \$14,465,414,700.00 from the state school aid fund, the sum of \$97,619,400.00 \$98,119,400.00 from the general fund, an amount not to exceed \$72,000,000.00 from the community district education trust fund created under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, and an amount not to exceed \$100.00 from the water emergency reserve fund. For the fiscal year ending September 30, 2023, there is appropriated for the public schools of this state and certain other state purposes relating to education the sum of \$16,754,072,900.00 from the state school aid fund, the sum of \$112,000,000.00 from the general fund, an amount not to exceed \$72,000,000.00 from the community district education trust fund created under section 12 of the Michigan trust fund act, 2000 PA 489, MCL 12.262, and an amount not to exceed \$140,400,000.00 from the MPSERS retirement obligation reform reserve fund created under section 147b. In addition, all available federal funds are only appropriated as allocated in this article for the fiscal year-years ending September 30, 2022 and September 30, 2023.

(2) The appropriations under this section are allocated as provided in this article. Money appropriated under this section from the general fund must be expended to fund the purposes of this article before the expenditure of money appropriated under this section from the state school aid fund.

(3) Any general fund allocations under this article that are not expended by the end of the fiscal year are transferred to the school aid stabilization fund created under section 11a.

Sec. 11a. (1) The school aid stabilization fund is created as a separate account within the state school aid fund.

(2) The state treasurer may receive money or other assets from any source for deposit into the school aid stabilization fund. The state treasurer shall deposit into the school aid stabilization fund all of the following:

(a) Unexpended and unencumbered state school aid fund revenue for a fiscal year that remains in the state school aid fund as of the bookclosing for that fiscal year.

(b) Money statutorily dedicated to the school aid stabilization fund.

(c) Money appropriated to the school aid stabilization fund.

(3) Money available in the school aid stabilization fund may not be expended without a specific appropriation from the school aid stabilization fund. Money in the school aid stabilization fund must be expended only for purposes for which state school aid fund money may be expended.

(4) The state treasurer shall direct the investment of the school aid stabilization fund. The state treasurer shall credit to the school aid stabilization fund interest and earnings from fund investments.

(5) Money in the school aid stabilization fund at the close of a fiscal year remains in the school aid stabilization fund and does not lapse to the unreserved school aid fund balance or the general fund.

(6) If the maximum amount appropriated under section 11 from the state school aid fund for a fiscal year exceeds the amount available for expenditure from the state school aid fund for that fiscal year, there is appropriated from the school aid stabilization fund to the state school aid fund an amount equal to the projected shortfall as determined by the department of treasury, but not to exceed available money in the school aid stabilization fund. If the money in the school aid stabilization fund is insufficient to fully fund an amount equal to the projected shortfall, the state budget director shall notify the legislature as required under section 296(2) and state payments in an amount equal to the remainder of the projected shortfall must be prorated in the manner provided under section 296(3).

(7) For ~~2021-2022, 2022-2023~~, in addition to the appropriations in section 11, there is appropriated from the school aid stabilization fund to the state school aid fund the amount necessary to fully fund the allocations under this article.

Sec. 11j. From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$111,000,000.00 for ~~2021-2022-2022-2023~~ for payments to the school loan bond redemption fund in the department of treasury on behalf of districts and intermediate districts. Notwithstanding section 296 or any other provision of this act, funds allocated under this section are not subject to proration and must be paid in full.

Sec. 11k. For ~~2021-2022, 2022-2023~~, there is appropriated from the general fund to the school loan revolving fund an amount equal to the amount of school bond loans assigned to the Michigan finance authority, not to exceed the total amount of school bond loans held in reserve as long-term assets. As used in this section, "school loan revolving fund" means that fund created in section 16c of the shared credit rating act, 1985 PA 227, MCL 141.1066c.

Sec. 11m. From the state school aid fund money appropriated in section 11, there is allocated for ~~2020-2021-2021-2022~~ an amount not to exceed ~~\$8,700,000.00~~ **\$1,000,000.00** and there is allocated for ~~2021-2022-2022-2023~~ an amount not to exceed ~~\$9,500,000.00~~ **\$7,800,000.00** for fiscal year cash-flow borrowing costs solely related to the state school aid fund established under section 11 of article IX of the state constitution of 1963.

Sec. 11s. (1) From the state school aid fund money appropriated in section 11, there is allocated \$5,000,000.00 for ~~2021-2022-2022-2023~~ and from the general fund money appropriated in section 11, there is allocated \$3,075,000.00 for ~~2021-2022-2022-2023~~ for the purpose of providing services and programs to children who reside within the boundaries of a district with the majority of its territory located within the boundaries of a city for which an executive proclamation of emergency concerning drinking water is issued in the current or immediately preceding ~~6-7~~ fiscal years under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421, **and that has at least 4,500 pupils in membership for the 2016-2017 fiscal year or has at least 2,900 pupils in membership for a fiscal year after 2016-2017.** ~~From the funding appropriated in section 11, there is allocated for 2021-2022 \$100.00 from the water emergency reserve fund for the purposes of this section.~~

(2) From the general fund money allocated in subsection (1), there is allocated to a district with the majority of its territory located within the boundaries of a city for which an executive proclamation of emergency concerning drinking water is issued in the current or immediately preceding ~~6-7~~ fiscal years **under the emergency management act, 1976 PA 390, MCL 30.401 to 30.421**, and that has at least 4,500 pupils in membership for the 2016-2017 fiscal year or has at least ~~3,000-2,900~~ pupils in membership for a fiscal year after 2016-2017, an amount not to exceed \$2,425,000.00 for ~~2021-2022-2022-2023~~ for the purpose of

employing school nurses, classroom aides, and school social workers. The district shall provide a report to the department in a form, manner, and frequency prescribed by the department. The department shall provide a copy of that report to the governor, the house and senate school aid subcommittees, the house and senate fiscal agencies, and the state budget director within 5 days after receipt. The report must provide at least the following information:

- (a) How many personnel were hired using the funds allocated under this subsection.
- (b) A description of the services provided to pupils by those personnel.
- (c) How many pupils received each type of service identified in subdivision (b).
- (d) Any other information the department considers necessary to ensure that the children described in subsection (1) received appropriate levels and types of services.
- (3) ~~For 2020-2021, from the state school aid fund money appropriated in section 11, there is allocated \$2,400,000.00, and, for 2021-2022, For 2022-2023,~~ from the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed \$2,000,000.00 to an intermediate district that has a constituent district described in subsection (2) to provide state early intervention services for children described in subsection (1) who are between age 3 and age 5. The intermediate district shall use these funds to provide state early intervention services that are similar to the services described in the early on Michigan state plan.
- (4) From the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed \$1,000,000.00 for ~~2021-2022~~ **2022-2023** to the intermediate district described in subsection (3) to enroll children described in subsection (1) in school-day great start readiness programs, regardless of household income eligibility requirements contained in section 32d. The department shall administer this funding consistent with all other provisions that apply to great start readiness programs under sections 32d and 39.
- (5) ~~For 2021-2022,~~ **2022-2023**, from the general fund money allocated in subsection (1), there is allocated an amount not to exceed \$650,000.00 for nutritional services to children described in subsection (1).
- (6) For ~~2021-2022,~~ **2022-2023**, from the state school aid fund money allocated in subsection (1), there is allocated an amount not to exceed \$2,000,000.00 to the intermediate district described in subsection (3) for interventions and supports for students in K to 12 who were impacted by an executive proclamation of emergency described in subsection (1) concerning drinking water. Funds under this subsection must be used for behavioral supports, social workers, counselors, psychologists, nursing services, including, but not limited to, vision and hearing services, transportation services, parental engagement, community coordination, and other support services.
- (7) In addition to the allocation under subsection (1), from the general fund money appropriated under section 11, there is allocated an amount not to exceed \$1,000,000.00 for ~~2021-2022~~ **2022-2023** only for an early childhood collaborative that serves students located in a county with a population of not less than 400,000 or more than 500,000. The funds allocated under this subsection must be used to continue the expansion of early childhood services in response to an executive proclamation of emergency described in this section concerning drinking water.
- (8) ~~In addition to the allocation under subsection (1), from the general fund money appropriated under section 11, there is allocated an amount not to exceed \$1,384,900.00 for 2021-2022 only for the early childhood collaborative described in subsection (7) to be used in support of enrollment software and staff. The collaborative described in this subsection may use back-office supports from Genesee Intermediate School District and the Genesee County Community Action Resource Department to reduce project costs for purposes of this subsection. The collaborative described in this subsection must ensure that all of the following are met:~~
 - (a) It chooses an enrollment program for purposes of this subsection that provides families with all of the following:
 - (i) A coordinated information campaign.
 - (ii) Coordinated eligibility determination and preferences.
 - (iii) A coordinated application.
 - (iv) Highly qualified full-time and seasonal enrollment and analytics staff.
 - (v) Content built with language services, program overhead, equipment, and supplies.
 - (b) The enrollment program selected by the collaborative for purposes of this subsection has a record of improving enrollment in New Orleans.
 - (c) The enrollment program selected by the collaborative for purposes of this subsection received funds from the C.S. Mott Foundation for the project.
 - (d) It complies with application and reporting requirements as determined by the department.
 - (e) It allocates the funds received under this subsection over 3 phases, to provide explicit, targeted enrollment within an individualized enrollment system that continually adjusts to a family's needs.

(8) (9)–In addition to other funding allocated and appropriated in this section, there is appropriated an amount not to exceed \$5,000,000.00 for ~~2021–2022~~ **2022–2023** for state restricted contingency funds. These contingency funds are not available for expenditure until they have been transferred to a section within this article under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

(9) (10)–Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 11x. (1) The school consolidation and infrastructure fund is created as a separate account within the state school aid fund for the purpose of improving student academic outcomes, increasing the efficiency of the state's public education system, and creating a healthy and safe space for students in this state.

(2) The state treasurer may receive money or other assets from any source for deposit into the school consolidation and infrastructure fund. The state treasurer shall direct the investment of the school consolidation and infrastructure fund. The state treasurer shall credit to the school consolidation and infrastructure fund interest and earnings from school consolidation and infrastructure fund investments.

(3) Money in the school consolidation and infrastructure fund at the close of the fiscal year remains in the school consolidation and infrastructure fund and does not lapse to the state school aid fund or the general fund.

(4) The department of treasury is the administrator of the school consolidation and infrastructure fund for auditing purposes.

(5) Money available in the school consolidation and infrastructure fund must not be expended without a specific appropriation. No more than 50% of funds in the school consolidation and infrastructure fund may be appropriated for non-consolidation-related infrastructure projects.

(6) From the state school aid fund money appropriated under section 11, there is allocated for 2022–2023 only an amount not to exceed \$5,000,000.00 for grants to districts and intermediate districts to support the cost of a feasibility study or analysis of consolidation among 1 or more districts or among 1 or more intermediate districts. Districts and intermediate districts may apply for a grant under this section to the department on a first-come, first-serve basis. The maximum amount of a grant to be distributed under this section may not exceed \$250,000.00. Notwithstanding section 17b, the department shall make payments under this subsection on a schedule determined by the department.

(7) For the fiscal year ending September 30, 2022 only, \$475,000,000.00 from the state school aid fund must be deposited into the school consolidation and infrastructure fund.

(8) To be eligible for the receipt of funds appropriated from the school consolidation and infrastructure fund created under this section, a district must allow for the facility condition assessments described in section 11y to be conducted in the district.

Sec. 11y. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$20,000,000.00 for 2022–2023 only for a statewide school facilities study as prescribed in this section.

(2) The department must award funds under this section to an intermediate district or a consortium of intermediate districts.

(3) The recipient of funding under this section must use the funds to coordinate with engineers from Michigan-based construction companies familiar with school construction to perform facility condition assessments of each school building in this state in which students are educated that is operated by a district. As part of the assessment described in this subsection, the engineers must report to the recipient of funding under this section either of the following, as applicable:

(a) If the engineers do not determine that the most cost-effective way to bring a building to health, safety, and wellness standards is new construction, the investments required to ensure that the building meets health, safety, and wellness standards and the estimated cost of the investments.

(b) If the engineers determine that the most cost-effective way to bring a building to health, safety, and wellness standards is new construction, the estimated cost of the new construction that meets the education needs of the student population currently being served by the existing building.

(4) The recipient of funding under this section must provide a report to the house and senate appropriations subcommittees on school aid, the state budget director, the house and senate fiscal agencies, and the department summarizing the information it receives under subsection (3). The report described in this subsection must include, at a minimum, the estimated statewide costs received under subsection (3).

(5) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 15. (1) If a district or intermediate district fails to receive its proper apportionment, the department, upon satisfactory proof that the district or intermediate district was entitled justly, shall apportion the

deficiency in the next apportionment. Subject to subsections (2) and (3), if a district or intermediate district has received more than its proper apportionment, the department, upon satisfactory proof, shall deduct the excess in the next apportionment. Notwithstanding any other provision in this article, state aid overpayments to a district, other than overpayments in payments for special education or special education transportation, may be recovered from any payment made under this article other than a special education or special education transportation payment, from the proceeds of a loan to the district under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to 141.942, or from the proceeds of millage levied or pledged under section 1211 of the revised school code, MCL 380.1211. State aid overpayments made in special education or special education transportation payments may be recovered from subsequent special education or special education transportation payments, from the proceeds of a loan to the district under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to 141.942, or from the proceeds of millage levied or pledged under section 1211 of the revised school code, MCL 380.1211.

(2) If the result of an audit conducted by or for the department affects the current fiscal year membership, the department shall adjust affected payments in the current fiscal year. A deduction due to an adjustment made as a result of an audit conducted by or for the department, or as a result of information obtained by the department from the district, an intermediate district, the department of treasury, or the office of auditor general, must be deducted from the district's apportionments when the adjustment is finalized. At the request of the district and upon the district presenting evidence satisfactory to the department of the hardship, the department may grant up to an additional 4 years for the adjustment and may advance payments to the district otherwise authorized under this article if the district would otherwise experience a significant hardship in satisfying its financial obligations. However, a district that presented satisfactory evidence of hardship and was undergoing an extended adjustment during 2018-2019 may continue to use the period of extended adjustment as originally granted by the department.

(3) If, based on an audit by the department or the department's designee or because of new or updated information received by the department, the department determines that the amount paid to a district or intermediate district under this article for the current fiscal year or a prior fiscal year was incorrect, the department shall make the appropriate deduction or payment in the district's or intermediate district's allocation in the next apportionment after the adjustment is finalized. The department shall calculate the deduction or payment according to the law in effect in the fiscal year in which the incorrect amount was paid. If the district does not receive an allocation for the fiscal year or if the allocation is not sufficient to pay the amount of any deduction, the amount of any deduction otherwise applicable must be satisfied from the proceeds of a loan to the district under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to 141.942, or from the proceeds of millage levied or pledged under section 1211 of the revised school code, MCL 380.1211, as determined by the department.

(4) If the department makes an adjustment under this section based in whole or in part on a membership audit finding that a district or intermediate district employed an educator in violation of certification requirements under the revised school code and rules promulgated by the department, the department shall prorate the adjustment according to the period of noncompliance with the certification requirements.

(5) The department may conduct audits, or may direct audits by designee of the department, for the current fiscal year and the immediately preceding fiscal year of all records related to a program for which a district or intermediate district has received funds under this article.

(6) Expenditures made by the department under this article that are caused by the write-off of prior year accruals may be funded by revenue from the write-off of prior year accruals.

(7) In addition to funds appropriated in section 11 for all programs and services, there is appropriated for ~~2021-2022~~ **2022-2023** for obligations in excess of applicable appropriations an amount equal to the collection of overpayments, but not to exceed amounts available from overpayments.

Sec. 18. (1) Except as provided in another section of this article, each district or other entity shall apply the money received by the district or entity under this article to salaries and other compensation of teachers and other employees, tuition, transportation, lighting, heating, ventilation, water service, the purchase of textbooks, other supplies, and any other school operating expenditures defined in section 7. However, not more than 20% of the total amount received by a district under sections 22a and 22b or received by an intermediate district under section 81 may be transferred by the board to either the capital projects fund or to the debt retirement fund for debt service. A district or other entity shall not apply or take the money for a purpose other than as provided in this section. The department shall determine the reasonableness of expenditures and may withhold from a recipient of funds under this article the apportionment otherwise due upon a violation by the recipient. A district must not be prohibited or limited from using funds appropriated or allocated under this article that are permitted for use for noninstructional services to contract or subcontract with an intermediate district, third party, or vendor for the noninstructional services.

(2) A district or intermediate district shall adopt an annual budget in a manner that complies with the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a. Within 15 days after a district board adopts its annual operating budget for the following school fiscal year, or after a district board adopts a subsequent revision to that budget, the district shall make all of the following available through a link on its website homepage, or may make the information available through a link on its intermediate district's website homepage, in a form and manner prescribed by the department:

(a) The annual operating budget and subsequent budget revisions.

(b) Using data that have already been collected and submitted to the department, a summary of district expenditures for the most recent fiscal year for which they are available, expressed in the following 2 visual displays:

(i) A chart of personnel expenditures, broken into the following subcategories:

(A) Salaries and wages.

(B) Employee benefit costs, including, but not limited to, medical, dental, vision, life, disability, and long-term care benefits.

(C) Retirement benefit costs.

(D) All other personnel costs.

(ii) A chart of all district expenditures, broken into the following subcategories:

(A) Instruction.

(B) Support services.

(C) Business and administration.

(D) Operations and maintenance.

(c) Links to all of the following:

(i) The current collective bargaining agreement for each bargaining unit.

(ii) Each health care benefits plan, including, but not limited to, medical, dental, vision, disability, long-term care, or any other type of benefits that would constitute health care services, offered to any bargaining unit or employee in the district.

(iii) The audit report of the financial audit conducted under subsection (4) for the most recent fiscal year for which it is available.

(iv) The bids required under section 5 of the public employees health benefit act, 2007 PA 106, MCL 124.75.

(v) The district's written policy governing procurement of supplies, materials, and equipment.

(vi) The district's written policy establishing specific categories of reimbursable expenses, as described in section 1254(2) of the revised school code, MCL 380.1254.

(vii) Either the district's accounts payable check register for the most recent school fiscal year or a statement of the total amount of expenses incurred by board members or employees of the district that were reimbursed by the district for the most recent school fiscal year.

(d) The total salary and a description and cost of each fringe benefit included in the compensation package for the superintendent of the district and for each employee of the district whose salary exceeds \$100,000.00.

(e) The annual amount spent on dues paid to associations.

(f) The annual amount spent on lobbying or lobbying services. As used in this subdivision, "lobbying" means that term as defined in section 5 of 1978 PA 472, MCL 4.415.

(g) Any deficit elimination plan or enhanced deficit elimination plan the district was required to submit under the revised school code.

(h) Identification of all credit cards maintained by the district as district credit cards, the identity of all individuals authorized to use each of those credit cards, the credit limit on each credit card, and the dollar limit, if any, for each individual's authorized use of the credit card.

(i) Costs incurred for each instance of out-of-state travel by the school administrator of the district that is fully or partially paid for by the district and the details of each of those instances of out-of-state travel, including at least identification of each individual on the trip, destination, and purpose.

(3) For the information required under subsection (2)(a), (2)(b)(i), and (2)(c), an intermediate district shall provide the same information in the same manner as required for a district under subsection (2).

(4) For the purposes of determining the reasonableness of expenditures, whether a district or intermediate district has received the proper amount of funds under this article, and whether a violation of this article has occurred, all of the following apply:

(a) The department shall require that each district and intermediate district have an audit of the district's or intermediate district's financial and pupil accounting records conducted at least annually, and at such other times as determined by the department, at the expense of the district or intermediate district, as applicable. The audits must be performed by a certified public accountant or by the intermediate district superintendent, as may be required by the department, or in the case of a district of the first class by a certified public accountant, the intermediate superintendent, or the auditor general of the city. A district or intermediate district shall retain these records for the current fiscal year and from at least the 3 immediately preceding fiscal years.

(b) If a district operates in a single building with fewer than 700 full-time equated pupils, if the district has stable membership, and if the error rate of the immediately preceding 2 pupil accounting field audits of the district is less than 2%, the district may have a pupil accounting field audit conducted biennially but must continue to have desk audits for each pupil count. The auditor must document compliance with the audit cycle in the pupil auditing manual. As used in this subdivision, “stable membership” means that the district’s membership for the current fiscal year varies from the district’s membership for the immediately preceding fiscal year by less than 5%.

(c) A district’s or intermediate district’s annual financial audit must include an analysis of the financial and pupil accounting data used as the basis for distribution of state school aid.

(d) The pupil and financial accounting records and reports, audits, and management letters are subject to requirements established in the auditing and accounting manuals approved and published by the department.

(e) All of the following must be done not later than November 1 each year for reporting the prior fiscal year data:

(i) A district shall file the annual financial audit reports with the intermediate district and the department.

(ii) The intermediate district shall file the annual financial audit reports for the intermediate district with the department.

(iii) The intermediate district shall enter the pupil membership audit reports, **known as the audit narrative**, for its constituent districts and for the intermediate district, for the pupil membership count day and supplemental count day, in the Michigan student data system.

(f) The annual financial audit reports and pupil accounting procedures reports must be available to the public in compliance with the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(g) Not later than January 31 of each year, the department shall notify the state budget director and the legislative appropriations subcommittees responsible for review of the school aid budget of districts and intermediate districts that have not filed an annual financial audit and pupil accounting procedures report required under this section for the school year ending in the immediately preceding fiscal year.

(5) By the first business day in November of each fiscal year, each district and intermediate district shall submit to the center, in a manner prescribed by the center, annual comprehensive financial data consistent with the district’s or intermediate district’s audited financial statements and consistent with accounting manuals and charts of accounts approved and published by the department. For an intermediate district, the report must also contain the website address where the department can access the report required under section 620 of the revised school code, MCL 380.620. The department shall ensure that the prescribed Michigan public school accounting manual chart of accounts includes standard conventions to distinguish expenditures by allowable fund function and object. The functions must include at minimum categories for instruction, pupil support, instructional staff support, general administration, school administration, business administration, transportation, facilities operation and maintenance, facilities acquisition, and debt service; and must include object classifications of salary, benefits, including categories for active employee health expenditures, purchased services, supplies, capital outlay, and other. A district shall report the required level of detail consistent with the manual as part of the comprehensive annual financial report.

(6) By the last business day in September of each year, each district and intermediate district shall file with the center the special education actual cost report, known as “SE-4096”, on a form and in the manner prescribed by the center. An intermediate district shall certify the audit of a district’s report.

(7) By not later than 1 week after the last business day in September of each year, each district and intermediate district shall file with the center the audited transportation expenditure report, known as “SE-4094”, on a form and in the manner prescribed by the center. An intermediate district shall certify the audit of a district’s report.

(8) The department shall review its pupil accounting and pupil auditing manuals at least annually and shall periodically update those manuals to reflect changes in this article. Any changes to the pupil accounting manual that are applicable for the school year that begins after March 31 of a fiscal year must be published by not later than March 31 of that fiscal year. However, if legislation is enacted that necessitates adjustments to the pupil accounting manual after March 31 of a fiscal year, and a district incurs a violation of the amended pupil accounting manual in the subsequent fiscal year, the department must notify the district of that violation and allow the district 30 days to correct the violation before the department is allowed to impose financial penalties under this act related to the violation.

(9) If a district that is a public school academy purchases property using money received under this article, the public school academy shall retain ownership of the property unless the public school academy sells the property at fair market value.

(10) If a district or intermediate district does not comply with subsections (4), (5), (6), (7), and (12), or if the department determines that the financial data required under subsection (5) are not consistent with audited financial statements, the department shall withhold all state school aid due to the district or

intermediate district under this article, beginning with the next payment due to the district or intermediate district, until the district or intermediate district complies with subsections (4), (5), (6), (7), and (12). If the district or intermediate district does not comply with subsections (4), (5), (6), (7), and (12) by the end of the fiscal year, the district or intermediate district forfeits the amount withheld.

(11) If a district or intermediate district does not comply with subsection (2), the department may withhold up to 10% of the total state school aid due to the district or intermediate district under this article, beginning with the next payment due to the district or intermediate district, until the district or intermediate district complies with subsection (2). If the district or intermediate district does not comply with subsection (2) by the end of the fiscal year, the district or intermediate district forfeits the amount withheld.

(12) By November 1 of each year, if a district or intermediate district offers virtual learning under section 21f, or for a school of excellence that is a cyber school, as defined in section 551 of the revised school code, MCL 380.551, the district or intermediate district shall submit to the department a report that details the per-pupil costs of operating the virtual learning by vendor type and virtual learning model. The report must include information concerning the operation of virtual learning for the immediately preceding school fiscal year, including information concerning summer programming. Information must be collected in a form and manner determined by the department and must be collected in the most efficient manner possible to reduce the administrative burden on reporting entities.

(13) By March 31 of each year, the department shall submit to the house and senate appropriations subcommittees on state school aid, the state budget director, and the house and senate fiscal agencies a report summarizing the per-pupil costs by vendor type of virtual courses available under section 21f and virtual courses provided by a school of excellence that is a cyber school, as defined in section 551 of the revised school code, MCL 380.551.

(14) As used in subsections (12) and (13), "vendor type" means the following:

(a) Virtual courses provided by the Michigan Virtual University.

(b) Virtual courses provided by a school of excellence that is a cyber school, as defined in section 551 of the revised school code, MCL 380.551.

(c) Virtual courses provided by third party vendors not affiliated with a public school in this state.

(d) Virtual courses created and offered by a district or intermediate district.

(15) An allocation to a district or another entity under this article is contingent upon the district's or entity's compliance with this section.

(16) The department shall annually submit to the senate and house subcommittees on school aid and to the senate and house standing committees on education an itemized list of allocations under this article to any association or consortium consisting of associations in the immediately preceding fiscal year. The report must detail the recipient or recipients, the amount allocated, and the purpose for which the funds were distributed.

Sec. 20. (1) ~~For 2021-2022, both~~ All of the following apply:

(a) ~~The For 2021-2022, the~~ target foundation allowance is \$8,700.00.

(b) ~~The For 2021-2022, the~~ minimum foundation allowance is \$8,700.00.

(c) **For 2022-2023, the target foundation allowance is \$9,150.00.**

(2) The department shall calculate the amount of each district's foundation allowance as provided in this section, using a target foundation allowance in the amount specified in subsection (1).

(3) Except as otherwise provided in this section, the department shall calculate the amount of a district's foundation allowance as follows, using in all calculations the total amount of the district's foundation allowance as calculated before any proration:

(a) **For 2021-2022, for a district that had a foundation allowance for the immediately preceding fiscal year that was at least equal to the minimum foundation allowance for the immediately preceding fiscal year, but less than the target foundation allowance for the immediately preceding fiscal year, the district's foundation allowance is \$8,700.00.** Except as otherwise provided in this subdivision, except for 2021-2022, for a district that had a foundation allowance for the immediately preceding fiscal year that was at least equal to the minimum foundation allowance for the immediately preceding fiscal year, but less than equal to the target foundation allowance for the immediately preceding fiscal year, the district receives a foundation allowance in an amount equal to the sum of the district's foundation allowance for the immediately preceding fiscal year plus the difference between twice the dollar amount of the adjustment from the immediately preceding fiscal year to the current fiscal year made in the target foundation allowance and [(the difference between the target foundation allowance for the current fiscal year and target foundation allowance for the immediately preceding fiscal year minus \$40.00) times (the difference between the district's foundation allowance for the immediately preceding fiscal year and the minimum foundation allowance for the immediately preceding fiscal year) divided by the difference between the target foundation allowance for the current fiscal year and the minimum foundation allowance for the immediately preceding fiscal year.] The foundation allowance for a district that had less than

the target foundation allowance for the immediately preceding fiscal year must not exceed the target foundation allowance for the current fiscal year. For 2021-2022, for a district that had a foundation allowance for the immediately preceding fiscal year that was at least equal to the minimum foundation allowance for the immediately preceding fiscal year, but less than the target foundation allowance for the immediately preceding fiscal year, the district's foundation allowance is \$8,700.00. **the target foundation allowance described in subsection (1) for the current fiscal year.**

(b) ~~Except as otherwise provided in this subsection, for~~ **For** a district that in the immediately preceding fiscal year had a foundation allowance in an amount equal to the amount of the target foundation allowance for the immediately preceding fiscal year, the district receives a foundation allowance for 2021-2022 in an amount equal to the target foundation allowance for 2021-2022. **This subdivision does not apply after the 2021-2022 fiscal year.**

(c) For a district that had a foundation allowance for the immediately preceding fiscal year that was greater than the target foundation allowance for the immediately preceding fiscal year, the district's foundation allowance is an amount equal to the sum of the district's foundation allowance for the immediately preceding fiscal year plus the lesser of the increase in the target foundation allowance for the current fiscal year, as compared to the immediately preceding fiscal year, or the product of the district's foundation allowance for the immediately preceding fiscal year times the percentage increase in the United States Consumer Price Index in the calendar year ending in the immediately preceding fiscal year as reported by the May revenue estimating conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b. **This subdivision does not apply after the 2021-2022 fiscal year.**

(d) **For a district that had a foundation allowance for the immediately preceding fiscal year that was greater than the target foundation allowance for the immediately preceding fiscal year, the district's foundation allowance is an amount equal to the lesser of (the sum of the district's foundation allowance for the immediately preceding fiscal year plus any per pupil amount calculated under section 20m(2) in the immediately preceding fiscal year plus the increase in the target foundation allowance for the current fiscal year, as compared to the immediately preceding fiscal year) or (the product of the district's foundation allowance for the immediately preceding fiscal year times the percentage increase in the United States Consumer Price Index in the calendar year ending in the immediately preceding fiscal year as reported by the May revenue estimating conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b). This subdivision does not apply for the 2021-2022 fiscal year.**

(e) For a district that has a foundation allowance that is less than the target foundation allowance in the current fiscal year but had a foundation allowance in fiscal year 2020-2021 that was greater than the target foundation allowance in effect for that fiscal year, the district's foundation allowance is an amount equal to the lesser of (the sum of the district's foundation allowance for fiscal year 2020-2021 plus the increase in the target foundation allowance for the current fiscal year, as compared to fiscal year 2020-2021) or (the product of the district's foundation allowance for the immediately preceding fiscal year times the percentage increase in the United States Consumer Price Index in the calendar year ending in the immediately preceding fiscal year as reported by the May revenue estimating conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b). **This subdivision does not apply for the 2021-2022 fiscal year.**

(f) ~~(d)~~ For a district that has a foundation allowance that is not a whole dollar amount, the department shall round the district's foundation allowance up to the nearest whole dollar.

(4) ~~Except as otherwise provided in this subsection, beginning in 2021-2022,~~ the state portion of a district's foundation allowance is an amount equal to the district's foundation allowance or the target foundation allowance for the current fiscal year, whichever is less, minus the local portion of the district's foundation allowance. **Except as otherwise provided in this subsection, for a district described in subsection (3)(d) and (e), beginning in 2021-2022, the state portion of the district's foundation allowance is an amount equal to the target foundation allowance minus the district's foundation allowance supplemental payment per pupil calculated under section 20m and minus the local portion of the district's foundation allowance.** For a district that has a millage reduction required under section 31 of article IX of the state constitution of 1963, the department shall calculate the state portion of the district's foundation allowance as if that reduction did not occur. For a receiving district, if school operating taxes continue to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, the taxable value per membership pupil of property in the receiving district used for the purposes of this subsection does not include the taxable value of property within the geographic area of the dissolved district. For a community district, if school operating taxes continue to be levied by a qualifying school district under section 12b of the revised school code, MCL 380.12b, with the same geographic area as the community

district, the taxable value per membership pupil of property in the community district to be used for the purposes of this subsection does not include the taxable value of property within the geographic area of the community district.

(5) The allocation calculated under this section for a pupil is based on the foundation allowance of the pupil's district of residence. For a pupil enrolled under section 105 or 105c in a district other than the pupil's district of residence, the allocation calculated under this section is based on the lesser of the foundation allowance of the pupil's district of residence or the foundation allowance of the educating district. For a pupil in membership in a K-5, K-6, or K-8 district who is enrolled in another district in a grade not offered by the pupil's district of residence, the allocation calculated under this section is based on the foundation allowance of the educating district if the educating district's foundation allowance is greater than the foundation allowance of the pupil's district of residence. The calculation under this subsection must take into account a district's per-pupil allocation under section 20m.

(6) Except as otherwise provided in this subsection, for pupils in membership, other than special education pupils, in a public school academy, the allocation calculated under this section is an amount per membership pupil other than special education pupils in the public school academy equal to, **for 2021-2022, the minimum foundation allowance specified in subsection (4);** ~~(1)(b) and, for 2022-2023, the target foundation allowance specified in subsection (1)(c).~~ Notwithstanding section 101, for a public school academy that begins operations after the pupil membership count day, the amount per membership pupil calculated under this subsection must be adjusted by multiplying that amount per membership pupil by the number of hours of pupil instruction provided by the public school academy after it begins operations, as determined by the department, divided by the minimum number of hours of pupil instruction required under section 101(3). The result of this calculation must not exceed the amount per membership pupil otherwise calculated under this subsection.

(7) For pupils in membership, other than special education pupils, in a community district, the allocation calculated under this section is an amount per membership pupil other than special education pupils in the community district equal to the foundation allowance of the qualifying school district, as described in section 12b of the revised school code, MCL 380.12b, that is located within the same geographic area as the community district.

(8) Subject to subsection (4), for a district that is formed or reconfigured after June 1, 2002 by consolidation of 2 or more districts or by annexation, the resulting district's foundation allowance under this section beginning after the effective date of the consolidation or annexation is the lesser of the sum of the average of the foundation allowances of each of the original or affected districts, calculated as provided in this section, weighted as to the percentage of pupils in total membership in the resulting district who reside in the geographic area of each of the original or affected districts plus \$100.00 or the highest foundation allowance among the original or affected districts. This subsection does not apply to a receiving district unless there is a subsequent consolidation or annexation that affects the district. The calculation under this subsection must take into account a district's per-pupil allocation under section 20m.

(9) The department shall round each fraction used in making calculations under this section to the fourth decimal place and shall round the dollar amount of an increase in the target foundation allowance to the nearest whole dollar.

(10) ~~State-Except as otherwise provided in this subsection, state~~ payments related to payment of the foundation allowance for a special education pupil are not calculated under this section but are instead calculated under section 51a **and section 51e. All of the following apply with regard to state payments related to payment of the foundation allowance for a special education pupil:**

(a) For 2022-2023, state payments described in this subsection are not calculated under this section but are instead calculated as follows:

(i) Twenty-five percent is calculated under section 51a.

(ii) Seventy-five percent is calculated under section 51e.

(b) It is the intent of the legislature that, in future fiscal years, 100% of state payments described in this subsection will be calculated under this section.

(11) To assist the legislature in determining the target foundation allowance for the subsequent fiscal year, each revenue estimating conference conducted under section 367b of the management and budget act, 1984 PA 431, MCL 18.1367b, must calculate a pupil membership factor, a revenue adjustment factor, and an index as follows:

(a) The pupil membership factor is computed by dividing the estimated membership in the school year ending in the current fiscal year, excluding intermediate district membership, by the estimated membership for the school year ending in the subsequent fiscal year, excluding intermediate district membership. If a consensus membership factor is not determined at the revenue estimating conference, the principals of the revenue estimating conference shall report their estimates to the house and senate subcommittees responsible for school aid appropriations not later than 7 days after the conclusion of the revenue conference.

(b) The revenue adjustment factor is computed by dividing the sum of the estimated total state school aid fund revenue for the subsequent fiscal year plus the estimated total state school aid fund revenue for the current fiscal year, adjusted for any change in the rate or base of a tax the proceeds of which are deposited in that fund and excluding money transferred into that fund from the countercyclical budget and economic stabilization fund under the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, by the sum of the estimated total school aid fund revenue for the current fiscal year plus the estimated total state school aid fund revenue for the immediately preceding fiscal year, adjusted for any change in the rate or base of a tax the proceeds of which are deposited in that fund. If a consensus revenue factor is not determined at the revenue estimating conference, the principals of the revenue estimating conference shall report their estimates to the house and senate subcommittees responsible for school aid appropriations not later than 7 days after the conclusion of the revenue conference.

(c) The index is calculated by multiplying the pupil membership factor by the revenue adjustment factor. If a consensus index is not determined at the revenue estimating conference, the principals of the revenue estimating conference shall report their estimates to the house and senate subcommittees responsible for state school aid appropriations not later than 7 days after the conclusion of the revenue conference.

(12) Payments to districts and public school academies are not made under this section. Rather, the calculations under this section are used to determine the amount of state payments under section 22b.

(13) If an amendment to section 2 of article VIII of the state constitution of 1963 allowing state aid to some or all nonpublic schools is approved by the voters of this state, each foundation allowance or per-pupil payment calculation under this section may be reduced.

(14) As used in this section:

(a) “Certified mills” means the lesser of 18 mills or the number of mills of school operating taxes levied by the district in 1993-94.

(b) ~~“Combined state and local revenue” means the aggregate of the district’s state school aid received by or paid on behalf of the district under this section and the district’s local school operating revenue.~~

(c) ~~“Combined state and local revenue per membership pupil” means the district’s combined state and local revenue divided by the district’s membership excluding special education pupils.~~

(b) (d) “Current fiscal year” means the fiscal year for which a particular calculation is made.

(c) (e) “Dissolved district” means a district that loses its organization, has its territory attached to 1 or more other districts, and is dissolved as provided under section 12 of the revised school code, MCL 380.12.

(d) (f) “Immediately preceding fiscal year” means the fiscal year immediately preceding the current fiscal year.

(e) ~~(g) “Local portion of the district’s foundation allowance” means an amount that is equal to the difference between (the sum of the product of the taxable value per membership pupil of all property in the district that is nonexempt property times the district’s certified mills and, for a district with certified mills exceeding 12, the product of the taxable value per membership pupil of property in the district that is commercial personal property times the certified mills minus 12 mills) and (the quotient of the product of the captured assessed valuation under tax increment financing acts times the district’s certified mills divided by the district’s membership excluding special education pupils).~~

(h) ~~“Local school operating revenue” means school operating taxes levied under section 1211 of the revised school code, MCL 380.1211. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, local school operating revenue does not include school operating taxes levied within the geographic area of the dissolved district.~~

(i) ~~“Local school operating revenue per membership pupil” means a district’s local school operating revenue divided by the district’s membership excluding special education pupils.~~

(f) (j) “Membership” means the definition of that term under section 6 as in effect for the particular fiscal year for which a particular calculation is made.

(g) ~~(k) “Nonexempt property” means property that is not a principal residence, qualified agricultural property, qualified forest property, supportive housing property, industrial personal property, commercial personal property, or property occupied by a public school academy.~~

(h) ~~(l) “Principal residence”, “qualified agricultural property”, “qualified forest property”, “supportive housing property”, “industrial personal property”, and “commercial personal property” mean those terms as defined in section 1211 of the revised school code, MCL 380.1211.~~

(i) ~~(m) “Receiving district” means a district to which all or part of the territory of a dissolved district is attached under section 12 of the revised school code, MCL 380.12.~~

(j) ~~(n) “School operating purposes” means the purposes included in the operation costs of the district as prescribed in sections 7 and 18 and purposes authorized under section 1211 of the revised school code, MCL 380.1211.~~

(k) (e) “School operating taxes” means local ad valorem property taxes levied under section 1211 of the revised school code, MCL 380.1211, and retained for school operating purposes.

(l) (f) “Tax increment financing acts” means parts 2, 3, 4, and 6 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

(m) (g) “Taxable value per membership pupil” means taxable value, as certified by the county treasurer and reported to the department, for the calendar year ending in the current state fiscal year divided by the district’s membership excluding special education pupils for the school year ending in the current state fiscal year.

Sec. 20d. In making the final determination required under former section 20a of a district’s combined state and local revenue per membership pupil in 1993-94 and in making calculations under section 20 for ~~2021-2022~~, **2022-2023**, the department and the department of treasury shall comply with all of the following:

(a) For a district that had combined state and local revenue per membership pupil in the 1994-95 fiscal year of \$6,500.00 or more and served as a fiscal agent for a state board designated area vocational education center in the 1993-94 school year, total state school aid received by or paid on behalf of the district under this act in 1993-94 excludes payments made under former section 146 and under section 147 on behalf of the district’s employees who provided direct services to the area vocational education center. Not later than June 30, 1996, the department shall make an adjustment under this subdivision to the district’s combined state and local revenue per membership pupil in the 1994-95 fiscal year and the department of treasury shall make a final certification of the number of mills that may be levied by the district under section 1211 of the revised school code, MCL 380.1211, as a result of the adjustment under this subdivision.

(b) If a district had an adjustment made to its 1993-94 total state school aid that excluded payments made under former section 146 and under section 147 on behalf of the district’s employees who provided direct services for intermediate district center programs operated by the district under former section 51 and sections 51a to 56, if nonresident pupils attending the center programs were included in the district’s membership for purposes of calculating the combined state and local revenue per membership pupil for 1993-94, and if there is a signed agreement by all constituent districts of the intermediate district agreeing to an adjustment under this subdivision, the department shall calculate the foundation allowances for 1995-96 and 1996-97 of all districts that had pupils attending the intermediate district center program operated by the district that had the adjustment as if their combined state and local revenue per membership pupil for 1993-94 included resident pupils attending the center program and excluded nonresident pupils attending the center program.

Sec. 20f. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$18,000,000.00 for ~~2021-2022~~ **2022-2023** for payments to eligible districts under this section.

(2) The funding under this subsection is from the allocation under subsection (1). A district is eligible for funding under this subsection if the district received a payment under this section as it was in effect for 2013-2014. A district was eligible for funding in 2013-2014 if the sum of the following was less than \$5.00:

(a) The increase in the district’s foundation allowance or per-pupil payment as calculated under section 20 from 2012-2013 to 2013-2014.

(b) The district’s equity payment per membership pupil under former section 22c for 2013-2014.

(c) The quotient of the district’s allocation under section 147a for 2012-2013 divided by the district’s membership pupils for 2012-2013 minus the quotient of the district’s allocation under section 147a for 2013-2014 divided by the district’s membership pupils for 2013-2014.

(3) The amount allocated to each eligible district under subsection (2) is an amount per membership pupil equal to the amount per membership pupil the district received under this section in 2013-2014.

(4) The funding under this subsection is from the allocation under subsection (1). A district is eligible for funding under this subsection if the sum of the following is less than \$25.00:

(a) The increase in the district’s foundation allowance or per-pupil payment as calculated under section 20 from 2014-2015 to 2015-2016.

(b) The decrease in the district’s best practices per-pupil funding under former section 22f from 2014-2015 to 2015-2016.

(c) The decrease in the district’s pupil performance per-pupil funding under former section 22j from 2014-2015 to 2015-2016.

(d) The quotient of the district’s allocation under section 31a for 2015-2016 divided by the district’s membership pupils for 2015-2016 minus the quotient of the district’s allocation under section 31a for 2014-2015 divided by the district’s membership pupils for 2014-2015.

(5) The amount allocated to each eligible district under subsection (4) is an amount per membership pupil equal to \$25.00 minus the sum of the following:

(a) The increase in the district’s foundation allowance or per-pupil payment as calculated under section 20 from 2014-2015 to 2015-2016.

(b) The decrease in the district’s best practices per-pupil funding under former section 22f from 2014-2015 to 2015-2016.

(c) The decrease in the district's pupil performance per-pupil funding under former section 22j from 2014-2015 to 2015-2016.

(d) The quotient of the district's allocation under section 31a for 2015-2016 divided by the district's membership pupils for 2015-2016 minus the quotient of the district's allocation under section 31a for 2014-2015 divided by the district's membership pupils for 2014-2015.

(6) If the allocation under subsection (1) is insufficient to fully fund payments under subsections (3) and (5) as otherwise calculated under this section, the department shall prorate payments under this section on an equal per-pupil basis.

Sec. 20m. (1) Foundation allowance supplemental payments for the current fiscal year to **qualifying** districts ~~that in the immediately preceding fiscal year had a foundation allowance greater than the target foundation allowance with an adjustment to their foundation allowance from fiscal year 2020-2021 to the current fiscal year that is less than the adjustment in the target foundation allowance from fiscal year 2020-2021 to the current fiscal year~~ must be calculated under this section.

(2) The per-pupil allocation to each **qualifying** district under this section is the difference between the dollar amount of the adjustment from ~~the immediately preceding fiscal year 2020-2021~~ to the current fiscal year in the target foundation allowance minus the dollar amount of the adjustment from ~~the immediately preceding fiscal year 2020-2021~~ to the current fiscal year in a qualifying district's foundation allowance.

(3) If a district's local revenue per pupil does not exceed the sum of its foundation allowance under section 20 plus the per-pupil allocation under subsection (2), the total payment to the district calculated under this section is the product of the per-pupil allocation under subsection (2) multiplied by the district's membership, excluding special education pupils. If a district's local revenue per pupil exceeds ~~the-its~~ foundation allowance under section 20 but does not exceed the sum of ~~the-its~~ foundation allowance under section 20 plus the per-pupil allocation under subsection (2), the total payment to the district calculated under this section is the product of the difference between the sum of ~~the-its~~ foundation allowance under section 20 plus the per-pupil allocation under subsection (2) minus the local revenue per pupil multiplied by the district's membership, excluding special education pupils. If a district's local revenue per pupil exceeds the sum of ~~the-its~~ foundation allowance under section 20 plus the per-pupil allocation under subsection (2), there is no payment calculated under this section for the district.

(4) Payments to districts must not be made under this section. Rather, the calculations under this section are used to determine the amount of state payments that are made under section 22b.

(5) As used in this section, "qualifying district" means a district where the millage limitation in section 1211(3) of the revised school code, MCL 380.1211, is applied due to the increase in the target foundation allowance from the immediately preceding fiscal year to the current fiscal year exceeding the percentage increase in the general price level in the immediately preceding calendar year applied to the district's immediately preceding fiscal year foundation allowance.

Sec. 21b. (1) Subject to subsections (2) and (3), a district shall use funds received under section 22a or 22b to support the attendance of a district pupil who is an eligible student at an eligible postsecondary institution under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, or under the career and technical preparation act, 2000 PA 258, MCL 388.1901 to 388.1913, by paying eligible charges on behalf of the district pupil as required under those acts.

(2) A district is not required to pay transportation costs, parking costs, or activity fees on behalf of an eligible student for attendance at an eligible postsecondary institution as described in subsection (1).

(3) A district may pay more money to an eligible postsecondary institution on behalf of an eligible student than required under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, or the career and technical preparation act, 2000 PA 258, MCL 388.1901 to 388.1913, and may use local school operating revenue for that purpose. An eligible student is responsible for payment of the remainder of the costs associated with his or her postsecondary enrollment that exceed the amount the district is required to pay under the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, or the career and technical preparation act, 2000 PA 258, MCL 388.1901 to 388.1913, and that are not paid by the district. As used in this subsection, "local school operating revenue" means that term as defined in section ~~20-22b~~.

(4) As used in this section, "eligible student" and "eligible postsecondary institution" mean those terms as defined in section 3 of the postsecondary enrollment options act, 1996 PA 160, MCL 388.511 to 388.524, or in section 3 of the career and technical preparation act, 2000 PA 258, MCL 388.1903, as applicable.

Sec. 21f. (1) A primary district shall enroll an eligible pupil in virtual courses in accordance with the provisions of this section. A primary district shall not offer a virtual course to an eligible pupil unless the virtual course is published in the primary district's catalog of board-approved courses or in the statewide catalog of virtual courses maintained by the Michigan Virtual University pursuant to section 98. The primary district shall also provide on its publicly accessible website a link to the statewide catalog of virtual courses maintained by the Michigan Virtual University. Unless the pupil is at least age 18 or is an emancipated minor, a pupil must not be enrolled in a virtual course without the consent of the pupil's parent or legal guardian.

(2) Subject to subsection (3), a primary district shall enroll an eligible pupil in up to 2 virtual courses as requested by the pupil during an academic term, semester, or trimester.

(3) A pupil may be enrolled in more than 2 virtual courses in a specific academic term, semester, or trimester if ~~all~~**both** of the following conditions are met:

(a) The primary district has determined that it is in the best interest of the pupil.

(b) The pupil agrees with the recommendation of the primary district.

~~(c) The primary district, in collaboration with the pupil, has developed an education development plan, in a form and manner specified by the department, that is kept on file by the district. This subdivision does not apply to a pupil enrolled as a part-time pupil under section 166b.~~

(4) If the number of applicants eligible for acceptance in a virtual course does not exceed the capacity of the provider to provide the virtual course, the provider shall accept for enrollment all of the applicants eligible for acceptance. If the number of applicants exceeds the provider's capacity to provide the virtual course, the provider shall use a random draw system, subject to the need to abide by state and federal antidiscrimination laws and court orders. A primary district that is also a provider shall determine whether or not it has the capacity to accept applications for enrollment from nonresident applicants in virtual courses and may use that limit as the reason for refusal to enroll a nonresident applicant.

(5) A primary district may not establish additional requirements beyond those specified in this subsection that would prohibit a pupil from taking a virtual course. A pupil's primary district may deny the pupil enrollment in a virtual course if any of the following apply, as determined by the district:

(a) The pupil is enrolled in any of grades K to 5.

(b) The pupil has previously gained the credits that would be provided from the completion of the virtual course.

(c) The virtual course is not capable of generating academic credit.

(d) The virtual course is inconsistent with the remaining graduation requirements or career interests of the pupil.

(e) The pupil has not completed the prerequisite coursework for the requested virtual course or has not demonstrated proficiency in the prerequisite course content.

(f) The pupil has failed a previous virtual course in the same subject during the 2 most recent academic years.

(g) The virtual course is of insufficient quality or rigor. A primary district that denies a pupil enrollment request for this reason shall enroll the pupil in a virtual course in the same or a similar subject that the primary district determines is of acceptable rigor and quality.

(h) The cost of the virtual course exceeds the amount identified in subsection (10), unless the pupil or the pupil's parent or legal guardian agrees to pay the cost that exceeds this amount.

(i) The request for a virtual course enrollment did not occur within the same timelines established by the primary district for enrollment and schedule changes for regular courses.

(j) The request for a virtual course enrollment was not made in the academic term, semester, trimester, or summer preceding the enrollment. This subdivision does not apply to a request made by a pupil who is newly enrolled in the primary district.

(6) If a pupil is denied enrollment in a virtual course by the pupil's primary district, the primary district shall provide written notification to the pupil of the denial, the reason or reasons for the denial under subsection (5), and a description of the appeal process. The pupil may appeal the denial by submitting a letter to the superintendent of the intermediate district in which the pupil's primary district is located. The letter of appeal must include the reason provided by the primary district for not enrolling the pupil and the reason why the pupil is claiming that the enrollment should be approved. The intermediate district superintendent or designee shall respond to the appeal within 5 days after it is received. If the intermediate district superintendent or designee determines that the denial of enrollment does not meet 1 or more of the reasons specified in subsection (5), the primary district shall enroll the pupil in the virtual course.

(7) To provide a virtual course to an eligible pupil under this section, a provider must do all of the following:

(a) Ensure that the virtual course has been published in the pupil's primary district's catalog of board-approved courses or published in the statewide catalog of virtual courses maintained by the Michigan Virtual University.

(b) Assign to each pupil a teacher of record and provide the primary district with the personnel identification code assigned by the center for the teacher of record. If the provider is a community college, the virtual course must be taught by an instructor employed by or contracted through the providing community college.

(c) Offer the virtual course on an open entry and exit method, or aligned to a semester, trimester, or accelerated academic term format.

(d) If the virtual course is offered to eligible pupils in more than 1 district, the following additional requirements must also be met:

(i) Provide the Michigan Virtual University with a course syllabus that meets the definition under subsection (14)(g) in a form and manner prescribed by the Michigan Virtual University for inclusion in a statewide catalog of virtual courses.

(ii) Not later than October 1 of each fiscal year, provide the Michigan Virtual University with an aggregated count of enrollments for each virtual course the provider delivered to pupils under this section during the immediately preceding school year, and the number of enrollments in which the pupil earned 60% or more of the total course points for each virtual course.

(8) To provide a virtual course under this section, a community college shall ensure that each virtual course it provides under this section generates postsecondary credit.

(9) For any virtual course a pupil enrolls in under this section, the pupil's primary district must assign to the pupil a mentor and shall supply the provider with the mentor's contact information.

(10) For a pupil enrolled in 1 or more virtual courses, the primary district shall use foundation allowance or per-pupil funds calculated under section 20 to pay for the expenses associated with the virtual course or courses. A primary district is not required to pay toward the cost of a virtual course an amount that exceeds 6.67% of the ~~minimum-target~~ foundation allowance for the current fiscal year as calculated under section 20.

(11) A virtual learning pupil has the same rights and access to technology in his or her primary district's school facilities as all other pupils enrolled in the pupil's primary district. The department shall establish standards for hardware, software, and internet access for pupils who are enrolled in more than 2 virtual courses under this section in an academic term, semester, or trimester taken at a location other than a school facility.

(12) If a pupil successfully completes a virtual course, as determined by the pupil's primary district, the pupil's primary district shall grant appropriate academic credit for completion of the course and shall count that credit toward completion of graduation and subject area requirements. A pupil's school record and transcript must identify the virtual course title as it appears in the virtual course syllabus.

(13) The enrollment of a pupil in 1 or more virtual courses must not result in a pupil being counted as more than 1.0 full-time equivalent pupils under this article. The minimum requirements to count the pupil in membership are those established by the pupil accounting manual as it was in effect for the 2015-2016 school year or as subsequently amended by the department if the department notifies the legislature about the proposed amendment at least 60 days before the amendment becomes effective.

(14) As used in this section:

(a) "Instructor" means an individual who is employed by or contracted through a community college.

(b) "Mentor" means a professional employee of the primary district who monitors the pupil's progress, ensures the pupil has access to needed technology, is available for assistance, and ensures access to the teacher of record. A mentor may also serve as the teacher of record if the primary district is the provider for the virtual course and the mentor meets the requirements under subdivision (e).

(c) "Primary district" means the district that enrolls the pupil and reports the pupil for pupil membership purposes.

(d) "Provider" means the district, intermediate district, ~~or~~ community college, **or -other third-party vendor** that the primary district pays to provide the virtual course or the Michigan Virtual University if it is providing the virtual course. ~~Beginning on the first day of the 2020-2021 school year through August 31, 2021, "provider" also includes any other institution or individual that the primary district pays to provide the virtual course.~~

(e) "Teacher of record" means a teacher who meets all of the following:

(i) Holds a valid Michigan teaching certificate or a teaching permit recognized by the department.

(ii) If applicable, is endorsed in the subject area and grade of the virtual course.

(iii) Is responsible for providing instruction, determining instructional methods for each pupil, diagnosing learning needs, assessing pupil learning, prescribing intervention strategies and modifying lessons, reporting outcomes, and evaluating the effects of instruction and support strategies.

(iv) Has a personnel identification code provided by the center.

(v) If the provider is a community college, is an instructor employed by or contracted through the providing community college.

(f) "Virtual course" means a course of study that is capable of generating a credit or a grade and that is provided in an interactive learning environment where the majority of the curriculum is delivered using the internet and in which pupils may be separated from their instructor or teacher of record by time or location, or both.

(g) "Virtual course syllabus" means a document that includes all of the following:

(i) An alignment document detailing how the course meets applicable state standards or, if the state does not have state standards, nationally recognized standards.

- (ii) The virtual course content outline.
- (iii) The virtual course required assessments.
- (iv) The virtual course prerequisites.
- (v) Expectations for actual instructor or teacher of record contact time with the virtual learning pupil and other communications between a pupil and the instructor or teacher of record.
- (vi) Academic support available to the virtual learning pupil.
- (vii) The virtual course learning outcomes and objectives.
- (viii) The name of the institution or organization providing the virtual content.
- (ix) The name of the institution or organization providing the instructor or teacher of record.
- (x) The course titles assigned by the provider and the course titles and course codes from the National Center for Education Statistics (NCES) school codes for the exchange of data (SCED).
- (xi) The number of eligible pupils that will be accepted by the provider in the virtual course. A primary district that is also the provider may limit the enrollment to those pupils enrolled in the primary district.
- (xii) The results of the virtual course quality review using the guidelines and model review process published by the Michigan Virtual University.
- (h) "Virtual learning pupil" means a pupil enrolled in 1 or more virtual courses.

Sec. 21h. (1) From the state school aid fund money appropriated in section 11, there is allocated \$6,137,400.00 for 2021–2022–2022–2023 for assisting districts assigned by the superintendent to participate in a partnership and districts that have established a community engagement advisory committee in partnership with the department of treasury, are required to submit a deficit elimination plan or an enhanced deficit elimination plan under section 1220 of the revised school code, MCL 380.1220, and are located in a city with a population between 9,000 and 11,000, as determined by the department, that is in a county with a population between 150,000 and 160,000, as determined by the department, to improve student achievement and district financial stability. The superintendent shall collaborate with the state treasurer to identify any conditions that may be contributing to low academic performance within a district being considered for assignment to a partnership. The purpose of the partnership is to identify district needs, develop intervention plans, and partner with public, private, and nonprofit organizations to coordinate resources and improve student achievement. Assignment of a district to a partnership is made by the superintendent in consultation with the state treasurer.

(2) A district described in subsection (1) is eligible for funding under this section if the district includes at least 1 school that has been identified as low performing under the approved federal accountability system or the state accountability system. A district described in this subsection must do all of the following to be eligible for funding under this section:

(a) For a partnership district under this section, within 90 days of assignment to the partnership described in this section, and for a district described in subsection (1) that is not a partnership district under this section, by October 15 of each year, complete a comprehensive needs assessment or evaluation in collaboration with an intermediate district, community members, education organizations, and postsecondary institutions, as applicable, that is approved by the superintendent. The comprehensive needs assessment or evaluation must include at least all of the following:

(i) A review of the district's implementation and utilization of a multi-tiered system of supports to ensure that it is used to appropriately inform instruction.

(ii) A review of the district and school building leadership and educator capacity to substantially improve student outcomes.

(iii) A review of classroom, instructional, and operational practices and curriculum to ensure alignment with research-based instructional practices and state curriculum standards.

(b) Develop an academic and financial operating or intervention plan that has been approved by the superintendent and that addresses the needs identified in the comprehensive needs assessment or evaluation completed under subdivision (a). The intervention plan must include at least all of the following:

(i) Specific actions that will be taken by the district and each of its partners to improve student achievement.

(ii) Specific measurable benchmarks that will be met within 18 months to improve student achievement and identification of expected student achievement outcomes to be attained within 3 years after assignment to the partnership.

(c) Craft academic goals that put pupils on track to meet or exceed grade level proficiency.

(3) Upon approval of the academic and financial operating or intervention plan developed under subsection (2), the department, in collaboration with the department of treasury, shall assign a team of individuals with expertise in comprehensive school and district reform to partner with the district, the intermediate district, community organizations, education organizations, and postsecondary institutions identified in the academic and financial operating or intervention plan to review the district's use of existing financial resources to ensure that those resources are being used as efficiently and effectively as possible to

improve student academic achievement and to ensure district financial stability. The superintendent of public instruction may waive burdensome administrative rules for a partnership district for the duration of the partnership agreement and for a district described in subsection (1) that is not a partnership district under this section and that receives funding under this section in the current fiscal year.

(4) Funds allocated under this section, excluding funds allocated under subsection (5), may be used to pay for district expenditures approved by the superintendent to improve student achievement. Funds may be used for professional development for teachers or district or school leadership, increased instructional time, teacher mentors, or other expenditures that directly impact student achievement and cannot be paid from existing district financial resources. An eligible district must not receive funds under this section for more than 3 years. Notwithstanding section 17b, the department shall make payments to districts under this section on a schedule determined by the department.

(5) From the funds allocated under subsection (1), there is allocated for ~~2021-2022~~ **2022-2023** an amount not to exceed \$137,400.00 for the purchase of a data analytics tool to be used by districts described in subsection (1). The superintendent of public instruction shall require districts described in subsection (1) to purchase a data analytics tool funded under this subsection as part of the agreements described in this section.

(6) The department, in consultation with the department of treasury, shall annually report to the legislature on the activities funded under this section and how those activities impacted student achievement in districts that received funds under this section. To the extent possible, participating districts receiving funding under this section shall participate in the report.

Sec. 22a. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$4,836,000,000.00~~ **\$4,492,000,000.00** for ~~2020-2021~~ **2021-2022** and there is allocated an amount not to exceed ~~\$4,742,000,000.00~~ **\$4,376,000,000.00** for ~~2021-2022~~ **2022-2023** for payments to districts and qualifying public school academies to guarantee each district and qualifying public school academy an amount equal to its 1994-95 total state and local per-pupil revenue for school operating purposes under section 11 of article IX of the state constitution of 1963. Pursuant to section 11 of article IX of the state constitution of 1963, this guarantee does not apply to a district in a year in which the district levies a millage rate for school district operating purposes less than it levied in 1994. However, subsection (2) applies to calculating the payments under this section. Funds allocated under this section that are not expended in the fiscal year for which they were allocated, as determined by the department, may be used to supplement the allocations under sections 22b and 51c to fully fund those allocations for the same fiscal year. For each fund transfer as described in the immediately preceding sentence that occurs, the state budget director shall send notification of the transfer to the house and senate appropriations subcommittees on state school aid and the house and senate fiscal agencies by not later than 14 calendar days after the transfer occurs.

(2) To ensure that a district receives an amount equal to the district's 1994-95 total state and local per-pupil revenue for school operating purposes, there is allocated to each district a state portion of the district's 1994-95 foundation allowance in an amount calculated as follows:

(a) Except as otherwise provided in this subsection, the state portion of a district's 1994-95 foundation allowance is an amount equal to the district's 1994-95 foundation allowance or \$6,500.00, whichever is less, minus the difference between the sum of the product of the taxable value per membership pupil of all property in the district that is nonexempt property times the district's certified mills and, for a district with certified mills exceeding 12, the product of the taxable value per membership pupil of property in the district that is commercial personal property times the certified mills minus 12 mills and the quotient of the ad valorem property tax revenue of the district captured under tax increment financing acts divided by the district's membership. For a district that has a millage reduction required under section 31 of article IX of the state constitution of 1963, the department shall calculate the state portion of the district's foundation allowance as if that reduction did not occur. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, taxable value per membership pupil of all property in the receiving district that is nonexempt property and taxable value per membership pupil of property in the receiving district that is commercial personal property do not include property within the geographic area of the dissolved district; ad valorem property tax revenue of the receiving district captured under tax increment financing acts does not include ad valorem property tax revenue captured within the geographic boundaries of the dissolved district under tax increment financing acts; and certified mills do not include the certified mills of the dissolved district. For a community district, the department shall reduce the allocation as otherwise calculated under this section by an amount equal to the amount of local school operating tax revenue that would otherwise be due to the community district if not for the operation of section 386 of the revised school code, MCL 380.386, and the amount of this reduction is offset by the increase in funding under section 22b(2).

(b) For a district that had a 1994-95 foundation allowance greater than \$6,500.00, the state payment under this subsection is the sum of the amount calculated under subdivision (a) plus the amount calculated under this subdivision. The amount calculated under this subdivision must be equal to the difference between the district's 1994-95 foundation allowance minus \$6,500.00 and the current year hold harmless school operating taxes per pupil. If the result of the calculation under subdivision (a) is negative, the negative amount is an offset against any state payment calculated under this subdivision. If the result of a calculation under this subdivision is negative, there is not a state payment or a deduction under this subdivision. The taxable values per membership pupil used in the calculations under this subdivision are as adjusted by ad valorem property tax revenue captured under tax increment financing acts divided by the district's membership. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, ad valorem property tax revenue captured under tax increment financing acts do not include ad valorem property tax revenue captured within the geographic boundaries of the dissolved district under tax increment financing acts.

(3) For pupils in membership in a qualifying public school academy, there is allocated under this section to the authorizing body that is the fiscal agent for the qualifying public school academy for forwarding to the qualifying public school academy an amount equal to the 1994-95 per-pupil payment to the qualifying public school academy under section 20.

(4) A district or qualifying public school academy may use funds allocated under this section in conjunction with any federal funds for which the district or qualifying public school academy otherwise would be eligible.

(5) Except as otherwise provided in this subsection, for a district that is formed or reconfigured after June 1, 2000 by consolidation of 2 or more districts or by annexation, the resulting district's 1994-95 foundation allowance under this section beginning after the effective date of the consolidation or annexation is the average of the 1994-95 foundation allowances of each of the original or affected districts, calculated as provided in this section, weighted as to the percentage of pupils in total membership in the resulting district in the fiscal year in which the consolidation takes place who reside in the geographic area of each of the original districts. If an affected district's 1994-95 foundation allowance is less than the 1994-95 basic foundation allowance, the amount of that district's 1994-95 foundation allowance is considered for the purpose of calculations under this subsection to be equal to the amount of the 1994-95 basic foundation allowance. This subsection does not apply to a receiving district unless there is a subsequent consolidation or annexation that affects the district.

(6) Payments under this section are subject to section 25g.

(7) As used in this section:

(a) "1994-95 foundation allowance" means a district's 1994-95 foundation allowance calculated and certified by the department of treasury or the superintendent under former section 20a as enacted in 1993 PA 336 and as amended by 1994 PA 283.

(b) "Certified mills" means the lesser of 18 mills or the number of mills of school operating taxes levied by the district in 1993-94.

(c) "Current fiscal year" means the fiscal year for which a particular calculation is made.

(d) "Current year hold harmless school operating taxes per pupil" means the per-pupil revenue generated by multiplying a district's 1994-95 hold harmless millage by the district's current year taxable value per membership pupil. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, taxable value per membership pupil does not include the taxable value of property within the geographic area of the dissolved district.

(e) "Dissolved district" means a district that loses its organization, has its territory attached to 1 or more other districts, and is dissolved as provided under section 12 of the revised school code, MCL 380.12.

(f) "Hold harmless millage" means, for a district with a 1994-95 foundation allowance greater than \$6,500.00, the number of mills by which the exemption from the levy of school operating taxes on a principal residence, qualified agricultural property, qualified forest property, supportive housing property, industrial personal property, commercial personal property, and property occupied by a public school academy could be reduced as provided in section 1211 of the revised school code, MCL 380.1211, and the number of mills of school operating taxes that could be levied on all property as provided in section 1211(2) of the revised school code, MCL 380.1211, as certified by the department of treasury for the 1994 tax year. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, school operating taxes do not include school operating taxes levied within the geographic area of the dissolved district.

(g) “Membership” means the definition of that term under section 6 as in effect for the particular fiscal year for which a particular calculation is made.

(h) “Nonexempt property” means property that is not a principal residence, qualified agricultural property, qualified forest property, supportive housing property, industrial personal property, commercial personal property, or property occupied by a public school academy.

(i) “Principal residence”, “qualified agricultural property”, “qualified forest property”, “supportive housing property”, “industrial personal property”, and “commercial personal property” mean those terms as defined in section 1211 of the revised school code, MCL 380.1211.

(j) “Qualifying public school academy” means a public school academy that was in operation in the 1994-95 school year and is in operation in the current fiscal year.

(k) “Receiving district” means a district to which all or part of the territory of a dissolved district is attached under section 12 of the revised school code, MCL 380.12.

(l) “School operating taxes” means local ad valorem property taxes levied under section 1211 of the revised school code, MCL 380.1211, and retained for school operating purposes as defined in section 20.

(m) “Tax increment financing acts” means parts 2, 3, 4, and 6 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4201 to 125.4420 and 125.4602 to 125.4629, or the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.

(n) “Taxable value per membership pupil” means each of the following divided by the district’s membership:

(i) For the number of mills by which the exemption from the levy of school operating taxes on a principal residence, qualified agricultural property, qualified forest property, supportive housing property, industrial personal property, commercial personal property, and property occupied by a public school academy may be reduced as provided in section 1211 of the revised school code, MCL 380.1211, the taxable value of principal residence, qualified agricultural property, qualified forest property, supportive housing property, industrial personal property, commercial personal property, and property occupied by a public school academy for the calendar year ending in the current fiscal year. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, mills do not include mills within the geographic area of the dissolved district.

(ii) For the number of mills of school operating taxes that may be levied on all property as provided in section 1211(2) of the revised school code, MCL 380.1211, the taxable value of all property for the calendar year ending in the current fiscal year. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, school operating taxes do not include school operating taxes levied within the geographic area of the dissolved district.

Sec. 22b. (1) For discretionary nonmandated payments to districts under this section, there is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed ~~\$4,478,200,000.00~~ **\$5,094,000,000.00** from the state school aid fund and general fund appropriations in section 11 and an amount not to exceed ~~\$79,800,000.00~~ **\$72,000,000.00** from the community district education trust fund appropriation in section 11, and there is allocated for ~~2021-2022~~ **2022-2023** an amount not to exceed ~~\$5,132,000,000.00~~ **\$5,686,000,000.00** from the state school aid fund and general fund appropriations in section 11 and an amount not to exceed \$72,000,000.00 from the community district education trust fund appropriation in section 11. Of the funds allocated under this section for 2021-2022, ~~\$13,600,000.00~~ **\$14,500,000.00** represents the amount of the general fund revenue deposited into the state school aid fund to reimburse the state school aid fund for community district education trust fund costs in excess of \$72,000,000.00. **Of the funds allocated under this section for 2022-2023, \$19,500,000.00 represents the amount of the general fund revenue deposited into the state school aid fund to reimburse the state school aid fund for community district education trust fund costs in excess of \$72,000,000.00. If the amount allocated under this subsection from the community district education trust fund appropriation under section 11 is insufficient to pay for an increase under this section, any amount exceeding that allocation may be paid from other allocations under this subsection.** Except for money allocated under this section from the community district education trust fund appropriation in section 11, funds allocated under this section that are not expended in the fiscal year for which they were allocated, as determined by the department, may be used to supplement the allocations under sections 22a and 51c to fully fund those allocations for the same fiscal year. For each fund transfer as described in the immediately preceding sentence that occurs, the state budget director shall send notification of the transfer to the house and senate appropriations subcommittees on state school aid and the house and senate fiscal agencies by not later than 14 calendar days after the transfer occurs.

(2) Subject to subsection (3) and section 296, the allocation to a district under this section is an amount equal to the sum of the amounts calculated under sections 20, 20m, 51a(2), 51a(3), and 51a(11), minus the sum of the allocations to the district under sections 22a and 51c. For a community district, the allocation as

otherwise calculated under this section is increased by an amount equal to the amount of local school operating tax revenue that would otherwise be due to the community district if not for the operation of section 386 of the revised school code, MCL 380.386, and this increase must be paid from the community district education trust fund allocation in subsection (1) in order to offset the absence of local school operating revenue in a community district in the funding of the state portion of the foundation allowance under section 20(4).

(3) In order to receive an allocation under subsection (1), each district must do all of the following:

- (a) Comply with section 1280b of the revised school code, MCL 380.1280b.
- (b) Comply with sections 1278a and 1278b of the revised school code, MCL 380.1278a and 380.1278b.
- (c) Furnish data and other information required by state and federal law to the center and the department in the form and manner specified by the center or the department, as applicable.
- (d) Comply with section 1230g of the revised school code, MCL 380.1230g.
- (e) Comply with section 21f.
- (f) For a district that has entered into a partnership agreement with the department, comply with section 22p.

(4) Districts are encouraged to use funds allocated under this section for the purchase and support of payroll, human resources, and other business function software that is compatible with that of the intermediate district in which the district is located and with other districts located within that intermediate district.

(5) From the allocation in subsection (1), the department shall pay up to \$1,000,000.00 in litigation costs incurred by this state related to commercial or industrial property tax appeals, including, but not limited to, appeals of classification, that impact revenues dedicated to the state school aid fund.

(6) From the allocation in subsection (1), the department shall pay up to \$1,000,000.00 in litigation costs incurred by this state associated with lawsuits filed by 1 or more districts or intermediate districts against this state. If the allocation under this section is insufficient to fully fund all payments required under this section, the payments under this subsection must be made in full before any proration of remaining payments under this section.

(7) It is the intent of the legislature that all constitutional obligations of this state have been fully funded under sections 22a, 31d, 51a, 51c, **51e**, and 152a. If a claim is made by an entity receiving funds under this article that challenges the legislative determination of the adequacy of this funding or alleges that there exists an unfunded constitutional requirement, the state budget director may escrow or allocate from the discretionary funds for nonmandated payments under this section the amount as may be necessary to satisfy the claim before making any payments to districts under subsection (2). If funds are escrowed, the escrowed funds are a work project appropriation and the funds are carried forward into the following fiscal year. The purpose of the work project is to provide for any payments that may be awarded to districts as a result of litigation. The work project is completed upon resolution of the litigation.

(8) If the local claims review board or a court of competent jurisdiction makes a final determination that this state is in violation of section 29 of article IX of the state constitution of 1963 regarding state payments to districts, the state budget director shall use work project funds under subsection (7) or allocate from the discretionary funds for nonmandated payments under this section the amount as may be necessary to satisfy the amount owed to districts before making any payments to districts under subsection (2).

(9) If a claim is made in court that challenges the legislative determination of the adequacy of funding for this state's constitutional obligations or alleges that there exists an unfunded constitutional requirement, any interested party may seek an expedited review of the claim by the local claims review board. If the claim exceeds \$10,000,000.00, this state may remove the action to the court of appeals, and the court of appeals has and shall exercise jurisdiction over the claim.

(10) If payments resulting from a final determination by the local claims review board or a court of competent jurisdiction that there has been a violation of section 29 of article IX of the state constitution of 1963 exceed the amount allocated for discretionary nonmandated payments under this section, the legislature shall provide for adequate funding for this state's constitutional obligations at its next legislative session.

(11) If a lawsuit challenging payments made to districts related to costs reimbursed by federal title XIX Medicaid funds is filed against this state, then, for the purpose of addressing potential liability under such a lawsuit, the state budget director may place funds allocated under this section in escrow or allocate money from the funds otherwise allocated under this section, up to a maximum of 50% of the amount allocated in subsection (1). If funds are placed in escrow under this subsection, those funds are a work project appropriation and the funds are carried forward into the following fiscal year. The purpose of the work project is to provide for any payments that may be awarded to districts as a result of the litigation. The work project is completed upon resolution of the litigation. In addition, this state reserves the right to terminate future federal title XIX Medicaid reimbursement payments to districts if the amount or allocation of reimbursed funds is challenged in the lawsuit. As used in this subsection, "title XIX" means title XIX of the social security act, 42 USC 1396 to 1396w-5.

(12) As used in this section:

(a) “Dissolved district” means that term as defined in section 20.

(b) “Local school operating revenue” means school operating taxes levied under section 1211 of the revised school code, MCL 380.1211. For a receiving district, if school operating taxes are to be levied on behalf of a dissolved district that has been attached in whole or in part to the receiving district to satisfy debt obligations of the dissolved district under section 12 of the revised school code, MCL 380.12, local school operating revenue does not include school operating taxes levied within the geographic area of the dissolved district.

(c) “Receiving district” and “school operating taxes” mean those terms as defined in section 20.

Sec. 22c. From the state school aid fund money appropriated in section 11, there is allocated for ~~2021-2022-2022-2023~~ an amount not to exceed \$3,000,000.00 for payments to eligible districts as provided under this section. The payment for an eligible district under this section must be in an amount per membership pupil equal to \$171.00. As used in this section:

(a) “Eligible district” means a district **that received payments under this section in the immediately preceding fiscal year and** for which the local school operating revenue per membership pupil **in the current school fiscal year** exceeds the district’s foundation allowance as calculated under section 20 **for the current fiscal year**.

(b) “Local school operating revenue” means that term as defined in section 22b.

(c) ~~(b)-~~“Local school operating revenue per membership pupil” means ~~that term as defined in section 20. a~~ **district’s local school operating revenue divided by the district’s membership excluding special education pupils.**

Sec. 22d. (1) From the state school aid fund money appropriated under section 11, an amount not to exceed ~~\$8,420,000.00~~ **\$8,858,000.00** is allocated for ~~2021-2022-2022-2023~~ for supplemental payments to rural districts under this section.

(2) From the allocation under subsection (1), there is allocated for ~~2021-2022-2022-2023~~ an amount not to exceed ~~\$1,557,300.00~~ **\$1,638,300.00** for payments under this subsection to **eligible** districts. **A district that meet-meets all of the following is an eligible district under this subsection:**

(a) Operates grades K to 12.

(b) Has fewer than 250 pupils in membership.

(c) Each school building operated by the district meets at least 1 of the following:

(i) Is located in the Upper Peninsula at least 30 miles from any other public school building.

(ii) Is located on an island that is not accessible by bridge.

(3) The amount of the additional funding to each eligible district under subsection (2) is determined under a spending plan developed as provided in this subsection and approved by the superintendent of public instruction. The spending plan must be developed cooperatively by the intermediate superintendents of each intermediate district in which an eligible district is located. The intermediate superintendents shall review the financial situation of each eligible district, determine the minimum essential financial needs of each eligible district, and develop and agree on a spending plan that distributes the available funding under subsection (2) to the eligible districts based on those financial needs. The intermediate superintendents shall submit the spending plan to the superintendent of public instruction for approval. Upon approval by the superintendent of public instruction, the amounts specified for each eligible district under the spending plan are allocated under subsection (2) and must be paid to the eligible districts in the same manner as payments under section 22b.

(4) Subject to subsection (7), from the allocation in subsection (1), there is allocated for ~~2021-2022-2022-2023~~ an amount not to exceed ~~\$6,042,700.00~~ **\$6,357,000.00** for payments under this subsection to districts that have fewer than 10.0 pupils per square mile as determined by the department.

(5) The funds allocated under subsection (4) are allocated as follows:

(a) An amount equal to ~~\$5,200,000.00~~ **\$5,470,400.00** is allocated to districts with fewer than 8.0 pupils per square mile, as determined by the department, on an equal per-pupil basis.

(b) The balance of the funding under subsection (4) is allocated as follows:

(i) For districts with at least 8.0 but fewer than 9.0 pupils per square mile, as determined by the department, the allocation is an amount per pupil equal to 75% of the per-pupil amount allocated to districts under subdivision (a).

(ii) For districts with at least 9.0 but fewer than 10.0 pupils per square mile, as determined by the department, the allocation is an amount per pupil equal to 50% of the per-pupil amount allocated to districts under subdivision (a).

(c) If the total funding allocated under subdivision (b) is not sufficient to fully fund payments as calculated under that subdivision, the department shall prorate payments to districts under subdivision (b) on an equal per-pupil basis.

(6) From the allocation in subsection (1), there is allocated an amount not to exceed ~~\$820,000.00~~ **\$862,700.00** for payments under this subsection to districts that have greater than 250 square miles and that do not receive funding under subsection (2) or (4). The funds allocated under this subsection must be allocated on an equal per-pupil basis.

(7) A district receiving funds allocated under subsection (2) is not eligible for funding allocated under subsection (4).

Sec. 22m. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2021-2022~~ **2022-2023** an amount not to exceed \$2,200,000.00 for supporting the integration of local data systems into the Michigan data hub network based on common standards and applications that are in compliance with section 19(6).

(2) An entity that is the fiscal agent for no more than 5 consortia of intermediate districts that previously received funding from the technology readiness infrastructure grant under former section 22i for the purpose of establishing regional data hubs that are part of the Michigan data hub network is eligible for funding under this section.

(3) The center shall work with an advisory committee composed of representatives from intermediate districts within each of the data hub regions to coordinate the activities of the Michigan data hub network.

(4) The center, in collaboration with the Michigan data hub network, shall determine the amount of funds distributed under this section to each participating regional data hub within the network, based upon a competitive grant process. The center shall ensure that the entities receiving funding under this section represent geographically diverse areas in this state.

(5) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the center.

(6) To receive funding under this section, a regional data hub must have a governance model that ensures local control of data, data security, and student privacy issues. The integration of data within each of the regional data hubs must provide for the actionable use of data by districts and intermediate districts through common reports and dashboards and for efficiently providing information to meet state and federal reporting purposes.

(7) Participation in a data hub region in the Michigan data hub network under this section is voluntary and is not required.

(8) Entities receiving funding under this section shall use the funds for all of the following:

(a) Creating an infrastructure that effectively manages the movement of data between data systems used by intermediate districts, districts, and other educational organizations in Michigan based on common data standards to improve student achievement.

(b) Utilizing the infrastructure to put in place commonly needed integrations, reducing cost and effort to do that work while increasing data accuracy and usability.

(c) Promoting the use of a more common set of applications by promoting systems that integrate with the Michigan data hub network.

(d) Promoting 100% district adoption of the Michigan data hub network. ~~by September 30, 2022.~~

(e) Ensuring local control of data, data security, and student data privacy.

(f) Utilizing the infrastructure to promote the actionable use of data through common reports and dashboards that are consistent statewide.

(g) Creating a governance model to facilitate sustainable operations of the infrastructure in the future, including administration, legal agreements, documentation, staffing, hosting, and funding.

(h) Evaluating future data initiatives at all levels to determine whether the initiatives can be enhanced by using the standardized environment in the Michigan data hub network.

(9) Not later than January 1 of each fiscal year, the center shall prepare a summary report of information provided by each entity that received funds under this section that includes measurable outcomes based on the objectives described under this section and a summary of compiled data from each entity to provide a means to evaluate the effectiveness of the project. The center shall submit the report to the house and senate appropriations subcommittees on school aid and to the house and senate fiscal agencies.

Sec. 22p. (1) Subject to subsection (2), in order to receive funding under section 22b, a district or public school academy that is assigned by the superintendent of public instruction as a partnership district must have a signed 3-year partnership agreement with the department that includes all of the following:

(a) Measurable academic outcomes that the district or public school academy will achieve for each school operated by the district or public school academy that is subject to the partnership agreement after 18 months and after 36 months from the date the agreement was originally signed. Measurable academic outcomes under this subdivision must include all of the following:

(i) Outcomes that put pupils on track to meet or exceed grade level proficiency and that are based on district or public school academy needs identified as required under section 21h.

(ii) Either of the following, as applicable:

(A) At least 1 proficiency or growth outcome based on state assessments described in section 104b or 104c.

(B) At least 1 proficiency or growth outcome based on a benchmark assessment described in section 104a-104h or 104i, as applicable.

(b) Accountability measures to be imposed if the district or public school academy does not achieve the measurable academic outcomes described in subdivision (a) for each school operated by the district or public school academy that is subject to the partnership agreement. For a district assigned as a partnership district as described in this subsection, accountability measures under this subdivision must include the reconstitution of the school. For a public school academy assigned as a partnership district as described in this subsection, accountability measures under this subdivision may include the reconstitution of the school.

(c) For a public school academy assigned as a partnership district as described in this subsection, a requirement that, if reconstitution is imposed on a school that is operated by the public school academy and that is subject to the partnership agreement, the school must be reconstituted as described in section 507, 528, or 561, as applicable, of the revised school code, MCL 380.507, 380.528, and 380.561.

(d) For a district assigned as a partnership district as described in this subsection, a provision that, if reconstitution is imposed on a school that is operated by the district and that is subject to the partnership agreement, reconstitution may require closure of the school building, but, if the school building remains open, reconstitution must include, but is not limited to, all of the following:

(i) The district shall make significant changes to the instructional and noninstructional programming of the school based on the needs identified through a comprehensive review of data in compliance with section 21h.

(ii) The district shall review whether the current principal of the school should remain as principal or be replaced.

(iii) The reconstitution plan for the school must require the adoption of goals similar to the goals included in the partnership agreement, with a limit of 3 years to achieve the goals. If the goals are not achieved within 3 years, the superintendent of public instruction shall impose a second reconstitution plan.

(2) If a district or public school academy is assigned as a partnership district as described in subsection (1) during the current fiscal year, it shall ensure that it has a signed partnership agreement as described in subsection (1) in place by not later than 90 days after the date that it is assigned as a partnership district. If a district or public school academy described in this subsection does not comply with this subsection, the department shall withhold funding under section 22b for that district or public school academy until the district or public school academy has a signed partnership agreement as described in subsection (1) in place.

Sec. 23f. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 only an amount not to exceed \$5,000,000.00 for the learning pod pilot program as prescribed in this section.

(2) Except as otherwise provided in this subsection, to receive funding under this section, subject to subsection (3), an intermediate district must apply for the funding in a form and manner prescribed by the department. In its application described in this subsection, an intermediate district must include the number of eligible children the intermediate district intends to serve through programs described in this section. The department shall allow an intermediate district to apply for funding under this section on a rolling basis, as funding is needed by the intermediate district. The department shall ensure that each intermediate district is given an opportunity to apply for funding under this section before it awards all of the funding under this section.

(3) To receive funding under this section, an intermediate district must do all of the following:

(a) It shall solicit feedback from the parents and legal guardians of eligible children concerning the types of programs that should be offered through learning pods as described in this section and it shall pledge to use this feedback to develop and implement learning pods during the summer of 2023.

(b) It shall aggregate a list of programs offered by the intermediate district or of districts located within the geographic boundaries of the intermediate district through learning pods during the summer of 2023 and the number of hours and the subjects available to eligible children enrolled in the intermediate district or districts located within the geographic boundaries of the intermediate district.

(c) It shall make the list described in subdivision (b) available to all of the parents and legal guardians of the eligible children enrolled in the intermediate district or districts located within the geographic boundaries of the intermediate district by not later than June 1, 2023.

(d) It shall provide the parents and legal guardians described in subdivision (c) a mechanism to choose a learning pod program from the list described in subdivision (b) and mechanism for enrolling their eligible child in a program on the list. A parent or legal guardian cannot enroll their eligible child in more than 2 programs as described in this subdivision.

(4) An intermediate district that receives funding under this section shall use the funding only for the coverage of costs associated with running learning pod programs described in this section, including, but not limited to, the provision of bonus payments to teachers and staff members who work in the learning pod programs.

(5) The department shall pay each intermediate district that has applied for funding under this section an equal amount for each eligible child enrolled in a learning pod program as described in subsection (3)(d).

(6) Each intermediate district that receives money under this section shall submit a report to the department concerning the number of eligible children served, the number of hours eligible children were provided programming through learning pods described in this section, and a brief description of how that time was utilized. The department shall compile the reports described in this subsection and submit 1 report based off of the compiled reports to the house fiscal agency, the senate fiscal agency, the state budget office, the house and senate subcommittees responsible for K to 12 school aid, and the house and senate subcommittees responsible for appropriations for the department.

(7) After learning pod programs, as described in this section, have concluded, each intermediate district that received funding under this section for the implementation of the programs shall provide a forum that allows the parents and legal guardians of eligible children who participated in the programs to provide feedback concerning the programs. This forum must include, at a minimum, the provision of surveys that solicit feedback, including the solicitation of feedback concerning how the programs could be improved. Intermediate districts shall provide results from surveys described in this subsection to the department, in a form and manner prescribed by the department and on a timeline determined by the department. The department shall compile the surveys it receives under this subsection and submit 1 report concerning the survey results to the house fiscal agency, the senate fiscal agency, the state budget office, the house and senate subcommittees responsible for K to 12 school aid, and the house and senate subcommittees responsible for appropriations for the department.

(8) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(9) As used in this section:

(a) “Eligible child” or “eligible children” means a child or children to whom any of the following apply:

(i) The child is or children are economically disadvantaged, as reported to the center in the form and manner prescribed by the center, not later than the fifth Wednesday after the pupil membership count day of the immediately preceding fiscal year.

(ii) For a child or children for whom the results of the state summative assessment have been received, the child or the children did not achieve proficiency on the English language arts, mathematics, science, or social studies content area assessment.

(iii) The child or children are at risk of not meeting the core academic curricular objectives in English language arts or mathematics, as demonstrated on local assessments.

(b) “Learning pod” means a group of eligible children participating together in a summer program designed to provide learning enrichment opportunities, academic supports that help students catch up with their peers, and classroom experiences designed to prevent or reduce summer learning loss.

(c) “Summer” means a period beginning June 1 and ending September 2 of the same year.

Sec. 24. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2020-2021 an amount not to exceed \$7,650,000.00 and there is allocated for 2021-2022 ~~2022-2023~~ an amount not to exceed \$7,650,000.00 for payments to the educating district or intermediate district for educating pupils assigned by a court or the department of health and human services to reside in or to attend a juvenile detention facility or child caring institution licensed by the department of health and human services and approved by the department to provide an on-grounds education program. The amount of the payment under this section to a district or intermediate district is calculated as prescribed under subsection (2).

(2) The department shall allocate the total amount allocated under this section by paying to the educating district or intermediate district an amount equal to the lesser of the district’s or intermediate district’s added cost or the department’s approved per-pupil allocation for the district or intermediate district. For the purposes of this subsection:

(a) “Added cost” means 100% of the added cost each fiscal year for educating all pupils assigned by a court or the department of health and human services to reside in or to attend a juvenile detention facility or child caring institution licensed by the department of health and human services or the department of licensing and regulatory affairs and approved by the department to provide an on-grounds education program. Added cost is computed by deducting all other revenue received under this article for pupils described in this section from total costs, as approved by the department, in whole or in part, for educating those pupils in the on-grounds education program or in a program approved by the department that is located on property adjacent to a juvenile detention facility or child caring institution. Costs reimbursed by federal funds are not included.

(b) “Department’s approved per-pupil allocation” for a district or intermediate district is determined by dividing the total amount allocated under this section for a fiscal year by the full-time equated membership total for all pupils approved by the department to be funded under this section for that fiscal year for the district or intermediate district.

(3) A district or intermediate district educating pupils described in this section at a residential child caring institution may operate, and receive funding under this section for, a department-approved on-grounds educational program for those pupils that is longer than 181 days, but not longer than 233 days, if the child caring institution was licensed as a child caring institution and offered in 1991-92 an on-grounds educational program that was longer than 181 days but not longer than 233 days and that was operated by a district or intermediate district.

(4) Special education pupils funded under section 53a are not funded under this section.

Sec. 24a. From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$1,355,700.00 for ~~2021-2022~~**2022-2023** for payments to intermediate districts for pupils who are placed in juvenile justice service facilities operated by the department of health and human services. The amount of the payment to each intermediate district is an amount equal to the state share of those costs that are clearly and directly attributable to the educational programs for pupils placed in facilities described in this section that are located within the intermediate district’s boundaries. The intermediate districts receiving payments under this section shall cooperate with the department of health and human services to ensure that all funding allocated under this section is utilized by the intermediate district and department of health and human services for educational programs for pupils described in this section. Pupils described in this section are not eligible to be funded under section 24. However, a program responsibility or other fiscal responsibility associated with these pupils must not be transferred from the department of health and human services to a district or intermediate district unless the district or intermediate district consents to the transfer.

Sec. 25f. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$1,600,000.00 for ~~2021-2022~~**2022-2023** for payments to strict discipline academies established under sections 1311b to 1311m of the revised school code, ~~MCL 380.1311b to 380.1311m, and~~ **qualified districts**, as provided under this section.

(2) In order to receive funding under this section, a strict discipline academy **or qualified district** must first comply with section 25e and use the pupil transfer process under that section for changes in enrollment as prescribed under that section.

(3) The total amount allocated to a strict discipline academy **or qualified district** under this section must first be distributed as the lesser of the strict discipline academy’s **or qualified district’s** added cost or the department’s approved per-pupil allocation for the strict discipline academy **or qualified district**. ~~Any~~ **Subject to subsection (7), any** funds remaining after the first distribution must be distributed by prorating on an equal per-pupil membership basis, not to exceed a strict discipline academy’s **or qualified district’s** added cost. However, the sum of the amounts received by a strict discipline academy **or qualified district** under this section and under section 24 must not exceed the product of the strict discipline academy’s **or qualified district’s** per-pupil allocation calculated under section 20 multiplied by the strict discipline academy’s **or qualified district’s** full-time equated membership. The department shall allocate funds to strict discipline academies **and qualified districts** under this section on a monthly basis. ~~For the purposes of this subsection:~~

(a) ~~“Added cost” means 100% of the added cost each fiscal year for educating all pupils enrolled and in regular daily attendance at a strict discipline academy. Added cost must be computed by deducting all other revenue received under this article for pupils described in this subsection from total costs, as approved by the department, in whole or in part, for educating those pupils in a strict discipline academy. The department shall include all costs including, but not limited to, educational costs, insurance, management fees, technology costs, legal fees, auditing fees, interest, pupil accounting costs, and any other administrative costs necessary to operate the program or to comply with statutory requirements. Costs reimbursed by federal funds are not included.~~

(b) ~~“Department’s approved per-pupil allocation” for a strict discipline academy is determined by dividing the total amount allocated under this subsection for a fiscal year by the full-time equated membership total for all pupils approved by the department to be funded under this subsection for that fiscal year for the strict discipline academy.~~

(4) Special education pupils funded under section 53a are not funded under this section.

(5) If the funds allocated under this section are insufficient to fully fund the adjustments under subsection (3), the department shall prorate payments under this section on an equal per-pupil basis.

(6) The department shall make payments to ~~districts~~ **strict discipline academies and qualified districts** under this section according to the payment schedule under section 17b.

(7) For purposes of this section, the pupil membership for the current fiscal year for a qualified district is the actual number of pupils that are in the custody of a county juvenile agency as described in subsection (8)(c).

(8) As used in this section:

(a) “Added cost” means 100% of the added cost each fiscal year for educating all pupils enrolled and in regular daily attendance at a strict discipline academy or qualified district. Added cost must be computed by deducting all other revenue received under this article for pupils described in this subdivision from total costs, as approved by the department, in whole or in part, for educating those pupils in a strict discipline academy or qualified district. The department shall include all costs, including, but not limited to, educational costs, insurance, management fees, technology costs, legal fees, auditing fees, interest, pupil accounting costs, and any other administrative costs necessary to operate the program or to comply with statutory requirements. Costs reimbursed by federal funds are not included.

(b) “Department’s approved per-pupil allocation” means, for a strict discipline academy or qualified district, an amount equal to the quotient of the total amount allocated under this section for a fiscal year and the full-time equated membership total for all pupils approved by the department to be funded under this section for that fiscal year for the strict discipline academy or qualified district.

(c) “Qualified district” means a public school academy that is not a strict discipline academy that enrolls individuals who are in the custody of a county juvenile agency to which both of the following are applicable:

(i) The agency had custody of individuals who were enrolled in a strict discipline academy in the 2020-2021 school year.

(ii) The strict discipline academy that the individuals described in subparagraph (i) were enrolled in subsequently closed.

(d) “Strict discipline academy” means a public school academy established under sections 1311b to 1311m of the revised school code, MCL 380.1311b to 380.1311m.

Sec. 25g. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$750,000.00 for ~~2021-2022-2022-2023~~ for the purposes of this section. Except as otherwise provided in this section, if the operation of the special membership counting provisions under section 6(4)(dd) and the other membership counting provisions under section 6(4) result in a pupil being counted as more than 1.0 FTE in a fiscal year, then the payment made for the pupil under sections 22a and 22b must not be based on more than 1.0 FTE for that pupil, and that portion of the FTE that exceeds 1.0 is paid under this section in an amount equal to that portion multiplied by the educating district’s foundation allowance or per-pupil payment calculated under section 20.

(2) Special education pupils funded under section 53a are not funded under this section.

(3) If the funds allocated under this section are insufficient to fully fund the adjustments under subsection (1), the department shall prorate payments under this section on an equal per-pupil basis.

(4) The department shall make payments to districts under this section according to the payment schedule under section 17b.

Sec. 26a. From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$15,300,000.00~~ **\$14,000,000.00** for 2021-2022 to reimburse districts and intermediate districts under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in 2021, and there is allocated an amount not to exceed **\$14,000,000.00** for 2022-2023 to reimburse districts and intermediate districts under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692, for taxes levied in 2022. The department shall pay the allocations not later than 60 days after the department of treasury certifies to the department and to the state budget director that the department of treasury has received all necessary information to properly determine the amounts due to each eligible recipient.

Sec. 26b. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$4,710,000.00~~ **\$4,989,000.00** for ~~2021-2022-2022-2023~~ for payments to districts, intermediate districts, and community college districts for the portion of the payment in lieu of taxes obligation that is attributable to districts, intermediate districts, and community college districts under section 2154 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2154.

(2) If the amount appropriated under this section is not sufficient to fully pay obligations under this section, payments are prorated on an equal basis among all eligible districts, intermediate districts, and community college districts.

Sec. 26c. (1) From the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed ~~\$11,300,000.00~~ **\$14,800,000.00** for ~~2020-2021-2021-2022~~ and there is allocated an amount not to exceed ~~\$13,800,000.00~~ **\$14,800,000.00** for ~~2021-2022-2022-2023~~ to the promise zone fund

created in subsection (3). The funds allocated under this section reflect the amount of revenue from the collection of the state education tax captured under section 17 of the Michigan promise zone authority act, 2008 PA 549, MCL 390.1677.

(2) Funds allocated to the promise zone fund under this section must be used solely for payments to eligible districts and intermediate districts, in accordance with section 17 of the Michigan promise zone authority act, 2008 PA 549, MCL 390.1677, that have a promise zone development plan approved by the department of treasury under section 7 of the Michigan promise zone authority act, 2008 PA 549, MCL 390.1667. Eligible districts and intermediate districts shall use payments made under this section for reimbursement for qualified educational expenses as that term is defined in section 3 of the Michigan promise zone authority act, 2008 PA 549, MCL 390.1663.

(3) The promise zone fund is created as a separate account within the state school aid fund to be used solely for the purposes of the Michigan promise zone authority act, 2008 PA 549, MCL 390.1661 to 390.1679. All of the following apply to the promise zone fund:

(a) The state treasurer shall direct the investment of the promise zone fund. The state treasurer shall credit to the promise zone fund interest and earnings from fund investments.

(b) Money in the promise zone fund at the close of a fiscal year remains in the promise zone fund and does not lapse to the general fund.

(4) Subject to subsection (2), the state treasurer may make payments from the promise zone fund to eligible districts and intermediate districts under the Michigan promise zone authority act, 2008 PA 549, MCL 390.1661 to 390.1679, to be used for the purposes of a promise zone authority created under that act.

(5) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 26d. (1) From the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed ~~\$7,500,000.00~~ **\$12,000,000.00** for 2021-2022 **and an amount not to exceed \$14,400,000.00 for 2022-2023** for reimbursements to intermediate districts as required under section 15b of the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2665b.

(2) The amounts reimbursed under subsection (1) must be used by the intermediate district only for the purposes for which the property taxes were originally levied.

(3) The Michigan strategic fund and the Michigan economic development corporation shall work with the department of treasury in identifying the amount of tax revenues that are to be reimbursed under subsection (1).

(4) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 27a. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 an amount not to exceed \$20,000,000.00 and from the general fund money appropriated in section 11, there is allocated for 2022-2023 an amount not to exceed \$5,000,000.00 for the MI future educator fellowship program. The funds allocated under this section must be used to offset tuition costs for individuals who are working toward earning their initial teacher certification.

(2) To establish initial eligibility for an award from funding under this section, an individual must meet all of the following conditions by the date of enrollment described in subdivision (b):

(a) Have graduated from high school with a diploma or certificate of completion or achieved a high school equivalency certificate.

(b) Be admitted to an eligible educator preparation program and begin the first semester of that program on or after the start of the fall 2022 academic semester; be working toward a teacher certification; and be enrolled in enough coursework to earn at least 24 credits in an academic year or the equivalent of full-time participation for individuals enrolled in an alternative certification program, as defined by the department.

(c) Not have previously earned a teacher certification.

(d) Timely complete a grant application in a form and manner prescribed by the department of treasury.

(e) Timely file the Free Application for Federal Student Aid for the enrollment period described in subdivision (b).

(f) Timely apply for all available gift aid for the enrollment period described in subdivision (b).

(g) Agree to repay any funds received from funding under this section if the individual does not maintain enrollment in their educator preparation program, the individual does not successfully complete their educator program, or the individual does not complete the work requirement described in subsection (7).

(h) Have a high school or college grade point average of at least 3.0.

(i) Be a resident of this state, as determined for purposes of the Free Application for Federal Student Aid.

(3) To establish continuing eligibility for an award under this section at an eligible educator preparation program, an individual must meet all of the following conditions:

(a) Maintain continuous enrollment in an eligible educator preparation program and earn at least 24 credits in an academic year or the equivalent of full-time participation for individuals enrolled in an alternative certification program, as defined by the department, excluding any period of time missed due to a medical or other emergency, as determined by the department of treasury.

(b) Maintain satisfactory academic progress, including a grade point average of at least 3.0, in courses provided by the eligible educator preparation program and meet requirements established by the eligible educator preparation program.

(c) Participate in relevant academic and career advising programs offered by the eligible educator preparation program.

(d) Timely file the Free Application for Federal Student Aid for each academic year in which the individual receives an award from funding under this section.

(e) Timely apply for all available gift aid for each academic year in which the individual applies for funding under this section.

(f) Maintain residency in this state, as determined for purposes of the Free Application for Federal Student Aid.

(4) An award under this section must not exceed \$10,000.00 per academic year or the cost of tuition at the in-district resident rate plus other required fees, as determined by the department of treasury, at the eligible educator preparation program attended, whichever is less.

(5) Awards under this section must be distributed to eligible educator preparation programs on behalf of an eligible recipient on a timeline determined by the department of treasury.

(6) Pending available funds, applicants may renew their award for up to 3 years, or until program completion, whichever comes first.

(7) To be an eligible recipient of fellowship funding under this section, an individual must pledge to work as a certified teacher in a public school, nonpublic school, or a qualifying public preschool program in this state and must meet 1 of the following work requirements:

(a) For a recipient of funding under this section who received an award for 1 academic year, 3 years of work as a certified teacher in a public school, nonpublic school, or a qualifying public preschool program in this state.

(b) For a recipient of funding under this section who received an award for 2 academic years, 4 years of work as a certified teacher in a public school, nonpublic school, or a qualifying public preschool program in this state.

(c) For a recipient of funding under this section who received an award for 3 academic years, 5 years of work as a certified teacher in a public school, nonpublic school, or a qualifying public preschool program in this state.

(d) For a recipient working in a critical needs district, 3 years of work as a certified teacher. As used in this subdivision, "critical needs district" means a district with a median household income in the lowest quartile in each prosperity region, as determined by the department.

(8) If an award recipient does not maintain enrollment in their educator preparation program as required under subsection (3)(a), does not successfully complete their educator preparation program, or does not meet the work requirement described in subsection (7), any amount received from funds under this section converts to a 0% interest loan that must be repaid to this state within 10 years. The amount of repayment must be reduced proportionate to the number of years worked in schools or qualifying public preschool programs in this state as a certificated teacher out of 5 years. The department of treasury shall develop guidance to enforce this subsection.

(9) An individual may not concurrently receive funding through programs funded under this section and grow your own programs funded under section 27b.

(10) If the amount allocated in subsection (1) is not sufficient to fully fund awards under this section, there is appropriated from the educator fellowship public provider fund or the educator fellowship private provider fund, as applicable, the amount necessary to fully fund these programs. The state budget director shall provide notification to the house and senate appropriations subcommittees on K to 12 school aid and the house and senate fiscal agencies for any additional appropriation described under this subsection.

(11) Notwithstanding section 17b, the department of treasury shall make payments under this section on a schedule determined by the department of treasury.

(12) As used in this section, "eligible educator preparation program" means an institution of higher education that meets all of the following:

(a) Is a public or nonpublic institution of higher education in this state.

(b) Has an established school of education with an educator preparation program approved by the department.

(c) Enrolls 1 or more future educator fellowship recipients.

(d) Has not increased tuition and fee rates above the limitations described in section 265.

Sec. 27b. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 only an amount not to exceed \$20,000,000.00 and from the federal funding appropriated under section 11, there is allocated for 2022-2023 only an amount not to exceed \$155,000,000.00 from the federal funding awarded to this state from the coronavirus state fiscal recovery fund under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, to districts and intermediate districts for a grow your own program as described in subsection (2).

(2) Districts and intermediate districts receiving funding under this section shall use the funding to implement a grow your own program. A grow your own program described in this subsection must be implemented to improve the teacher talent pipeline and provide a no-cost pathway for support staff members to become certified teachers. Allowable expenses for grow your own programs include, but are not limited to:

(a) Tuition and fees for attendance at a state-approved education preparation provider for an accelerated degree, for a traditional bachelor's degree for current staff who are not teachers, or for an advanced degree.

(b) Books.

(c) Testing fees.

(d) Travel to and from coursework.

(e) Substitute employee salary and wages for the duration of the educator preparation program attended by the recipient staff of the district or intermediate district.

(f) Costs for curriculum, materials, professional development, and hands-on-learning experiences to implement a program within the district or intermediate district to encourage students in any of grades 6 through 12 to consider a career in education. Not more than 10% of funds received by a district or intermediate district under this section may be used for this purpose.

(3) The department shall establish a grant process to distribute funds under this section. A district or intermediate school district must apply for funds in a form and manner prescribed by the department. As part of the application described in this subsection, a district or intermediate district must submit the following information and assurances:

(a) Demonstrated need for funding in the district or intermediate district or the broader community, including projected workforce needs, and a proposed spending plan on how the funds will be utilized that includes expected tuition, fees, and books for the program.

(b) Number of support staff projected to participate in a grow your own program described in this section.

(c) For funds for the purposes described in subsection (2)(f), a description of the program being implemented and the number of students the program is intended to reach.

(d) Assurances that the pathway will be no cost for participants and that participants will be compensated as an employee for the duration of their training, including a paid residency or student teaching.

(e) Identification of eligible recipients and a pledge to hire an eligible recipient as a full-time teacher upon their receipt of an initial teaching certificate and provide for student teaching opportunities.

(f) A pledge that, before providing funding under this section to an eligible recipient, the district or intermediate district will require that the eligible recipient pledge to serve as a full-time teacher at the district or intermediate district for at least the same number of years as the recipient participated in a grow your own program. If the district or intermediate district is unable to hire an eligible recipient as required under subdivision (e), the eligible recipient may serve the years the recipient pledged to serve under this subdivision at another district, intermediate district, or nonpublic school.

(4) An individual may not concurrently receive funding for programs under this section and programs funded under sections 27a and 27c.

(5) The federal funding allocated under this section is intended to respond to the COVID-19 public health emergency and its negative impacts.

(6) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(7) The funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to continue support for grow your own programs in districts and intermediate districts. The estimated completion date of the work project is December 31, 2026.

Sec. 27c. (1) From the state school aid fund money appropriated in section 11, there is allocated \$50,000,000.00 for 2022-2023 for the MI future educator student teacher stipend program. Except as otherwise provided in this section, the funds allocated under this section must be paid to eligible educator preparation programs for payments to eligible student teachers working in a district.

(2) An eligible student teacher under this subsection must meet all the following:

(a) The individual must be admitted to an eligible educator preparation program, be working toward a teacher certification, be participating in required student teaching coursework, and be maintaining satisfactory academic progress. As used in this subdivision, "required student teaching coursework" means credit hours, or the program equivalent, required by an eligible educator preparation program for successful completion of the program. This coursework must include regular placement in a district where the student gains real-world, first-hand experience working in a classroom, teaching students, engaging in the day-to-day activities of a certified teacher, and working daily under the guidance of a certified teacher.

(b) The individual must timely complete an application in a form and manner prescribed by the department of treasury. The application must include the district in which the individual is working as a student teacher and must include a certification by the district and the individual's eligible educator preparation program that the student is working as a student teacher. If the individual's eligible educator preparation program is not provided by a public institution of higher education, the district in which the individual is working must also provide an assurance that they will forward any amount received under this section from the department of treasury for purposes of the program described in this section to the individual's eligible educator preparation program.

(c) The individual must not have received a payment from funds under this subsection previously, unless the individual is enrolled in an eligible educator preparation program that requires multiple semesters of student teaching.

(d) If an individual is paid by their district, they are not eligible for payment under this section.

(3) The department of treasury shall pay each eligible educator preparation program an amount not to exceed \$9,600.00 per academic semester for each eligible student teacher working in a district. If the individual's eligible educator preparation program is not provided by a public institution of higher education, the department of treasury shall pay an amount not to exceed \$9,600.00 per academic semester to the district in which the individual is working as a student teacher, and that district must forward the amount received to the individual's eligible educator preparation program. If funding allocated under this section is insufficient to fully fund all eligible student teachers, the department of treasury shall first award funding for eligible student teachers who are also Pell grant recipients and then shall distribute funding in the order in which applications were received. It is intended that payments under this subsection are made at the beginning of the semester in 1 lump sum for eligible student teachers.

(4) Eligible educator preparation programs shall pay funds received under this section, in entirety, to the eligible student teacher. Eligible student teachers may use these funds for any of the following:

(a) Tuition costs.

(b) Living expenses, including, but not limited to, housing costs, health care costs, and transportation costs.

(c) Childcare costs for a dependent of the student teacher.

(d) Any other costs associated with student teaching, as determined by the department of treasury.

(5) Notwithstanding section 17b, the department of treasury shall make payments under this section on a schedule determined by the department of treasury.

(6) As used in this section, "eligible educator preparation program" means an institution of higher education that meets all of the following:

(a) Is a public or private institution of higher education in this state.

(b) Has an established school of education with an educator preparation program approved by the department.

(c) Has not increased tuition and fee rates above the limitations described in section 265.

Sec. 27d. (1) The educator fellowship public provider fund is created as a separate account within the state school aid fund for the purpose of improving the educator workforce through recruitment efforts for students attending public educator preparation programs.

(2) The state treasurer may receive money or other assets from any source for deposit into the educator fellowship public provider fund. The state treasurer shall direct the investment of the educator fellowship public provider fund. The state treasurer shall credit to the educator fellowship public provider fund interest and earnings from educator fellowship public provider fund investments.

(3) Money in the educator fellowship public provider fund at the close of the fiscal year remains in the educator fellowship public provider fund and does not lapse to the state school aid fund.

(4) The department of treasury is the administrator of the educator fellowship public provider fund for auditing purposes.

(5) The department of treasury shall expend money from the educator fellowship public provider fund, upon appropriation, for the purposes described in section 27a(10) for students admitted to public educator preparation programs.

(6) For the fiscal year ending September 30, 2022 only, \$235,000,000.00 from the state school aid fund is deposited into the educator fellowship public programs fund.

Sec. 27e. (1) The educator fellowship private provider fund is created within the department of treasury for the purpose of improving the educator workforce through recruitment efforts for students attending private educator preparation programs.

(2) The state treasurer may receive money or other assets from any source for deposit into the educator fellowship private provider fund. The state treasurer shall direct the investment of the educator fellowship private provider fund. The state treasurer shall credit to the educator fellowship private provider fund interest and earnings from educator fellowship private provider fund investments.

(3) Money in the educator fellowship private provider fund at the close of the fiscal year remains in the educator fellowship private provider fund and does not lapse to the general fund or state school aid fund.

(4) The department of treasury is the administrator of the educator fellowship private provider fund for auditing purposes.

(5) The department of treasury shall expend money from the educator fellowship private provider fund, upon appropriation, for the purposes described in section 27a(10) for students admitted to private educator preparation programs.

(6) For the fiscal year ending September 30, 2022 only, \$45,000,000.00 from the general fund is deposited into the educator fellowship private programs fund.

Sec. 27f. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed \$500,000.00 for 2021-2022 only to an association that represents a consortium of urban school districts in this state working in partnership with a research consultant for the purposes under this section.

(2) Funds under this section must be used only to support an analysis and an accompanying report of this state's education workforce. The analysis described in this subsection must provide all of the following:

(a) The identification of effective and financially sustainable strategies districts have developed to address staffing shortages.

(b) An evaluation of how educator workforce shortages compare among the various districts across this state in efforts to improve the diversity of the workforce and to understand how workforce shortages relate to questions of equity in education.

(c) Recommendations for both short-term and long-term solutions to address educator shortages.

(d) An examination of educator workforce policies in other states to identify approaches that have been useful in addressing educator shortages and diversity.

(e) An analysis of district-level personnel data from urban and rural districts that have faced the largest declines in staff and face the greatest burdens in addressing educator shortages.

(f) The inclusion of targeted feedback from school-level educators, as well as district-level administrators.

(3) The analysis described in subsection (2) must include representation from various stakeholders, including, but not limited to, teachers, school administrators, and human resources directors.

(4) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(5) The funds allocated under this section for 2021-2022 are a work project appropriation, and any unexpended funds for 2021-2022 are carried forward into 2022-2023. The purpose of the work project is to continue support for the analysis described in subsection (2). The estimated completion date of the work project is September 30, 2023.

Sec. 28. (1) To recognize differentiated instructional costs for different types of pupils in 2021-2022, 2022-2023, the following sections provide a weighted foundation allocation or an additional payment of some type in the following amounts, as allocated under those sections:

(a) Section 22d, isolated and rural districts, ~~\$8,420,000.00~~, **\$8,858,000.00**.

(b) Section 31a, at risk, ~~standard programming~~, ~~\$512,500,000.00~~, **\$747,500,000.00**.

(c) ~~Section 31a, at risk, additional payment~~, ~~\$12,000,000.00~~.

(c) ~~(d)~~ Section 41, bilingual education for English language learners, ~~\$25,200,000.00~~, **\$26,511,000.00**.

(d) ~~(e)~~ Section 51c, special education, mandated percentages, ~~\$733,400,000.00~~, **\$709,900,000.00**.

(f) ~~Section 51f, special education, additional percentages~~, ~~\$90,207,000.00~~.

(e) ~~(g)~~—Section 61a, career and technical education, standard reimbursement, ~~\$37,611,300.00.~~**\$47,611,300.00.**

(f) ~~(h)~~—Section 61d, career and technical education incentives, \$5,000,000.00.

(2) The funding described in subsection (1) is not a separate allocation of any funding but is instead a listing of funding allocated in the sections listed in subsection (1).

Sec. 30c. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 only an amount not to exceed \$15,000,000.00 to districts for implementation of the troops-to-teachers initiative as described in this section.

(2) Except as otherwise provided in this subsection, to receive funding under this section, a district must apply for the funding in a form and manner prescribed by the department. In its application described in this subsection, a district must include all of the following:

(a) A pledge that it will pay each qualified troops-to-teachers member described in subsection (3)(b) the salary required under subsection (3)(b).

(b) A pledge that it will pay each qualified troops-to-teachers member it hires as described in subsection (3)(e) the salary required under subsection (3)(e).

(c) A spending plan for its use of funding received under this section that must include plans to phase down the usage of funding under this section for the implementation of the troops-to-teachers initiative described in this section in a manner ensuring that the district will fully fund the initiative without funding under this section by September 30, 2027.

(d) A pledge that the district will continue to pay qualified troops-to-teachers members described in subsection (3)(b) and (e) a salary, as described in subsection (3)(b) or (e), as applicable, after September 30, 2027.

(3) A district that receives funding under this section shall use the funding for only the following reasons:

(a) The implementation of a mentorship training program that must include, at a minimum, phase 1 and 2 mentorship training provided to qualified troops-to-teachers members. The phases of mentorship training described in this subdivision must meet the following criteria:

(i) All of the following apply to phase 1 mentorship training described in this subdivision:

(A) It must be for a duration of 1 semester.

(B) It must include a process through which a qualified troops-to-teachers member serves as a student teacher at a school operated by the district while shadowing a mentor teacher during the duration of the training. To the extent possible, a qualified troops-to-teachers member who has interest in teaching in a certain subject or grade level must be paired under this sub-subparagraph with a mentor teacher who teaches in the applicable subject or grade level.

(C) After the qualified troops-to-teachers member has completed 1 semester of student teaching as described in sub-subparagraph (B), the mentor teacher he or she was paired with as described in sub-subparagraph (B) shall either approve or disapprove his or her completion of phase 1 mentorship training and recommend or not recommend his or her deployment into teaching in classrooms and certification. A qualified troops-to-teachers member is not considered to have completed phase 1 mentorship training under this subparagraph unless his or her mentor teacher has approved the completion as described in this sub-subparagraph.

(ii) All of the following apply to phase 2 mentorship training described in this subdivision:

(A) It must be open to only qualified troops-to-teachers members who have completed 1 semester of student teaching as described in subparagraph (i)(B), but who were disapproved for completion of phase 1 mentorship training under subparagraph (i)(C).

(B) It must be for a duration of 1 semester.

(C) It must include a process through which a qualified troops-to-teachers member serves as a student teacher at a school operated by the district while shadowing a mentor teacher during the duration of the training. To the extent possible, a qualified troops-to-teachers member who has interest in teaching in a certain subject or grade level must be paired under this sub-subparagraph with a mentor teacher who teaches in the applicable subject or grade level.

(D) After the qualified troops-to-teachers member has completed 1 semester of student teaching as described in sub-subparagraph (C), the mentor teacher he or she was paired with as described in sub-subparagraph (C) shall either approve or disapprove his or her completion of phase 2 mentorship training and recommend or not recommend his or her deployment into teaching in classrooms and certification. A qualified troops-to-teachers member is not considered to have completed phase 2 mentorship training under this subparagraph unless his or her mentor teacher has approved the completion as described in this sub-subparagraph.

(b) The payment of a salary for each qualified troops-to-teachers member for his or her completion of 1 semester of student teaching as part of part 1 or 2 mentorship training described in this subsection, whether or not he or she is approved for completion of phase 1 or 2 mentorship training as described in this subsection, in an amount that equals the starting teacher salary in the district. This subdivision does not limit, if in compliance with other laws, the district from providing additional compensation to a qualified troops-to-teachers member described in this subdivision.

(c) The payment of costs and fees associated with completion of each subject area examination for each subject area in which a qualified troops-to-teachers member applies to be certified for a qualified troops-to-teachers member who has completed phase 1 or 2 mentorship training as described in this subsection.

(d) The hiring of support staff to implement the troops-to-teachers initiative described in this section.

(e) The hiring, as teachers, of qualified troops-to-teachers members who completed the phase 1 or 2 mentorship training as described in this subsection and obtained teacher certification and the payment to those qualified troops-to-teachers members of a salary that equals, at a minimum, either of the following, as applicable:

(i) For the qualified troops-to-teachers member's first year of employment as a teacher, either of the following, as applicable:

(A) If the highest yearly salary the qualified troops-to-teachers member received in the military is higher than the starting teacher salary in the district, the sum of a starting teacher salary in the district and 50% of the difference between the highest yearly salary the qualified troops-to-teachers member received in the military and the starting teacher salary in the district. However, the amount described in this sub-subparagraph must not exceed the highest teacher salary in the district. For a qualified troops-to-teachers member described in this sub-subparagraph, only 50% of the difference between the highest yearly salary the qualified troops-to-teachers member received in the military and the starting teacher salary described in this sub-subparagraph may be paid for from money received under this section and the other portion of the salary described in this sub-subparagraph must be paid by the district from funds other than funds received under this section.

(B) If the highest yearly salary the qualified troops-to-teachers member received in the military is lower than the starting teacher salary in the district, the starting teacher salary in the district. The entirety of a salary described in this sub-subparagraph must be paid by the district from funds other than funds received under this section.

(ii) For the qualified troops-to-teachers member's employment as a teacher following the member's first year of employment, the criteria and requirements under subparagraphs (i) and (ii) apply, but the salary must account for any teacher salary increases in the district and the district must incorporate its plan to phase down the usage of funding under this section as submitted in its application under subsection (2), ensuring that 100% of a member's salary is paid from funding other than funding received under this section by September 30, 2027.

(f) Any other fees or costs associated with the implementation of the troops-to-teachers initiative described in this section, as determined by the department.

(4) The department must provide an annual report to the house and senate appropriations subcommittees on school aid, the house and senate fiscal agencies, and the state budget director on the troops-to-teachers initiative under this section, including the number of qualified troops-to-teachers members who were hired as certificated teachers in each district that received funding under this section.

(5) Funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to continue the troops-to-teachers initiative as described in this section. The estimated completion date of the work project is September 30, 2027.

(6) As used in this section:

(a) "Mentor teacher" means a certificated teacher who has served as a certificated teacher for 5 or more school years.

(b) "Qualified troops-to-teachers member" means an individual to whom both of the following apply:

(i) The individual is a veteran. As used in this subparagraph, "veteran" means that term as defined in section 1 of 1965 PA 160, MCL 35.61.

(ii) The individual has been awarded a bachelor's degree from a public or private university.

Sec. 31a. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2021-2022 an amount not to exceed \$537,650,000.00, and from the general fund money appropriated in section 11 there is allocated for 2021-2022 an amount not to exceed \$1,500,000.00, and, from the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 an amount not to exceed \$785,650,000.00, and from the general fund money appropriated in section 11, there is allocated for 2022-2023 an amount not to exceed \$1,500,000.00 for payments to eligible districts and eligible public

school academies for the purposes of ensuring that pupils are proficient in English language arts by the end of grade 3, that pupils are proficient in mathematics by the end of grade 8, that pupils are attending school regularly, that high school graduates are career and college ready, and for the purposes under subsections (7) and (8).

(2) For **2021-2022 only**, for a district that has combined state and local revenue per membership pupil under ~~section~~**sections 20 and 20m** that is greater than the target foundation allowance under section 20 for the current fiscal year and that, for the immediately preceding fiscal year, had combined state and local revenue per membership pupil under section 20 **and 20m** that was greater than the target foundation allowance under section 20 that was in effect for that fiscal year, the allocation under subsection (4) is an amount equal to 35% of the allocation for which it would otherwise be eligible under subsection (4) before any proration under subsection (15). It is the intent of the legislature that, if revenues are sufficient and if districts with combined state and local revenue per membership pupil under ~~section~~**sections 20 and 20m** that is below the target foundation allowance are receiving nonprorated payments under subsection (4), the percentage in the immediately preceding sentence must be increased annually until it reaches 100%. If a district has combined state and local revenue per membership pupil under ~~section~~**sections 20 and 20m** that is greater than the target foundation allowance under section 20 for the current fiscal year, but for the 2018-2019 fiscal year had combined state and local revenue per membership pupil under section 20 that was less than the basic foundation allowance under section 20 that was in effect for the 2018-2019 fiscal year, the district shall receive an amount per pupil equal to 11.5% of the ~~statewide-weighted-average-target~~ foundation allowance, as applied under subsection (4), and before any proration under subsection (15). **This subsection does not apply beginning in 2022-2023.**

(3) For a district or public school academy to be eligible to receive funding under this section, other than funding under subsection (7) or (8), the district or public school academy, for grades K to 12, must comply with the requirements under section 1280f of the revised school code, MCL 380.1280f, and shall use resources to address early literacy and numeracy, and for at least grades K to 12 or, if the district or public school academy does not operate all of grades K to 12, for all of the grades it operates, must implement a multi-tiered system of supports that is an evidence based framework that uses data driven problem solving to integrate academic and behavioral instruction and that uses intervention delivered to all pupils in varying intensities based on pupil needs. The multi-tiered system of supports described in this subsection must provide at least all of the following essential components:

- (a) Team-based leadership.
- (b) A tiered delivery system.
- (c) Selection and implementation of instruction, interventions, and supports.
- (d) A comprehensive screening and assessment system.
- (e) Continuous data-based decision making.

(4) From the state school aid fund money allocated under subsection (1), there is allocated for 2021-2022 an amount not to exceed \$512,500,000.00 **and, for 2022-2023, an amount not to exceed \$747,500,000.00** to continue a weighted foundation per pupil payment for districts and public school academies enrolling economically disadvantaged pupils. The department shall pay under this subsection to each eligible district or eligible public school academy an amount per pupil equal to 11.5% of the ~~statewide-weighted-average-target~~ foundation allowance for the following, as applicable:

(a) Except as otherwise provided under subdivision (b), (c), or (d) the greater of the following:

(i) The number of membership pupils in the district or public school academy who are determined to be economically disadvantaged, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the pupil membership count day of the immediately preceding fiscal year.

(ii) If the district or public school academy is in the community eligibility program, the number of pupils determined to be eligible based on the product of the identified student percentage multiplied by the total number of pupils in the district or public school academy, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the pupil membership count day of the immediately preceding fiscal year. These calculations must be made at the building level. This subparagraph only applies to an eligible district or eligible public school academy for the fiscal year immediately following the first fiscal year in which it is in the community eligibility program. As used in this subparagraph, "identified student percentage" means the quotient of the number of pupils in an eligible district or eligible public school academy who are determined to be economically disadvantaged, as reported to the center in a form and manner prescribed by the center, not later than the fifth Wednesday after the pupil membership count day in the fiscal year preceding the first fiscal year in which the eligible district or eligible public school academy is in the community eligibility program, divided by the total number of pupils counted in an eligible district or eligible public school academy on the pupil membership count day in the fiscal year preceding the first fiscal year in which the eligible district or eligible public school academy is in the community eligibility program.

(b) If the district or public school academy began operations as a district or public school academy after the pupil membership count day of the immediately preceding school year, the number of membership pupils in the district or public school academy who are determined to be economically disadvantaged, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the pupil membership count day of the current fiscal year.

(c) If the district or public school academy began operations as a district or public school academy after the pupil membership count day of the current fiscal year, the number of membership pupils in the district or public school academy who are determined to be economically disadvantaged, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the supplemental count day of the current fiscal year.

(d) If, for a particular fiscal year, the number of membership pupils in a district or public school academy who are determined under subdivision (a) to be economically disadvantaged or to be eligible based on the identified student percentage varies by more than 20 percentage points from the number of those pupils in the district or public school academy as calculated under subdivision (a) for the immediately preceding fiscal year caused by an egregious reporting error by the district or public school academy, the department may choose to have the calculations under subdivision (a) instead be made using the number of membership pupils in the district or public school academy who are determined to be economically disadvantaged, as reported to the center in the form and manner prescribed by the center not later than the fifth Wednesday after the supplemental count day of the immediately preceding fiscal year.

(5) Except as otherwise provided in this section, a district or public school academy receiving funding under this section shall use that money only to provide instructional programs and direct noninstructional services, including, but not limited to, medical, mental health, or counseling services, for at-risk pupils; for school health clinics; and for the purposes of subsection (6), (7), or (8). In addition, a district that is a school district of the first class or a district or public school academy in which at least 50% of the pupils in membership were determined to be economically disadvantaged in the immediately preceding state fiscal year, as determined and reported as described in subsection (4), may use the funds it receives under this section for school security or school parent liaison personnel. The uses of the funds described in the immediately preceding sentence must align to the needs assessment and the multi-tiered system of supports model and, for funds spent on parent liaison personnel, must connect parents to the school community. A district or public school academy shall not use any of the money received under this section for administrative costs. The instruction or direct noninstructional services provided under this section may be conducted before or after regular school hours or by adding extra school days to the school year.

(6) A district or public school academy that receives funds under this section and that operates a school breakfast program under section 1272a of the revised school code, MCL 380.1272a, shall use from the funds received under this section an amount, not to exceed \$10.00 per pupil for whom the district or public school academy receives funds under this section, necessary to pay for costs associated with the operation of the school breakfast program.

(7) From the state school aid fund money allocated under subsection (1), there is allocated for 2021-2022 an amount not to exceed \$8,000,000.00 **and there is allocated for 2022-2023 an amount not to exceed \$33,000,000.00** to support primary health care services provided to children and adolescents up to age 21. These funds must be expended in a form and manner determined jointly by the department and the department of health and human services. ~~If any funds allocated under this subsection are not used for the purposes of this subsection for the fiscal year in which they are allocated, those unused funds must be used that fiscal year to avoid or minimize any proration that would otherwise be required under subsection (15) for that fiscal year.~~ **When making funding decisions for new adolescent health centers under this subsection, the department and department of health and human services shall prioritize support for primary health care services in unserved counties as of the effective date of the amendatory act that added this sentence. An amount not to exceed 4% of the funds allocated for 2022-2023 under this subsection must be made available for technical support and coordination services from a nonprofit organization exclusively dedicated to serving adolescent health centers in this state and that has a membership that includes federally qualified health centers, local public health departments, hospital systems, and public school districts. As a requirement of being awarded the funds under this subsection as prescribed under this subsection, a nonprofit organization described in this subsection shall make readily available technical support and coordination services to all child and adolescent health centers in this state.**

(8) From the state school aid fund money allocated under subsection (1), there is allocated for 2021-2022 an amount not to exceed \$5,150,000.00 **and there is allocated for 2022-2023 an amount not to exceed \$5,150,000.00** for the state portion of the hearing and vision screenings as described in part 93 of the public health code, 1978 PA 368, MCL 333.9301 to 333.9329, and, from the general fund money allocated under

subsection (1), there is allocated for 2021-2022 an amount not to exceed \$1,500,000.00 **and there is allocated for 2022-2023 an amount not to exceed \$1,500,000.00** for the state portion of the dental screenings as described in part 93 of the public health code, 1978 PA 368, MCL 333.9301 to 333.9329. A local public health department shall pay at least 50% of the total cost of the screenings. The frequency of the vision screenings must be as required under R 325.13091 to R 325.13096 of the Michigan Administrative Code and the frequency of the hearing screenings must be as required under R 325.3271 to R 325.3276 of the Michigan Administrative Code. Funds must be awarded in a form and manner approved jointly by the department and the department of health and human services. Notwithstanding section 17b, the department shall make payments to eligible entities under this subsection on a schedule determined by the department.

(9) Each district or public school academy receiving funds under this section shall submit to the department by July 15 of each fiscal year a report, in the form and manner prescribed by the department, that includes a brief description of each program conducted or services performed by the district or public school academy using funds under this section, the amount of funds under this section allocated to each of those programs or services, the total number of at risk pupils served by each of those programs or services, and the data necessary for the department and the department of health and human services to verify matching funds for the temporary assistance for needy families program. In prescribing the form and manner of the report, the department shall ensure that districts are allowed to expend funds received under this section on any activities that are permissible under this section. If a district or public school academy does not comply with this subsection, the department shall withhold an amount equal to the August payment due under this section until the district or public school academy complies with this subsection. If the district or public school academy does not comply with this subsection by the end of the fiscal year, the withheld funds are forfeited to the school aid fund.

(10) In order to receive funds under this section, a district or public school academy must allow access for the department or the department's designee to audit all records related to the program for which it receives those funds. The district or public school academy shall reimburse the state for all disallowances found in the audit.

(11) Subject to subsections (6), (7), and (8), for schools in which more than 40% of pupils are identified as at-risk, a district or public school academy may use the funds it receives under this section to implement tier 1, evidence-based practices in schoolwide reforms that are guided by the district's comprehensive needs assessment and are included in the district improvement plan. Schoolwide reforms must include parent and community supports, activities, and services, that may include the pathways to potential program created by the department of health and human services or the communities in schools program. As used in this subsection, "tier 1, evidence-based practices" means research based instruction and classroom interventions that are available to all learners and effectively meet the needs of most pupils.

(12) A district or public school academy that receives funds under this section may use those funds to provide research based professional development and to implement a coaching model that supports the multi-tiered system of supports framework. Professional development may be provided to district and school leadership and teachers and must be aligned to professional learning standards; integrated into district, school building, and classroom practices; and solely related to the following:

(a) Implementing the multi-tiered system of supports required in subsection (3) with fidelity and utilizing the data from that system to inform curriculum and instruction.

(b) Implementing section 1280f of the revised school code, MCL 380.1280f, as required under subsection (3), with fidelity.

(13) **A-For 2021-2022, a district or public school academy that receives funds under subsection (4) or (17) may use funds received under subsection (4) or (17) for support staff providing services to at-risk pupils. For 2022-2023, a district or public school academy that receives funds under subsection (4) or (17) may use funds received under subsection (4) or (17) for support staff providing services to at-risk pupils.**

(14) A district or public school academy that receives funds under this section may use up to 10% of the funds received under this section to provide evidence-based instruction for pre-kindergarten instructional and noninstructional services to children who meet at least 1 of the criteria in subsection (20)(a)(i) to (x).

(15) If necessary, ~~and before any proration required under section 296,~~ the department shall prorate payments under this section, except payments under subsection (7), (8), or, **for 2021-2022, (17),** by reducing the amount of the allocation as otherwise calculated under this section by an equal percentage per district.

(16) If a district is dissolved pursuant to section 12 of the revised school code, MCL 380.12, the intermediate district to which the dissolved district was constituent shall determine the estimated number of pupils that are economically disadvantaged and that are enrolled in each of the other districts within the intermediate district and provide that estimate to the department for the purposes of distributing funds under this section within 60 days after the district is declared dissolved.

(17) From the state school aid fund money allocated under subsection (1), there is allocated for 2021-2022 an amount not to exceed \$12,000,000.00 for payments to districts and public school academies that otherwise received an allocation under this subsection for 2020-2021 and whose allocation under this section for 2020-2021, excluding any payments under subsection (7) or (8), would have been more than the district's or public school academy's allocation under this section for 2021-2022 as calculated under subsection (4) only and as adjusted under subsection (15). The allocation for each district or public school academy under this subsection is an amount equal to its allocation under this section for 2020-2021 minus its allocation as otherwise calculated under subsection (4) for 2021-2022 as adjusted by subsection (15), using in those calculations the 2017-2018 number of pupils determined to be economically disadvantaged. However, if the allocation as otherwise calculated under this subsection would have been less than \$0.00, the allocation under this subsection is \$0.00. If necessary, and before any proration required under section 296, the department shall prorate payments under this subsection by reducing the amount of the allocation as otherwise calculated under this subsection by an equal percentage per district or public school academy. Any unexpended funds under this subsection are to be distributed through payments made under subsection (4) as provided under subsection (4), but those funds must not be factored into calculating payments under this subsection. **This subsection does not apply beginning in 2022-2023.**

(18) A district or public school academy that receives funds under this section may use funds received under this section to provide an anti-bullying or crisis intervention program.

(19) The department shall collaborate with the department of health and human services to prioritize assigning Pathways to Potential success coaches to elementary schools that have a high percentage of pupils in grades K to 3 who are not proficient in English language arts, based upon state assessments for pupils in those grades.

(20) As used in this section:

(a) "At-risk pupil" means a pupil in grades pre-K to 12 for whom the district has documentation that the pupil meets any of the following criteria:

(i) The pupil is economically disadvantaged.

(ii) The pupil is an English language learner.

(iii) The pupil is chronically absent as defined by and reported to the center.

(iv) The pupil is a victim of child abuse or neglect.

(v) The pupil is a pregnant teenager or teenage parent.

(vi) The pupil has a family history of school failure, incarceration, or substance abuse.

(vii) The pupil is an immigrant who has immigrated within the immediately preceding 3 years.

(viii) The pupil did not complete high school in 4 years and is still continuing in school as identified in the Michigan cohort graduation and dropout report.

(ix) For pupils for whom the results of the state summative assessment have been received, is a pupil who did not achieve proficiency on the English language arts, mathematics, science, or social studies content area assessment.

(x) Is a pupil who is at risk of not meeting the district's or public school academy's core academic curricular objectives in English language arts or mathematics, as demonstrated on local assessments.

(b) "Combined state and local revenue" means the aggregate of the district's state school aid received by or paid on behalf of the district under section 20 and the district's local school operating revenue.

(c) "Combined state and local revenue per membership pupil" means the district's combined state and local revenue divided by the district's membership excluding special education pupils.

(d) ~~(b)~~ "Economically disadvantaged" means a pupil who has been determined eligible for free or reduced-price meals as determined under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j; who is in a household receiving supplemental nutrition assistance program or temporary assistance for needy families assistance; or who is homeless, migrant, or in foster care, as reported to the center.

(e) ~~(c)~~ "English language learner" means limited English proficient pupils who speak a language other than English as their primary language and have difficulty speaking, reading, writing, or understanding English as reported to the center.

(d) ~~(d)~~ "Statewide weighted average foundation allowance" means the number that is calculated by adding together the result of each district's or public school academy's foundation allowance, not to exceed the target foundation allowance for the current fiscal year, or per pupil payment calculated under section 20 multiplied by the number of pupils in membership in that district or public school academy, and then dividing that total by the statewide number of pupils in membership.

(f) "Local school operating revenue" means that term as defined in section 22b.

Sec. 31d. (1) From the ~~appropriations state school aid fund money appropriated~~ in section 11, there is allocated an amount not to exceed ~~\$23,838,400.00~~ **\$24,553,400.00** for ~~2020-2021~~ **2021-2022** and there is allocated an amount not to exceed ~~\$23,838,400.00~~ **\$24,553,400.00** for ~~2021-2022~~ **2022-2023** for the purpose of making payments to districts and other eligible entities under this section.

(2) The amounts allocated from state sources under this section are used to pay the amount necessary to reimburse districts for 6.0127% of the necessary costs of the state mandated portion of lunch programs provided by those districts. The department shall calculate the amount due to each district under this section using the methods of calculation adopted by the Michigan supreme court in the consolidated cases known as *Durant v State of Michigan*, 456 Mich 175 (1997).

(3) The payments made under this section include all state payments made to districts so that each district receives at least 6.0127% of the necessary costs of operating the state mandated portion of the lunch program in a fiscal year.

(4) The payments made under this section to districts and other eligible entities that are not required under section 1272a of the revised school code, MCL 380.1272a, to provide a lunch program must be in an amount not to exceed \$10.00 per eligible pupil plus 5 cents for each free lunch and 2 cents for each reduced price lunch provided, as determined by the department.

(5) From the federal funds appropriated in section 11, there is allocated for ~~2020-2021~~ **2021-2022** all available federal funding, estimated at ~~\$800,000,000.00~~, **\$900,000,000.00**, and there is allocated for ~~2021-2022~~ **2022-2023** all available federal funding, estimated at ~~\$545,000,000.00~~ **\$900,000,000.00**, for child nutrition programs and, for 2020-2021, all available federal funding, estimated at ~~\$15,712,000.00~~ for food distribution programs, ~~\$50,000,000.00~~ for the child nutrition program pandemic electronic benefit transfer cost reimbursement program, ~~\$50,000,000.00~~ for child nutrition program emergency operational cost reimbursement programs, and ~~\$259,600.00~~ for commodity supplemental fund programs, and, for 2021-2022, all available federal funding, estimated at ~~\$11,000,000.00~~, **\$30,700,000.00**, and, for **2022-2023**, all available federal funding, estimated at **\$15,000,000.00**, for food distribution programs.

(6) Notwithstanding section 17b, the department shall make payments to eligible entities other than districts under this section on a schedule determined by the department.

(7) In purchasing food for a lunch program funded under this section, a district or other eligible entity shall give preference to food that is grown or produced by Michigan businesses if it is competitively priced and of comparable quality.

Sec. 31f. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$11,900,000.00 for ~~2020-2021~~ and there is allocated an amount not to exceed ~~\$11,900,000.00~~ for ~~2021-2022~~ **2022-2023** for the purpose of making payments to districts to reimburse for the cost of providing breakfast.

(2) The funds allocated under this section for school breakfast programs are made available to all eligible applicant districts that meet all of the following criteria:

(a) The district participates in the federal school breakfast program and meets all standards as prescribed by 7 CFR parts 210, 220, 225, 226, and 245.

(b) Each breakfast eligible for payment meets the federal standards described in subdivision (a).

(3) The payment for a district under this section is at a per meal rate equal to the lesser of the district's actual cost or 100% of the statewide average cost of a meal served, as determined and approved by the department, less federal reimbursement, participant payments, and other state reimbursement. The department shall determine the statewide average cost using costs as reported in a manner approved by the department for the preceding school year.

(4) Notwithstanding section 17b, the department may make payments under this section pursuant to an agreement with the department.

(5) In purchasing food for a school breakfast program funded under this section, a district shall give preference to food that is grown or produced by Michigan businesses if it is competitively priced and of comparable quality.

Sec. 31j. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed \$500,000.00, and from the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$4,500,000.00~~ **\$4,000,000.00** for 2021-2022, and from the general fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$500,000.00~~ and from the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$8,800,000.00~~ **\$8,800,000.00** for 2022-2023 for a program to support districts and other non-school sponsors in the purchase of locally grown fruits and vegetables as described in this section. **It is the intent of the legislature that, for 2023-2024, the allocation from the state school aid fund money appropriated in section 11 for purposes described in this section will be \$4,000,000.00.**

(2) Funding under this section retained by the department for administration must not exceed 5%. Funding under this section retained by project partners for data collection, outreach, and training must not exceed 1% for each partner.

(3) The department shall develop and implement a competitive grant program for districts and other non-school sponsors to assist in paying for the costs incurred by the district or other non-school sponsor to

purchase or increase purchases of whole or minimally processed fruits, vegetables, and legumes grown in this state. The maximum amount that may be drawn down on a grant to a district or other non-school sponsor is based on the number of meals served by the district during the previous school year under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j, or meals served by the other non-school sponsor in the previous school year. The department shall collaborate with the Michigan department of agriculture and rural development to provide training to newly participating schools and other non-school sponsors and electronic information on Michigan agriculture.

(4) The goals of the program under this section include improving daily nutrition and eating habits for children through the school and child care settings while investing in Michigan's agricultural and related food business economy.

(5) A district or other non-school sponsor that receives a grant under this section shall use those funds for the costs incurred by the district or the sponsor to purchase whole or minimally processed fruits, vegetables, and legumes that meet ~~all~~ **both** of the following:

(a) ~~Were~~ **For each fiscal year, were** purchased for use in ~~school-meals served and supportive activities as part of the United States Department of Agriculture child nutrition programs provided between September 1, 2021 through August 30, 2022 of that fiscal year.~~

(b) Are grown in this state and, if minimally processed, are also processed in this state.

(c) ~~Are used for meals that are served as part of the United States Department of Agriculture's child nutrition programs.~~

(6) For Michigan-grown fruits, vegetables, and legumes that satisfy the requirements of subsection (5), the department shall make matching reimbursements in an amount not to exceed 10 cents for every school meal that is served as part of the United States Department of Agriculture's child nutrition programs, ~~and that uses Michigan-grown fruits, vegetables, and legumes.~~

(7) ~~A district or other non-school sponsor that receives a grant for reimbursement under this section shall use the grant to purchase whole or minimally processed fruits, vegetables, and legumes that are grown in this state and, if minimally processed, are also processed in this state.~~

(7) (8) In awarding grants under this section, the department shall work in consultation with Michigan-based farm to school resource organizations, to develop scoring criteria that assess an applicant's ability to procure Michigan-grown products, prepare and menu Michigan-grown products, promote and market Michigan-grown products, and submit letters of intent from districts or other non-school sponsors on plans for educational activities that promote the goals of the program.

(8) (9) The department shall give preference to districts or other non-school sponsors that propose educational activities that meet 1 or more of the following: promote healthy food activities; have clear educational objectives; involve parents or the community; connect to a school's or child care center's farm-to-school or farm-to-early-child-care procurement activities; and market and promote the program, leading to increased pupil knowledge and consumption of Michigan-grown products. The department shall give stronger weighting and consideration to applications with robust marketing and promotional activities.

(9) (10) In awarding grants, the department shall also consider all of the following:

(a) The percentage of children who qualify for free or reduced price school meals under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j.

(b) The variety of school or child care center sizes and geographic locations within the identified prosperity regions.

(c) ~~The existing or future collaboration opportunities between more than 1 district or child care center. Existing or planned collaboration between child care sponsors, between districts, or with agricultural businesses and essential local food infrastructure, such as farms, farm cooperatives, processors, distributors, and local food hubs.~~

(10) (11) As a condition of receiving a grant under this section, a district or other non-school sponsor shall provide or direct its vendors to provide to the department copies of monthly receipts that show the quantity of different Michigan-grown fruits, vegetables, and legumes purchased, the amount of money spent on each of these products, the name and Michigan location of the farm that grew the products, and the methods or plans to market and promote the program. The district or other non-school sponsor also shall provide to the department monthly United States Department of Agriculture child nutrition reimbursable meal numbers ~~and participation rates~~ and must retain monthly menus noting when and how Michigan-grown products were used in meals. The district or other non-school sponsor and school or non-school sponsor food service director or directors also shall agree to respond to brief online surveys and to provide a report that shows the percentage relationship of Michigan spending compared to total food spending. Not later than 60 days after the end of the ~~school year period~~ in which funds under this section were received, **and in which federal child nutrition programs require submission of claims**, each district or each non-school sponsor shall

submit a report to the department on outcomes and related measurements for economic development and children's nutrition and readiness to learn. The report must include at least both of the following:

(a) The extent to which farmers and related businesses, including distributors and processors, saw an increase in market opportunities and income generation through sales of Michigan or local products to districts and other non-school sponsors. All of the following apply for purposes of this subdivision:

(i) The data used to determine the amount of this increase are the total dollar amount of Michigan or local fruits, vegetables, and legumes purchased by schools and other non-school sponsors, along with the number of different types of products purchased; school and non-school sponsor food purchasing trends identified along with products that are of new and growing interest among food service directors; the number of businesses impacted; and the percentage of total food budget spent on Michigan-grown fruits, vegetables, and legumes.

(ii) The district or other non-school sponsor shall use purchasing data collected for the program and surveys of school and non-school sponsor food service directors on the impact and success of the program as the source for the data described in subparagraph (i).

(b) The ability to which pupils can access a variety of healthy Michigan-grown foods through schools and other non-school sponsor centers and increase their consumption of those foods. All of the following apply for purposes of this subdivision:

(i) The data used to determine whether this subdivision is met are the number of pupils exposed to Michigan-grown fruits, vegetables, and legumes at schools and non-school sponsor centers; the variety of products served; new items taste-tested or placed on menus; and the increase in pupil willingness to try new local healthy foods.

(ii) The district or other non-school sponsor shall use purchasing data collected for the project, meal count and enrollment numbers, school menu calendars, and surveys of school and non-school sponsor food service directors as the source for the data described in subparagraph (i).

(11) (12)-The department shall compile the reports provided by districts and other non-school sponsors under subsection (11)-(10) into 1 legislative report. The department shall provide this report not later than November-April 1, 2022 of each fiscal year following the fiscal year for which funding is allocated under this section to the house and senate subcommittees responsible for school aid, the house and senate fiscal agencies, and the state budget director.

(12) (13)-Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 31n. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2021-2022-2022-2023~~ for the purposes of this section an amount not to exceed ~~\$52,600,000.00~~ **\$77,600,000.00** and from the general fund money appropriated in section 11, there is allocated for ~~2021-2022-2022-2023~~ for the purposes of this section an amount not to exceed \$1,300,000.00. The department and the department of health and human services shall continue a program to distribute this funding to add licensed behavioral health providers for general education pupils, and shall continue to seek federal Medicaid match funding for all eligible mental health and support services.

(2) The department and the department of health and human services shall maintain an advisory council for programs funded under this section. The advisory council shall define goals for implementation of programs funded under this section, and shall provide feedback on that implementation. At a minimum, the advisory council shall consist of representatives of state associations representing school health, school mental health, school counseling, education, health care, and other organizations, representatives from the department and the department of health and human services, and a representative from the school safety task force created under Executive Order No. 2018-5. The department and department of health and human services, working with the advisory council, shall determine an approach to increase capacity for mental health and support services in schools for general education pupils, and shall determine where that increase in capacity qualifies for federal Medicaid match funding.

(3) The advisory council shall develop a fiduciary agent checklist for intermediate districts to facilitate development of a plan to submit to the department and to the department of health and human services. The department and department of health and human services shall determine the requirements and format for intermediate districts to submit a plan for possible funding under subsection (6). The department shall make applications for funding for this program available to districts and intermediate districts not later than December 1, ~~2021 for the 2021-2022 fiscal year of each fiscal year for which funds are allocated under this section~~ and shall award the funding not later than February 1, ~~2022 for the 2021-2022 fiscal year of each fiscal year for which funds are allocated under this section.~~

(4) The department of health and human services shall seek to amend the state Medicaid plan or obtain appropriate Medicaid waivers as necessary for the purpose of generating additional Medicaid match funding for school mental health and support services for general education pupils. The intent is that a successful

state plan amendment or other Medicaid match mechanisms will result in additional federal Medicaid match funding for both the new funding allocated under this section and for any expenses already incurred by districts and intermediate districts for mental health and support services for general education pupils.

(5) From the state school aid fund money allocated under subsection (1), there is allocated for ~~2021-2022~~ **2022-2023** an amount not to exceed \$14,300,000.00 to be distributed to the network of child and adolescent health centers to place a licensed master's level behavioral health provider in schools that do not currently have services available to general education students. Child and adolescent health centers that are part of the network described in this subsection shall provide a commitment to maintain services and implement all available federal Medicaid match methodologies. The department of health and human services shall use all existing or additional federal Medicaid match opportunities to maximize funding allocated under this subsection. The department shall provide funds under this subsection to child and adolescent health centers that are part of the network described in this subsection in the same proportion that funding under section 31a(7) is provided to child and adolescent health centers that are part of the network described in this subsection and that are located and operating in those districts. A payment from funding allocated under this subsection must not be paid to an entity that is not part of the network described in this subsection.

(6) From the state school aid fund money allocated under subsection (1), there is allocated for ~~2021-2022~~ **2022-2023** an amount not to exceed ~~\$37,800,000.00~~ **\$62,800,000.00** to be distributed to intermediate districts for the provision of mental health and support services to general education students. If a district or intermediate district is not able to procure the services of a licensed master's level behavioral health provider, the district or intermediate district shall notify the department and the department of health and human services and, if the department and department of health and human services verify that the district or intermediate district attempted to procure services from a master's level behavioral health provider and was not able to do so, then the district or intermediate district may instead procure services from a provider with less than a master's degree in behavioral health. To be able to use the exemption in the immediately preceding sentence, the district or intermediate district must submit evidence satisfactory to the department and department of health and human services demonstrating that the district or intermediate district took measures to procure the services of a licensed master's level behavioral health provider but was unable to do so, and the department and department of health and human services must be able to verify this evidence. From the first ~~\$32,200,000.00~~ **\$53,496,800.00** of the funds allocated under this subsection, the department shall distribute ~~\$575,000.00~~ **\$955,300.00** for ~~2021-2022~~ **2022-2023** to each intermediate district that submits a plan approved by the department and the department of health and human services. The department shall distribute the remaining ~~\$5,600,000.00~~ **\$9,303,200.00** of the funds allocated under this subsection for ~~2021-2022~~ **2022-2023** to intermediate districts on an equal per-pupil basis based on the combined total number of pupils in membership in the intermediate district and its constituent districts, including public school academies that are considered to be constituent districts under section 705(7) of the revised school code, MCL 380.705. The department and department of health and human services shall work cooperatively in providing oversight and assistance to intermediate districts during the plan submission process and shall monitor the program upon implementation. An intermediate district shall use funds awarded under this subsection to provide funding to its constituent districts, including public school academies that are considered to be constituent districts under section 705(7) of the revised school code, MCL 380.705, for the provision of mental health and support services to general education students. In addition to the criteria identified under subsection (7), an intermediate district shall consider geography, cost, or other challenges when awarding funding to its constituent districts. Districts receiving funding under this subsection are encouraged to provide suicide prevention and awareness education and counseling. If funding awarded to an intermediate district remains after funds are provided by the intermediate district to its constituent districts, the intermediate district may hire or contract for experts to provide mental health and support services to general education students residing within the boundaries of the intermediate district, including, but not limited to, expanding, hiring, or contracting for staff and experts to provide those services directly or to increase access to those services through coordination with outside mental health agencies; **the intermediate district may also contract with 1 or more other intermediate districts for coordination and the facilitation of activities related to providing mental health and support services to general education students residing within the boundaries of the intermediate district;** and the intermediate district is encouraged to provide suicide prevention and awareness education and counseling. ~~If funding awarded to an intermediate district under this section for 2018-2019 or 2019-2020 remains unspent as of April 1, 2022, the department, in conjunction with the intermediate district, may reallocate the funds to another intermediate district or other intermediate districts capable of expending the funds before September 30, 2022 in accordance with this section as if those funds were originally allocated to the intermediate district or intermediate districts to which the funds are being reallocated.~~

(7) A district requesting funds under this section from the intermediate district in which it is located shall submit an application for funding for the provision of mental health and support services to general education pupils. A district receiving funding from the application process described in this subsection shall provide services to nonpublic students upon request. An intermediate district shall not discriminate against an application submitted by a public school academy simply on the basis of the applicant being a public school academy. The department shall approve grant applications based on the following criteria:

(a) The district's commitment to maintain mental health and support services delivered by licensed providers into future fiscal years.

(b) The district's commitment to work with its intermediate district to use funding it receives under this section that is spent by the district for general education pupils toward participation in federal Medicaid match methodologies. A district must provide a local match of at least 20% of the funding allocated to the district under section 31n.

(c) The district's commitment to adhere to any local funding requirements determined by the department and the department of health and human services.

(d) The extent of the district's existing partnerships with community health care providers or the ability of the district to establish such partnerships.

(e) The district's documentation of need, including gaps in current mental health and support services for the general education population.

(f) The district's submission of a formal plan of action identifying the number of schools and students to be served.

(g) Whether the district will participate in ongoing trainings.

(h) Whether the district will submit an annual report to the state.

(i) Whether the district demonstrates a willingness to work with the state to establish program and service delivery benchmarks.

(j) Whether the district has developed a school safety plan or is in the process of developing a school safety plan.

(k) Any other requirements determined by the department or the department of health and human services.

(8) Funding under this section, including any federal Medicaid funds that are generated, must not be used to supplant existing services.

(9) Both of the following are allocated to the department of health and human services from the general fund money allocated under subsection (1):

(a) For ~~2021-2022~~, **2022-2023**, an amount not to exceed \$1,000,000.00 for the purpose of upgrading technology and systems infrastructure and other administrative requirements to support the programs funded under this section.

(b) For ~~2021-2022~~, **2022-2023**, an amount not to exceed \$300,000.00 for the purpose of administering the programs under this section and working on generating additional Medicaid funds as a result of programs funded under this section.

(10) From the state school aid fund money allocated under subsection (1), there is allocated for ~~2021-2022~~ **2022-2023** an amount not to exceed \$500,000.00 to intermediate districts on an equal per intermediate district basis for the purpose of administering programs funded under this section.

(11) The department and the department of health and human services shall work with the advisory council to develop proposed measurements of outcomes and performance. Those measurements must include, at a minimum, the number of pupils served, the number of schools served, and where those pupils and schools were located. The department and the department of health and human services shall compile data necessary to measure outcomes and performance, and districts and intermediate districts receiving funding under this section shall provide data requested by the department and department of health and human services for the measurement of outcomes and performance. The department and department of health and human services shall provide an annual report not later than December 1 of each year to the house and senate appropriations subcommittees on school aid and health and human services, to the house and senate fiscal agencies, and to the state budget director. At a minimum, the report must include measurements of outcomes and performance, proposals to increase efficacy and usefulness, proposals to increase performance, and proposals to expand coverage.

(12) A district or intermediate district that receives funding directly or indirectly under this section may carry over any unexpended funds received under this section for up to 2 fiscal years beyond the fiscal year in which the funds were received.

Sec. 31o. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2021-2022 an amount not to exceed \$240,000,000.00 for payments to eligible districts **and intermediate districts** for the purpose of increasing the number of school psychologists, school social workers, school counselors, and school nurses serving students in this state.

(2) Except as otherwise provided in this subsection, to receive funding under this section, a district **or intermediate district** must apply for the funding in a form and manner prescribed by the department. In its application for funding under this section, a district **or intermediate district** must pledge and provide assurances to the department that it will fully annually fund all staff that are supported with funding under this section in an ongoing manner after the third year it receives funding under this section. **district or intermediate district receives its final payment under this section.**

(3) The department shall award funding to districts **and intermediate districts** with the greatest need for additional school psychologists, school social workers, school counselors, or school nurses. To determine the districts **and intermediate districts** with the greatest needs under this subsection, the department shall consider the physical and mental health services available at the district **or intermediate district** and how close an applicant district **or intermediate district** is to meeting the following recommended staff-to-student ratios:

(a) 1 school psychologist for every 500 full-time equated pupils counted in the district **or directly served by the intermediate district.**

(b) 1 school social worker for every 250 full-time equated pupils counted in the district **or directly served by the intermediate district.**

(c) 1 school counselor for every 250 full-time equated pupils counted in the district **or directly served by the intermediate district.**

(d) 1 school nurse for every 750 full-time equated pupils counted in the district **or directly served by the intermediate district.**

(4) To be eligible for funding under this section, a district **or intermediate district** must hire additional school psychologists, school social workers, school counselors, or school nurses by March 1, 2022-2024 and must maintain support for the new staff in an ongoing manner. As determined by the department, staff hired and supported by funding under this section must meet all applicable state and federal laws, rules, and license requirements to be considered a school psychologist, school social worker, school counselor, or school nurse.

(5) Subject to subsections (6) and (7), payments to eligible districts **and intermediate districts** must be made as follows:

(a) ~~In the first year funds are distributed from this section.~~ **For staff hired before March 1, 2022,** the department shall provide payments to eligible districts **and intermediate districts** equal to 100% of the ~~annual~~ **annualized** cost of newly hired school psychologists, school social workers, school counselors, or school nurses. The amount paid to the eligible district **and intermediate district** must be the lesser of the actual **annualized** cost of the employee, as determined by the department, or the median wage for an equivalent employee working in a school setting, as determined by the department, using wage data from the **United States Bureau of Labor Statistics** that is specific to this state.

(b) ~~In the second year funds are distributed under this section.~~ **For retained staff hired with funds under subdivision (a) or hired between March 1, 2022 and March 1, 2023,** the department shall pay eligible districts **and intermediate districts** 66% of the amount paid to the eligible district under subdivision ~~(a).~~ **annualized cost of newly hired school psychologists, school social workers, school counselors, or school nurses. The amount paid to the eligible district or intermediate district must be the lesser of 66% of the actual annualized cost of the employee, as determined by the department, or 66% of the median wage for an equivalent employee working in a school setting, as determined by the department, using wage data from the United States Bureau of Labor Statistics that are specific to this state.**

(c) ~~In the third year funds are distributed under this section.~~ **For retained staff hired or retained with funds under subdivision (a) or (b) or hired between March 1, 2023 and March 1, 2024,** the department shall pay eligible districts **or intermediate districts** 33% of the amount paid to the eligible district under subdivision ~~(a).~~ **annualized cost of newly hired school psychologists, school social workers, school counselors, or school nurses. The amount paid to the eligible district or intermediate district must be the lesser of 33% of the actual annualized cost of the employee, as determined by the department, or 33% of the median wage for an equivalent employee working in a school setting, as determined by the department, using wage data from the United States Bureau of Labor Statistics that are specific to this state.**

(6) **If a district or intermediate district does not retain staff hired with funds under subsection (5)(a), the district is not eligible to receive funding for that staff member under subsection (5)(b) or (c).**

(7) ~~(6)-~~ **If, after awarding funding under subsection (3) and calculating payment amounts under subsection (5), the department determines that the amount allocated in subsection (1) is insufficient to fully fund payments under this section, the department shall prorate payments to eligible districts **and intermediate districts** on an equal percentage basis.**

(8) ~~(7)-~~ **The funds allocated under this section for 2021-2022 are a work project appropriation, and any unexpended funds for 2021-2022 are carried forward into 2022-2023. The purpose of the work project is to increase the number of school psychologists, school social workers, school counselors, and school nurses in school buildings. The estimated completion date of the work project is September 30, 2024.**

(9) ~~(8)~~ Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 31p. (1) From the ~~state school aid fund money~~ **federal funding** appropriated under section 11, there is allocated for ~~2020-2021-2022-2023~~ **only** an amount not to exceed ~~\$5,400,000.00~~ **\$50,000,000.00 from the federal funding awarded to this state from the coronavirus state fiscal recovery fund under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2**, for grants to intermediate districts to implement a TRAILS program as described in subsection (2).

(2) Intermediate districts receiving funding under this section must use the funding to implement a TRAILS program within the boundaries of the intermediate district. The TRAILS program described in this subsection must improve youth access to evidence-based mental health services by training school mental health professionals in effective practices, such as cognitive behavioral therapy and mindfulness.

(3) The department shall establish a grant process to distribute funds under this section.

(4) The department shall award, in an equal amount, grants under this section to each intermediate district that has an approved grant application for funding under this section. **Intermediate districts must use funds received under this section for a direct partnership with the TRAILS program described in subsection (2).**

(5) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(6) The funds allocated under this section for ~~2020-2021-2022-2023~~ are a work project appropriation, and any unexpended funds for ~~2020-2021-2022-2023~~ are carried forward into ~~2021-2022-2023-2024~~. The purpose of the work project is to continue support for the TRAILS program. The estimated completion date of the work project is ~~September 30, 2024~~. **December 31, 2026.**

(7) The federal funding allocated under this section is intended to respond to the COVID-19 public health emergency and its negative impacts.

Sec. 31q. (1) From the general fund money appropriated in section 11, there is allocated **\$2,000,000.00 for 2022-2023 only to reimburse eligible districts and eligible intermediate districts as provided in this section.**

(2) To receive money under this section, a district or intermediate district must apply for the funding in a form and manner prescribed by the department. In its application described in this subsection, a district or intermediate district must include its total accrued costs for the implementation of a program described in subsection (4).

(3) From the money allocated under subsection (1), the department shall pay each eligible district and eligible intermediate district that submits an application, as described in subsection (2), in an amount equaling the accrued costs submitted as described in subsection (2) by the eligible district or eligible intermediate district.

(4) A district or intermediate district that implements a program that is designed to provide school staff with a tool for ensuring that students in grades 6 to 12 and early postsecondary students have access to, at a minimum, all of the following is an eligible district or eligible intermediate district under this section:

(a) The opportunity to build the skills of social and emotional learning and positive psychology.

(b) The opportunity to increase academic performance and outcomes.

(c) The opportunity to navigate unique and personal journeys with simple frameworks that help create external and internal assets needed to make positive life choices.

(d) The provision of support for mental well-being and tools for suicide prevention.

(e) Tools to measure longitudinal impact of efforts with actionable data on relationships, social and emotional learning, and internal assets.

(5) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 31y. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2021-2022 an amount not to exceed \$60,000,000.00 to make payments to districts that operate year-round, balanced calendars. ~~during the 2021-2022 school year.~~ Payments to districts made under this section must be in an amount equal to 3% applied to the district's foundation allowance as calculated under section 20 **during the fiscal year in which payments are being made**, for each pupil enrolled and educated in a year-round balanced calendar by the district. If the funds allocated under this section are insufficient to fully fund the calculations under this section, funding must be prorated on an equal per-pupil basis.

(2) The funds allocated under this section for 2021-2022 are a work project appropriation, and any unexpended funds for 2021-2022 are carried forward into 2022-2023. The purpose of the work project is to provide operational payments for districts utilizing a balanced calendar. The estimated completion date of the work project is September 30, 2024.

(3) This section is repealed effective October 1, 2022.

Sec. 31z. (1) From the federal funds allocated under section 11n, there is allocated \$75,000,000.00 for 2021-2022 from the federal funding awarded to this state from the coronavirus state fiscal recovery fund under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, to provide capital infrastructure grants to districts.

(2) From the funds allocated under subsection (1), \$75,000,000.00 must be allocated for matching grants to districts for HVAC and other one-time infrastructure or equipment costs necessary to operate a year-round, balanced calendar. A district that receives a grant under this subsection shall commit to operating a year-round, balanced calendar, ~~in the 2022-2023 school year, and if it is unable to do so, the department must deduct the amount of the grant paid under this subsection from the district's state aid payments that are otherwise due to the district under this article. during the 2022-2023 school year.~~ The department shall establish a sliding scale for grant payments under this section such that districts that received higher total ESSER payments under section 11r, evaluated on a per-pupil and total dollar basis, receive smaller matching grants than those with lower total ESSER payments, evaluated on a per-pupil and total dollar basis.

(3) The funds allocated under this section for 2021-2022 are a work project appropriation, and any unexpended funds for 2021-2022 are carried forward into 2022-2023. The purpose of the work project is to provide supports for districts utilizing a balanced calendar. The estimated completion date of the work project is September 30, 2024.

(4) This section is repealed effective October 1, 2022.

Sec. 31aa. (1) From the state school aid fund money appropriated in section 11, there is allocated \$150,000,000.00 for 2022-2023 only to provide payments to districts for activities to improve student mental health. The allowable expenditures of funds under this section include, but are not limited to, the following:

(a) Hiring or contracting for support staff for student mental health needs, including, but not limited to, school psychologists, social workers, counselors, and school nurses.

(b) Purchasing and implementing mental health screening tools.

(c) Providing school-based mental health personnel access to consultation with behavioral health clinicians to respond to complex student mental health needs.

(d) Any other mental health service or product necessary to improve or maintain the mental health of students and staff.

(2) From the allocation under subsection (1), the department shall make payments to districts in an equal amount per pupil based on the total number of pupils in membership in each district.

(3) If funding remains after the distribution of funds as described in subsection (2), the department may provide additional per-pupil allocations to allocate remaining dollars, using for those calculations the same requirements described in subsection (2).

(4) Except as otherwise provided in this section, to receive funding under this section, districts must apply for funding under this section in a form and manner prescribed by the department. In its application described in this subsection, a district or intermediate district, as applicable, shall document how it or, if an intermediate district is applying, its constituent district, will use community input to guide the expenditure of the funds it or the constituent district will receive under this section and it shall pledge to host, or shall pledge on behalf of its constituent district that the constituent district will host, at least 1 community conversation about student mental health and school safety. With consent of its constituent districts, an intermediate district may apply for funding under this section on behalf of its constituent districts. As used in this section, "constituent district" means that term as defined in section 3 of the revised school code, MCL 380.3.

(5) Districts receiving funds under this section must coordinate with intermediate school districts to avoid duplication of services and to streamline delivery of mental health services to students.

(6) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 31bb. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 only an amount not to exceed \$700,000.00 for the Eastern Upper Peninsula Intermediate District Learning Center to support the regional special education facility.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 31cc. (1) Subject to subsection (2), from the general fund money appropriated under section 11, \$1,105,000.00 is allocated for 2022-2023 only to the department to, by not later than January 1, 2023, create and begin administration of the purple star program as described in this section.

(2) The purple star program described in subsection (1) must include, at a minimum, both of the following:

(a) An application process for a district or intermediate district to apply to receive purple-star-program-school designation.

(b) A process for the designation of districts and intermediate districts that, at a minimum, meet the criteria under subsection (3), as purple-star-program schools.

(3) A district or intermediate district that meets at least all of the following qualifies for purple-star-program-school designation under subsection (2):

(a) It designates a staff member of the district or intermediate district as a military liaison. The military liaison described in this subdivision must be charged with, at a minimum, all of the following:

(i) Identifying military-connected pupils enrolled in the district or intermediate district.

(ii) Serving as the point of contact between other individuals at the district or intermediate district and military-connected pupils and their families.

(iii) Determining appropriate services available to military-connected pupils.

(iv) Assisting in coordinating programs relevant to military-connected pupils.

(v) Ensuring that military-connected pupils have access to appropriate counseling, mentoring, volunteering opportunities, and support services.

(b) On its website homepage, it maintains an easily accessible web page that includes resources for military-connected pupils and their families that includes at least all of the following information:

(i) Information concerning relocation to, enrollment at, registration at, and the transferring of records to the district or intermediate district.

(ii) Information regarding academic planning, course sequences, and advanced classes available at the district or intermediate district.

(iii) Information regarding counseling and other support services available for military-connected pupils enrolled at the district or intermediate district.

(iv) Information concerning the military liaison designated under subdivision (a) and the liaison's duties under that subdivision.

(c) Maintains a transition program led by pupils, where appropriate, that assists military-connected pupils in transitioning to the district or intermediate district.

(d) Offers professional development for staff members of the district or intermediate district on issues related to military-connected pupils. The professional development offered under this subdivision may be provided by a professional educator association in this state.

(e) Offers at least 1 of the following initiatives:

(i) A resolution showing support for military-connected pupils and their families.

(ii) A recognition of a military-connected pupil or the family of a military-connected pupil each month with relevant events connected to this recognition hosted by the district or intermediate district.

(iii) A partnership with a branch of the armed forces that provides opportunities for members of the armed forces to volunteer at the district or intermediate district, speak at an assembly, or host a field trip sponsored by the district or intermediate district.

(iv) Pupil-driven clubs and groups that show community-family engagement for military-connected pupils and their families.

(4) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(5) As used in this section:

(a) "Armed forces" means the United States Army, Air Force, Navy, Marine Corps, Space Force, or Coast Guard or other military force designated by Congress as a part of the Armed Forces of the United States, including the reserve components. The reserve components include, but are not limited to, the National Guard.

(b) "Military-connected pupil" means a pupil enrolled in a district or intermediate district who meets either of the following:

(i) Is the family member of a current or former member of the armed forces.

(ii) Was the family member of an individual who was a member of the armed forces and who was killed in the line of duty.

Sec. 31dd. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 only an amount not to exceed \$427,500.00 for the Roadmaps Program, offered by the University of Michigan and Saginaw Valley State University, to be used to enable the University of Michigan's Center for Digital Curricula and Saginaw Valley State University's College of Education teams to provide title 1, rural and urban, K to 5 public schools with a digital platform for seamless teaching and learning; free, deeply-digital curricula that includes 4 core subjects for grades K to 5; and, at a cost, professional development services.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(3) As used in this section, "public school" means that term as defined in section 5 of the revised school code, MCL 380.5.

Sec. 31ee. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed \$500,000.00 for 2022-2023 only to a 501(c)(3) nonprofit organization to partner with a community district to construct an urban equestrian center. The center described in this subsection must do both of the following:

(a) Allow the organization described in this subsection to scale an equine-assisted social-emotional learning program for under-resourced youth and support stronger neighborhoods through the construction of the new community asset.

(b) Include stables, indoor and outdoor riding arenas for year-round horseback riding programs, educational space to support youth development models, and paddocks for the horses that will live on site.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 32d. (1) From the state school aid fund money appropriated in section 11, there is allocated to eligible intermediate districts and consortia of intermediate districts for great start readiness programs an amount not to exceed \$297,120,000.00 **\$369,120,000.00** for 2021-2022. ~~In addition, from the federal funds allocated in section 11n, there is allocated to eligible intermediate districts and consortia of intermediate districts for great start readiness programs an amount not to exceed \$121,000,000.00 for 2021-2022 from the coronavirus state fiscal recovery funds under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, 2022-2023. In addition, from the federal funding appropriated in section 11, there is allocated for 2022-2023 an amount not to exceed \$83,000,000.00 from the federal funding awarded to this state from the coronavirus state fiscal recovery fund under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, to eligible intermediate districts and consortia of intermediate districts for great start readiness programs.~~ An intermediate district or consortium shall use funds allocated under this section for great start readiness programs to provide part-day, school-day, or GSRP/Head Start blended comprehensive free compensatory classroom programs designed to improve the readiness and subsequent achievement of educationally disadvantaged children who meet the participant eligibility and prioritization guidelines as defined by the department. For a child to be eligible to participate in a program under this section, the child must be at least 4, but less than 5, years of age as of September 1 of the school year in which the program is offered and must meet those eligibility and prioritization guidelines. A child who is not 4 years of age as of September 1, but who will be 4 years of age not later than December 1, is eligible to participate if the child's parent or legal guardian seeks a waiver from the September 1 eligibility date by submitting a request for enrollment in a program to the responsible intermediate district, if the program has capacity on or after September 1 of the school year, and if the child meets eligibility and prioritization guidelines.

(2) From the state school aid fund money allocated under subsection (1), an amount not to exceed ~~\$295,120,000.00~~ **\$367,120,000.00** and from the federal funds allocated under subsection (1), an amount not to exceed ~~\$121,000,000.00~~ **\$83,000,000.00** is allocated to intermediate districts or consortia of intermediate districts based on the formula in section 39. An intermediate district or consortium of intermediate districts receiving funding under this section shall act as the fiduciary for the great start readiness programs. An intermediate district or consortium of intermediate districts receiving funding under this section may collaborate with local governments to identify children eligible for programs funded under this section and may contract with local governments to provide services. In order to be eligible to receive funds allocated under this subsection from an intermediate district or consortium of intermediate districts, a district, a consortium of districts, a local government, or a public or private for-profit or nonprofit legal entity or agency must comply with this section and section 39. The funds allocated under this subsection for ~~2021-2022-2022-2023~~ are a work project appropriation, and any unexpended funds for ~~2021-2022-2022-2023~~ are carried forward into ~~2022-2023-2023-2024~~. The purpose of the work project is to continue to improve access to preschool programming for economically disadvantaged children. The estimated completion date of the work project described in the immediately preceding sentence is September 30, ~~2023-2024~~.

(3) In addition to the allocation under subsection (1), from the general fund money appropriated under section 11, there is allocated an amount not to exceed \$350,000.00 for ~~2021-2022-2022-2023~~ for a competitive grant to continue a longitudinal evaluation of children who have participated in great start readiness programs.

(4) To be eligible for funding under this section, a program must prepare children for success in school through comprehensive part-day, school-day, or GSRP/Head Start blended programs that contain all of the following program components, as determined by the department:

(a) Participation in a collaborative recruitment and enrollment process to assure that each child is enrolled in the program most appropriate to his or her needs and to maximize the use of federal, state, and local funds.

(b) An age-appropriate educational curriculum that is in compliance with the early childhood standards of quality for prekindergarten children adopted by the state board, including, at least, the Connect4Learning curriculum.

(c) Nutritional services for all program participants supported by federal, state, and local resources as applicable.

(d) Physical and dental health and developmental screening services for all program participants.

(e) Referral services for families of program participants to community social service agencies, including mental health services, as appropriate.

(f) Active and continuous involvement of the parents or guardians of the program participants.

(g) A plan to conduct and report annual great start readiness program evaluations and continuous improvement plans using criteria approved by the department.

(h) Participation in a school readiness advisory committee convened as a workgroup of the great start collaborative that provides for the involvement of classroom teachers, parents or guardians of program participants, and community, volunteer, and social service agencies and organizations, as appropriate. The advisory committee annually shall review and make recommendations regarding the program components listed in this subsection. The advisory committee also shall make recommendations to the great start collaborative regarding other community services designed to improve all children's school readiness.

(i) The ongoing articulation of the kindergarten and first grade programs offered by the program provider.

(j) Participation in this state's great start to quality process with a rating of at least 3 stars.

(5) An application for funding under this section must provide for the following, in a form and manner determined by the department:

(a) Ensure compliance with all program components described in subsection (4).

(b) Except as otherwise provided in this subdivision, ensure that at least 85% of the children participating in an eligible great start readiness program for whom the intermediate district is receiving funds under this section are children who live with families with a household income that is equal to or less than 250% of the federal poverty guidelines. If the intermediate district determines that all eligible children are being served and that there are no children on the waiting list who live with families with a household income that is equal to or less than 250% of the federal poverty guidelines, the intermediate district may then enroll children who live with families with a household income that is equal to or less than 300% of the federal poverty guidelines. The enrollment process must consider income and risk factors, such that children determined with higher need are enrolled before children with lesser need. For purposes of this subdivision, all age-eligible children served in foster care or who are experiencing homelessness or who have individualized education programs recommending placement in an inclusive preschool setting are considered to live with families with household income equal to or less than 250% of the federal poverty guidelines regardless of actual family income and are prioritized for enrollment within the lowest quintile.

(c) Ensure that the applicant only uses qualified personnel for this program, as follows:

(i) Teachers possessing proper training. A lead teacher must have a valid Michigan teaching certificate with an early childhood or lower elementary endorsement or a bachelor's or higher degree in child development or early childhood education with specialization in preschool teaching. However, if an applicant demonstrates to the department that it is unable to fully comply with this subparagraph after making reasonable efforts to comply, teachers or paraprofessionals with at least 5 years of experience as a paraprofessional in a great start readiness program classroom who have significant but incomplete training in early childhood education or child development may be used if the applicant provides to the department, and the department approves, a plan for each teacher to come into compliance with the standards in this subparagraph. A teacher's compliance plan must be completed within 3 years of the date of employment. Progress toward completion of the compliance plan consists of at least 2 courses per calendar year.

(ii) Paraprofessionals possessing proper training in early childhood education, including an associate degree in early childhood education or child development or the equivalent, or a child development associate (CDA) credential. However, if an applicant demonstrates to the department that it is unable to fully comply with this subparagraph after making reasonable efforts to comply, the applicant may use paraprofessionals who have completed at least 1 course that earns college credit in early childhood education or child development if the applicant provides to the department, and the department approves, a plan for each paraprofessional to come into compliance with the standards in this subparagraph. A paraprofessional's compliance plan must be completed within 3 years of the date of employment. Progress toward completion of the compliance plan consists of at least 2 courses or 60 clock hours of training per calendar year.

(d) Include a program budget that contains only those costs that are not reimbursed or reimbursable by federal funding, that are clearly and directly attributable to the great start readiness program, and that would not be incurred if the program were not being offered. Eligible costs include transportation costs. The program budget must indicate the extent to which these funds will supplement other federal, state, local, or private funds. An applicant shall not use funds received under this section to supplant any federal funds received by the applicant to serve children eligible for a federally funded preschool program that has the capacity to serve those children.

(6) For a grant recipient that enrolls pupils in a school-day program funded under this section, each child enrolled in the school-day program is counted as described in section 39 for purposes of determining the amount of the grant award.

(7) For a grant recipient that enrolls pupils in a GSRP/Head Start blended program, the grant recipient shall ensure that all Head Start and GSRP policies and regulations are applied to the blended slots, with adherence to the highest standard from either program, to the extent allowable under federal law.

(8) An intermediate district or consortium of intermediate districts receiving a grant under this section shall designate an early childhood coordinator, and may provide services directly or may contract with 1 or more districts or public or private for-profit or nonprofit providers that meet all requirements of subsections (4) and (5).

(9) An intermediate district or consortium of intermediate districts may retain for administrative services provided by the intermediate district or consortium of intermediate districts an amount not to exceed 4% of the grant amount. Expenses incurred by subrecipients engaged by the intermediate district or consortium of intermediate districts for directly running portions of the program are considered program costs or a contracted program fee for service. Subrecipients operating with a federally approved indirect rate for other early childhood programs may include indirect costs, not to exceed the federal 10% de minimis.

(10) An intermediate district or consortium of intermediate districts may expend not more than 2% of the total grant amount for outreach, recruiting, and public awareness of the program.

(11) Each grant recipient shall enroll children identified under subsection (5)(b) according to how far the child's household income is below 250% of the federal poverty guidelines by ranking each applicant child's household income from lowest to highest and dividing the applicant children into quintiles based on how far the child's household income is below 250% of the federal poverty guidelines, and then enrolling children in the quintile with the lowest household income before enrolling children in the quintile with the next lowest household income until slots are completely filled. If the grant recipient determines that all eligible children are being served and that there are no children on the waiting list who live with families with a household income that is equal to or less than 250% of the federal poverty guidelines, the grant recipient may then enroll children who live with families with a household income that is equal to or less than 300% of the federal poverty guidelines. The enrollment process must consider income and risk factors, such that children determined with higher need are enrolled before children with lesser need. For purposes of this subsection, all age-eligible children served in foster care or who are experiencing homelessness or who have individualized education programs recommending placement in an inclusive preschool setting are considered to live with families with household income equal to or less than 250% of the federal poverty guidelines regardless of actual family income and are prioritized for enrollment within the lowest quintile.

(12) An intermediate district or consortium of intermediate districts receiving a grant under this section shall allow parents of eligible children who are residents of the intermediate district or within the consortium to choose a program operated by or contracted with another intermediate district or consortium of intermediate districts and shall enter into a written agreement regarding payment, in a manner prescribed by the department.

(13) An intermediate district or consortium of intermediate districts receiving a grant under this section shall conduct a local process to contract with interested and eligible public and private for-profit and nonprofit community-based providers that meet all requirements of subsection (4) for at least 30% of its total allocation. For the purposes of this 30% allocation, an intermediate district or consortium of intermediate districts may count children served by a Head Start grantee or delegate in a blended Head Start and great start readiness school-day program. Children served in a program funded only through Head Start are not counted toward this 30% allocation. The intermediate district or consortium shall report to the department, in a manner prescribed by the department, a detailed list of community-based providers by provider type, including private for-profit, private nonprofit, community college or university, Head Start grantee or delegate, and district or intermediate district, and the number and proportion of its total allocation allocated to each provider as subrecipient. If the intermediate district or consortium is not able to contract for at least 30% of its total allocation, the grant recipient shall notify the department and, if the department verifies that the intermediate district or consortium attempted to contract for at least 30% of its total allocation and was not able to do so, then the intermediate district or consortium may retain and use all of its allocation as provided under this section. To be able to use this exemption, the intermediate district or consortium shall demonstrate to the department that the intermediate district or consortium increased the percentage of its total allocation for which it contracts with a community-based provider and the intermediate district or consortium shall submit evidence satisfactory to the department, and the department must be able to verify this evidence, demonstrating that the intermediate district or consortium took measures to contract for at least 30% of its total allocation as required under this subsection, including, but not limited to, at least all of the following measures:

(a) The intermediate district or consortium notified each nonparticipating licensed child care center located in the service area of the intermediate district or consortium regarding the center's eligibility to participate, in a manner prescribed by the department.

(b) The intermediate district or consortium provided to each nonparticipating licensed child care center located in the service area of the intermediate district or consortium information regarding great start readiness program requirements and a description of the application and selection process for community-based providers.

(c) The intermediate district or consortium provided to the public and to participating families a list of community-based great start readiness program subrecipients with a great start to quality rating of at least 3 stars.

(14) If an intermediate district or consortium of intermediate districts receiving a grant under this section fails to submit satisfactory evidence to demonstrate its effort to contract for at least 30% of its total allocation, as required under subsection (13), the department shall reduce the allocation to the intermediate district or consortium by a percentage equal to the difference between the percentage of an intermediate district's or consortium's total allocation awarded to community-based providers and 30% of its total allocation.

(15) In order to assist intermediate districts and consortia in complying with the requirement to contract with community-based providers for at least 30% of their total allocation, the department shall do all of the following:

(a) Ensure that a great start resource center or the department provides each intermediate district or consortium receiving a grant under this section with the contact information for each licensed child care center located in the service area of the intermediate district or consortium by March 1 of each year.

(b) Provide, or ensure that an organization with which the department contracts provides, a community-based provider with a validated great start to quality rating within 90 days of the provider's having submitted a request and self-assessment.

(c) Ensure that all intermediate district, district, community college or university, Head Start grantee or delegate, private for-profit, and private nonprofit providers are subject to a single great start to quality rating system. The rating system must ensure that regulators process all prospective providers at the same pace on a first-come, first-served basis and must not allow 1 type of provider to receive a great start to quality rating ahead of any other type of provider.

(d) Not later than March 1 of each year, compile the results of the information reported by each intermediate district or consortium under subsection (13) and report to the legislature a list by intermediate district or consortium with the number and percentage of each intermediate district's or consortium's total allocation allocated to community-based providers by provider type, including private for-profit, private nonprofit, community college or university, Head Start grantee or delegate, and district or intermediate district.

(16) A recipient of funds under this section shall report to the center in a form and manner prescribed by the center the information necessary to derive the number of children participating in the program who meet the program eligibility criteria under subsection (5)(b), the number of eligible children not participating in the program and on a waitlist, and the total number of children participating in the program by various demographic groups and eligibility factors necessary to analyze equitable and priority access to services for the purposes of subsection (3).

(17) As used in this section:

(a) "GSRP/Head Start blended program" means a part-day program funded under this section and a Head Start program, which are combined for a school-day program.

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

(c) "Part-day program" means a program that operates at least 4 days per week, 30 weeks per year, for at least 3 hours of teacher-child contact time per day but for fewer hours of teacher-child contact time per day than a school-day program.

(d) "School-day program" means a program that operates for at least the same length of day as a district's first grade program for a minimum of 4 days per week, 30 weeks per year. A classroom that offers a school-day program must enroll all children for the school day to be considered a school-day program.

(18) An intermediate district or consortium of intermediate districts receiving funds under this section shall establish and charge tuition according to a sliding scale of tuition rates based upon household income for children participating in an eligible great start readiness program who live with families with a household income that is more than 250% of the federal poverty guidelines to be used by all of its providers, as approved by the department.

(19) From the amount allocated in subsection (2), there is allocated for ~~2021-2022~~ **2022-2023** an amount not to exceed \$10,000,000.00 for reimbursement of transportation costs for children attending great start readiness programs funded under this section. To receive reimbursement under this subsection, not later than November 1 of each year, a program funded under this section that provides transportation shall submit to the intermediate district that is the fiscal agent for the program a projected transportation budget. The amount

of the reimbursement for transportation under this subsection is no more than the projected transportation budget or \$300.00 multiplied by the number of children funded for the program under this section. If the amount allocated under this subsection is insufficient to fully reimburse the transportation costs for all programs that provide transportation and submit the required information, the department shall prorate the reimbursement in an equal amount per child funded. The department shall make payments to the intermediate district that is the fiscal agent for each program, and the intermediate district shall then reimburse the program provider for transportation costs as prescribed under this subsection.

(20) Subject to, and from the funds allocated under, subsection (19), the department shall reimburse a program for transportation costs related to parent- or guardian-accompanied transportation provided by transportation service companies, buses, or other public transportation services. To be eligible for reimbursement under this subsection, a program must submit to the intermediate district or consortia of intermediate districts all of the following:

(a) The names of families provided with transportation support along with a documented reason for the need for transportation support and the type of transportation provided.

(b) Financial documentation of actual transportation costs incurred by the program, including, but not limited to, receipts and mileage reports, as determined by the department.

(c) Any other documentation or information determined necessary by the department.

(21) The department shall implement a process to review and approve age-appropriate comprehensive classroom level quality assessments for GSRP grantees that support the early childhood standards of quality for prekindergarten children adopted by the state board. The department shall make available to intermediate districts at least 2 classroom level quality assessments that were approved in 2018.

(22) An intermediate district that is a GSRP grantee may approve the use of a supplemental curriculum that aligns with and enhances the age-appropriate educational curriculum in the classroom. If the department objects to the use of a supplemental curriculum approved by an intermediate district, the superintendent shall establish a review committee independent of the department. The review committee shall meet within 60 days of the department registering its objection in writing and provide a final determination on the validity of the objection within 60 days of the review committee's first meeting.

(23) The department shall implement a process to evaluate and approve age-appropriate educational curricula that are in compliance with the early childhood standards of quality for prekindergarten children adopted by the state board.

(24) From the funds allocated under subsection (1), there is allocated for ~~2021-2022~~ **2022-2023** an amount not to exceed \$2,000,000.00 for payments to intermediate districts or consortia of intermediate districts for professional development and training materials for educators in programs implementing new curricula or child assessment tools approved for use in the great start readiness program.

(25) A great start readiness program or a GSRP/Head Start blended program funded under this section is permitted to utilize AmeriCorps Pre-K Reading Corps members in classrooms implementing research-based early literacy intervention strategies.

Sec. 32n. (1) From the federal funding appropriated under section 11, there is allocated for 2022-2023 only an amount not to exceed \$25,000,000.00 from the federal funding awarded to this state from the coronavirus state fiscal recovery fund under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, for the purposes of this section. The department shall develop a competitive grant program to distribute this funding to eligible entities, as described in subsection (2), as prescribed under this section.

(2) The department shall establish competitive grant criteria for the grant program described in subsection (1) for eligible applicants to expand access to quality, affordable programming before and after the school day or during the summer for young people. To be eligible for a grant under this section, the applicant must meet, at a minimum, all of the following criteria:

(a) Serve children in any of grades K to 12.

(b) Be a community-based organization that is exempt from federal income tax under section 501(c)(3) of the internal revenue code, 26 USC 501, an institution of higher education, a community or adult education program, a public library, a local government, or an intermediate district.

(c) Provide before-school, after-school, before-and-after-school, or summer school programming to children described in subdivision (a). These programs must be used to support expanded learning opportunities, including, but not limited to, mentoring, leadership, community engagement, agriculture, art, music, literacy, science, technology, engineering, mathematics, health, and recreation programming.

(d) Address measurable goals, including, but not limited to, improved school attendance, academic outcomes, positive behaviors, and skill acquisition, and include activities linked to research or quality practices.

(3) The department shall establish a competitive grant process for awarding funding under this section. The process must be posted publicly at least 30 days prior to the grant application period. The department shall develop the form and manner for applying for the grants. The application must include a request for information on the applicant's outreach to children, youth, and families who are eligible for free or reduced-price meals under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j. The application must be open for not less than 30 calendar days. At least 30 days before the application is opened, the department must publish on its public website the criteria that will be used in evaluating the application that must include, but are not limited to, priorities under subsection (5).

(4) Subject to subsection (8), in determining award amounts under this subsection, the department shall, to the extent practicable, ensure that eligible entities in all geographic regions of this state are represented in the distribution of grant funding under this section.

(5) Subject to subsection (8), the department shall prioritize the distribution of grant funding under this section based on, at a minimum, the following:

(a) An applicant's demonstrated need.

(b) The percentage of low-income families in the geographic area being served. Prioritization must be determined by the average percentage of pupils in the district who are eligible for free and reduced-priced meals as determined under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j, where eligible entities will provide before-and-after-school or summer school programs.

(c) Whether the application provides services for the full school year.

(d) The applicant's track record for providing quality, affordable before-and-after-school or summer school services.

(e) Whether an applicant serving children in any of grades K through 8 is licensed or is in the process of becoming licensed or has implemented the Michigan State Board of Education Michigan Out-of-School Time Standards of Quality. This does not preclude a nonlicensed entity from applying for funding under this section and being funded under this section.

(6) Subject to subsection (7), an eligible entity that receives grant funding under this section shall use the funding only to provide before-school, after-school, before-and-after-school, or summer school programming to children described in subsection (2)(a). The programming offered under this subsection must meet all of the following:

(a) Be provided to children in a manner in which the children are physically present at a building or location designated by the eligible entity.

(b) Provide educational programming in core subject areas, including, but not limited to, mathematics, reading, and science.

(c) Provide data to evaluate the program in a form and manner as prescribed by the department.

(7) Subject to subsections (2), (4), and (5), up to 2% of funding allocated under this section must be allocated to a nonprofit entity with experience serving youth-serving organizations to provide start-up grants and capacity building, professional development, and technical assistance for implementation of high-quality, evidence-based out-of-school time learning opportunities.

(8) The department shall award no less than 60% of the funding under this section to community-based organizations.

(9) Notwithstanding section 17b, the department shall make payments under this section in full upon grant award. Grantees that do not comply with reporting requirements, fail to provide the services proposed in their grant application, or close during the grant period may be required to repay the funding they received under this section to the department.

(10) The federal funding allocated under this section is intended to respond to the COVID-19 public health emergency and its negative impacts.

Sec. 32p. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$13,400,000.00 to intermediate districts for ~~2021-2022~~ **2022-2023** for the purpose of providing early childhood funding to intermediate districts to support the goals and outcomes under subsection (2) and subsection (4), and to provide **supports for** early childhood programs for children from birth through age 8. The funding provided to each intermediate district under this section is determined by the distribution formula established by the department's office of great start to provide equitable funding statewide. In order to receive funding under this section, each intermediate district must provide an application to the office of great start not later than September 15 of the immediately preceding fiscal year indicating the strategies planned to be provided.

(2) Each intermediate district or consortium of intermediate districts that receives funding under this section shall convene a local great start collaborative and a parent coalition that includes an active partnership with at least 1 community-based organization. The goal of each great start collaborative and parent coalition

is to ensure the coordination and expansion of local early childhood ~~infrastructure systems~~ and programs that allow every child in the community to achieve the following outcomes:

- (a) Children born healthy.
- (b) Children healthy, thriving, and developmentally on track from birth to grade 3.
- (c) Children developmentally ready to succeed in school at the time of school entry.
- (d) Children prepared to succeed in fourth grade and beyond by reading proficiently by the end of third grade.

(3) Each local great start collaborative and parent coalition shall convene workgroups to make recommendations about community services designed to achieve the outcomes described in subsection (2) and to ensure that its local great start system includes the following supports for children from birth through age 8:

- (a) Physical health.
- (b) Social-emotional health.
- (c) Family supports, ~~and~~ **including, but not limited to, the provision of basic needs and economic self-sufficiency.**
- (d) ~~Parent education leadership and family engagement.~~
- (e) Early education, including the child's development of skills linked to success in foundational literacy, and care.

(4) From the funds allocated in subsection (1), at least \$2,500,000.00 must be used for the purpose of providing home visits to at-risk children and their families. The home visits must be conducted as part of a locally coordinated, family-centered, evidence-based, data-driven home visit strategic plan that is approved by the department. The goals of the home visits funded under this subsection are to improve school readiness using evidence-based methods, including a focus on developmentally appropriate outcomes for early literacy, to improve positive parenting practices, and to improve family economic self-sufficiency while reducing the impact of high-risk factors through community resources and referrals. The department shall coordinate the goals of the home visit strategic plans approved under this subsection with other state agency home visit programs in a way that strengthens Michigan's home visiting infrastructure and maximizes federal funds available for the purposes of at-risk family home visits. The coordination among departments and agencies is intended to avoid duplication of state services and spending, and should emphasize efficient service delivery of home visiting programs.

(5) Not later than December 1 of each year, each intermediate district shall provide a report to the department detailing the strategies actually implemented during the immediately preceding school year and the families and children actually served. At a minimum, the report must include an evaluation of the services provided with additional funding under subsection (4) for home visits, using the goals identified in subsection (4) as the basis for the evaluation, including the degree to which school readiness was improved, the degree to which positive parenting practices were improved, the degree to which there was improved family economic self-sufficiency, and the degree to which community resources and referrals were utilized. The department shall compile and summarize these reports and submit its summary to the house and senate appropriations subcommittees on school aid and to the house and senate fiscal agencies not later than February 15 of each year.

(6) An intermediate district or consortium of intermediate districts that receives funding under this section may carry over any unexpended funds received under this section into the next fiscal year and may expend those unused funds through June 30 of the next fiscal year. However, an intermediate district or consortium of intermediate districts that receives funding for the purposes described in subsection (2) in fiscal year ~~2021-2022-2023~~ shall not carry over into the next fiscal year any amount exceeding ~~20%-15%~~ of the amount awarded to the intermediate district or consortium in the ~~2021-2022-2023~~ fiscal year. ~~It is intended that the amount carried over from funding awarded for the purposes described in subsection (2) in fiscal year 2022-2023 not exceed 15% of the amount awarded in that fiscal year.~~ A recipient of a grant shall return any unexpended grant funds to the department in the manner prescribed by the department not later than September 30 of the next fiscal year after the fiscal year in which the funds are received.

Sec. 32t. From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 only an amount not to exceed \$2,200,000.00 to Clinton County RESA (CCRESA) for the Strong Beginnings Program to provide services to children who meet the eligibility criteria for the great start readiness program, but do not meet the age eligibility criteria for the great start readiness program. These services must be designed for children who are age 3 and must be similar to the services provided through the great start readiness program. The program described in this section must be administered by CCRESA Strong Beginnings Implementation Team under the direction of the department, office of great start, with assessment, data, and collection analysis for the program being provided by Michigan State University.

Sec. 32u. (1) From the general fund money appropriated in section 11, there is allocated for 2022-2023 only an amount not to exceed \$5,000,000.00 to districts and intermediate districts as provided in this section.

(2) To receive funding under this section, a district or intermediate district must apply for the funding in a form and manner prescribed by the department.

(3) A district or intermediate district that receives funding under this section shall use the funding to provide, in collaboration with BookNook, pupils enrolled in the district or intermediate district with a program that meets all of the following:

(a) Allows students to use patented technology to reach and learn together.

(b) Provides for scaffolded-learning supports that empower teachers and support staff.

(c) Exposes pupils to diverse texts, dynamic games, and meaningful discussion with each lesson.

(d) Includes a large tutor network that expands reach to pupils.

(4) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 35a. (1) From the appropriations in section 11, there is allocated for ~~2021-2022-2022-2023~~ for the purposes of this section an amount not to exceed ~~\$61,400,000.00~~ **\$67,400,000.00 from the state school aid fund and there is allocated for ~~2021-2022-2022-2023~~ for the purposes of subsection (8) an amount not to exceed ~~\$3,500,000.00~~ **\$5,000,000.00** from the general fund. Excluding staff or contracted employees funded under subsection (8), the superintendent shall designate staff or contracted employees funded under this section as critical shortage. Programs funded under this section are intended to ensure that this state will be a top 10 state in grade 4 reading proficiency by 2025 according to the National Assessment of Educational Progress (NAEP). By December 31 ~~, 2021,~~ **of each fiscal year in which funding is allocated under this section**, the superintendent of public instruction shall do both of the following:**

(a) Report in person to the house and senate appropriations subcommittees on school aid regarding progress on the goal described in this subsection and be available for questioning as prescribed through a process developed by the chairs of the house and senate appropriations subcommittees on school aid.

(b) Submit a written report to the house and senate appropriations subcommittees on school aid regarding progress on the goal described in this subsection.

(2) A district that receives funds under subsection (5) may spend up to 5% of those funds for professional development for educators in a department-approved research-based training program related to current state literacy standards for pupils in grades pre-K to 3. The professional development must also include training in the use of screening and diagnostic tools, progress monitoring, and intervention methods used to address barriers to learning and delays in learning that are diagnosed through the use of these tools.

(3) A district that receives funds under subsection (5) may use up to 5% of those funds to administer department-approved screening and diagnostic tools to monitor the development of early literacy and early reading skills, and risk factors for word-level reading difficulties of pupils in grades pre-K to 3 and to support evidence-based professional learning described in subsection (11) for educators in administering and using screening, progress monitoring, and diagnostic assessment data to inform instruction through prevention and intervention in a multi-tiered system of supports framework. A department-approved screening and diagnostic tool administered by a district using funding under this section must include all of the following components: phonemic awareness, phonics, fluency, rapid automatized naming (RAN), and comprehension. Further, all of the following sub-skills must be assessed within each of these components:

(a) Phonemic awareness - segmentation, blending, and sound manipulation (deletion and substitution).

(b) Phonics - decoding (reading) and encoding (spelling).

(c) Fluency.

(d) Comprehension - making meaning of text.

(4) From the allocation under subsection (1), there is allocated an amount not to exceed \$31,500,000.00 for ~~2021-2022-2022-2023~~ for the purpose of providing early literacy coaches at intermediate districts to assist teachers in developing and implementing instructional strategies for pupils in grades pre-K to 3 so that pupils are reading at grade level by the end of grade 3. All of the following apply to funding under this subsection:

(a) The department shall develop an application process consistent with the provisions of this subsection. An application must provide assurances that literacy coaches funded under this subsection are knowledgeable about at least the following:

(i) Current state literacy standards for pupils in grades pre-K to 3.

(ii) Implementing an instructional delivery model based on frequent use of formative, screening, and diagnostic tools, known as a multi-tiered system of supports, to determine individual progress for pupils in grades pre-K to 3 so that pupils are reading at grade level by the end of grade 3.

(iii) The use of data from diagnostic tools to determine the necessary additional supports and interventions needed by individual pupils in grades pre-K to 3 in order to be reading at grade level.

(b) From the allocation under this subsection, the department shall award grants to intermediate districts for the support of early literacy coaches. The department shall provide this funding in the following manner:

(i) The department shall award each intermediate district grant funding to support the cost of 1 early literacy coach in an equal amount per early literacy coach, not to exceed \$112,500.00.

(ii) After distribution of the grant funding under subparagraph (i), the department shall distribute the remainder of grant funding for additional early literacy coaches in an amount not to exceed \$112,500.00 per early literacy coach. The number of funded early literacy coaches for each intermediate district is based on the percentage of the total statewide number of pupils in grades K to 3 who meet the income eligibility standards for the federal free and reduced-price lunch programs who are enrolled in districts in the intermediate district.

(c) If an intermediate district that receives funding under this subsection uses an assessment tool that screens for characteristics of dyslexia, the intermediate district shall use the assessment results from that assessment tool to identify pupils who demonstrate characteristics of dyslexia.

(5) From the allocation under subsection (1), there is allocated an amount not to exceed \$19,900,000.00 for ~~2021-2022~~ **2022-2023** to districts that provide additional instructional time to those pupils in grades pre-K to 3 who have been identified by using department-approved screening and diagnostic tools as needing additional supports and interventions in order to be reading at grade level by the end of grade 3. Additional instructional time may be provided before, during, and after regular school hours or as part of a year-round balanced school calendar. All of the following apply to funding under this subsection:

(a) In order to be eligible to receive funding, a district must demonstrate to the satisfaction of the department that the district has done all of the following:

(i) Implemented a multi-tiered system of supports instructional delivery model that is an evidence-based model that uses data-driven problem solving to integrate academic and behavioral instruction and that uses intervention delivered to all pupils in varying intensities based on pupil needs. The multi-tiered system of supports must provide at least all of the following essential components:

(A) Team-based leadership.

(B) A tiered delivery system.

(C) Selection and implementation of instruction, interventions, and supports.

(D) A comprehensive screening and assessment system.

(E) Continuous data-based decision making.

(ii) Used department-approved research-based diagnostic tools to identify individual pupils in need of additional instructional time.

(iii) Used a reading instruction method that focuses on the 5 fundamental building blocks of reading: phonics, phonemic awareness, fluency, vocabulary, and comprehension and content knowledge.

(iv) Provided teachers of pupils in grades pre-K to 3 with research-based professional development in diagnostic data interpretation.

(v) Complied with the requirements under section 1280f of the revised school code, MCL 380.1280f.

(b) The department shall distribute funding allocated under this subsection to eligible districts on an equal per-first-grade-pupil basis.

(c) If the funds allocated under this subsection are insufficient to fully fund the payments under this subsection, payments under this subsection are prorated on an equal per-pupil basis based on grade 1 pupils.

(6) Not later than September 1 of each year, a district that receives funding under subsection (5) in conjunction with the Michigan student data system, if possible, shall provide to the department a report that includes at least both of the following, in a form and manner prescribed by the department:

(a) For pupils in grades pre-K to 3, the teachers, pupils, schools, and grades served with funds under this section and the categories of services provided.

(b) For pupils in grades pre-K to 3, pupil proficiency and growth data that allows analysis both in the aggregate and by each of the following subgroups, as applicable:

(i) School.

(ii) Grade level.

(iii) Gender.

(iv) Race.

(v) Ethnicity.

(vi) Economically disadvantaged status.

(vii) Disability.

(viii) Pupils identified as having reading deficiencies.

(7) From the allocation under subsection (1), there is allocated an amount not to exceed \$6,000,000.00 for ~~2021-2022~~ **2022-2023** to an intermediate district in which the combined total number of pupils in

membership of all of its constituent districts is the fewest among all intermediate districts. All of the following apply to the funding under this subsection:

(a) Funding under this subsection must be used by the intermediate district, in partnership with an association that represents intermediate district administrators in this state, to implement all of the following:

(i) Literacy essentials teacher and principal training modules.

(ii) Face-to-face and online professional learning of literacy essentials teacher and principal training modules for literacy coaches, principals, and teachers.

(iii) The placement of regional lead literacy coaches to facilitate professional learning for early literacy coaches. These regional lead literacy coaches shall provide support for new literacy coaches, building teachers, and administrators and shall facilitate regional data collection to evaluate the effectiveness of statewide literacy coaches funded under this section.

(iv) Provide \$500,000.00 from this subsection for literacy training, modeling, coaching, and feedback for district principals or chief administrators, as applicable. The training described in this subparagraph must use the pre-K and K to 3 essential instructional practices in literacy created by the general education leadership network as the framework for all training provided under this subparagraph.

(v) Job-embedded professional learning opportunities for mathematics teachers through mathematics instructional coaching. Funding must be used for professional learning for coaches, professional developers, administrators, and teachers; coaching for early mathematics educators; the development of statewide and regional professional learning networks in mathematics instructions; and the development and support of digital professional learning modules.

(b) Not later than September 1 of each year, the intermediate district described in this subsection, in consultation with grant recipients, shall submit a report to the chairs of the senate and house appropriations subcommittees on school aid, the chairs of the senate and house standing committees responsible for education legislation, the house and senate fiscal agencies, and the state budget director. The report described under this subdivision must include student achievement results in English language arts and mathematics and survey results with feedback from parents and teachers regarding the initiatives implemented under this subsection.

(c) Up to 2% of funds allocated under this subsection may be used by the association representing intermediate district administrators that is in partnership with the intermediate district specified in this subsection to administer this subsection.

(8) From the general fund money allocated in subsection (1), the department shall allocate the amount of ~~\$3,500,000.00~~ **\$5,000,000.00** for ~~2021-2022~~ **2022-2023** **only** to the Michigan Education Corps for the PreK Reading Corps, the K3 Reading Corps, and the Math Corps. All of the following apply to funding under this subsection:

(a) By September 1 of the current fiscal year, the Michigan Education Corps shall provide a report concerning its use of the funding to the senate and house appropriations subcommittees on ~~state~~ school aid, the senate and house fiscal agencies, and the senate and house caucus policy offices on outcomes and performance measures of the Michigan Education Corps, including, but not limited to, the degree to which the Michigan Education Corps' replication of the PreK Reading Corps, the K3 Reading Corps, and the Math Corps programs is demonstrating sufficient efficacy and impact. The report must include data pertaining to at least all of the following:

(i) The current impact of the programs on this state in terms of numbers of children and schools receiving support. This portion of the report must specify the number of children tutored, including dosage and completion, and the demographics of those children.

(ii) Whether the assessments and interventions are implemented with fidelity. This portion of the report must include details on the total number of assessments and interventions completed and the range, mean, and standard deviation.

(iii) Whether the literacy or math improvement of children participating in the programs is consistent with expectations. This portion of the report must detail at least all of the following:

(A) Growth rate by grade or age level, in comparison to targeted growth rate.

(B) Average linear growth rates.

(C) Exit rates.

(D) Percentage of children who exit who also meet or exceed spring benchmarks.

(iv) The impact of the programs on organizations and stakeholders, including, but not limited to, school administrators, internal coaches, and AmeriCorps members.

(b) If the department determines that the Michigan Education Corps has misused the funds allocated under this subsection, the Michigan Education Corps shall reimburse this state for the amount of state funding misused.

(c) The department may not reserve any portion of the allocation provided under this subsection for an evaluation of the Michigan Education Corps, the Michigan Education Corps' funding, or the Michigan Education Corps' programming unless agreed to in writing by the Michigan Education Corps. The department shall award the entire ~~\$3,500,000.00~~ **\$5,000,000.00** allocated under this subsection to the Michigan Education Corps and shall not condition the awarding of this funding on the implementation of an independent evaluation.

(9) If a district or intermediate district expends any funding received under subsection (4) or (5) for professional development in research-based effective reading instruction, the district or intermediate district shall select a professional development program from the list described under subdivision (a). All of the following apply to the requirement under this subsection:

(a) The department shall issue a request for proposals for professional development programs in research-based effective reading instruction to develop an initial approved list of professional development programs in research-based effective reading instruction. The department shall make the initial approved list public and shall determine if it will, on a rolling basis, approve any new proposals submitted for addition to its initial approved list.

(b) To be included as an approved professional development program in research-based effective reading instruction under subdivision (a), an applicant must demonstrate to the department in writing the program's competency in all of the following topics:

(i) Understanding of phonemic awareness, phonics, fluency, vocabulary, and comprehension.

(ii) Appropriate use of assessments and differentiated instruction.

(iii) Selection of appropriate instructional materials.

(iv) Application of research-based instructional practices.

(c) As used in this subsection, "effective reading instruction" means reading instruction scientifically proven to result in improvement in pupil reading skills.

(10) From the allocation under subsection (1), there is allocated an amount not to exceed ~~\$4,000,000.00~~ **\$10,000,000.00** for ~~2021-2022~~ **2022-2023 only** for the provision of professional learning by the approved provider described in subsection (11), first to educators in pre-K, kindergarten, and grade 1 and then next to educators in grade 2 and grade 3; ~~All of the following apply to funding under this subsection:~~

~~(a) The and then to additional elementary school educators and pre-K to grade 12 certificated special education personnel with endorsements in learning disabilities, emotional impairments, or speech and language impairments. For purposes of this subsection, the department must establish and manage professional learning opportunities that are open to all pre-K through grade 3 teachers school personnel described in this subsection as follows:~~

~~(a) (#) The department must first open voluntary enrollment for any pre-K through grade 3 teacher on a first-come, first-served basis, with voluntary enrollment prioritized for pre-K, kindergarten, and grade 1 teachers. The department shall then open voluntary enrollment for the remaining school personnel described in this subsection.~~

~~(b) (##) The department must maintain open enrollment until all funds are expended.~~

~~(b) The department shall distribute funding allocated under this subsection to eligible districts on an equal per-first-grade-pupil basis.~~

~~(c) If the funds allocated under this subsection are insufficient to fully fund the payments under this subsection, payments under this subsection are prorated on an equal per-pupil basis based on grade 1 pupils.~~

(11) ~~The~~ **For the provision of professional learning to the school personnel described in subsection (10), the** department shall provide a list of 1 or more approved providers of professional learning outlined in this subsection for pre-K to grade 3 teachers, administrators, and early literacy coaches. ~~In order to be approved, a provider of professional learning must approve LETRS as the approved provider of professional learning, if LETRS continues to meet all of the following:~~

(a) Be offered through a system of training that provides educators with the knowledge base to effectively implement any class-wide, supplemental, or intervention reading approach and to determine why some students struggle with reading, writing, spelling, and language.

(b) Provide training activities that direct educators to implement effective reading and spelling instruction supported by scientifically based research and foster a direct explicit instructional sequence that uses techniques to support teachers' independence in using their newly-learned skills with students in the classroom.

(c) Include integrated components for educators and administrators in pre-K to grade 3 with embedded evaluation or assessment of knowledge. Evaluation or assessment of knowledge under this subdivision must incorporate evaluations of learning throughout each unit and include a summative assessment that must be completed to demonstrate successful course completion.

(d) Build teacher content knowledge and pedagogical knowledge of the critical components of literacy including how the brain learns to read, phonological and phonemic awareness; letter knowledge; phonics; advanced phonics; vocabulary and oral language; fluency; comprehension; spelling and writing; and the organization of language.

(e) Support educators in understanding how to effectively use screening, progress monitoring, and diagnostic assessment data to improve literacy outcomes through prevention and intervention for reading difficulties in a multi-tiered system of supports. The multi-tiered system of supports must include at least all of the following essential components:

- (i) Team-based leadership.
- (ii) A tiered delivery system.
- (iii) Selection and implementation of instruction, interventions, and supports.
- (iv) A comprehensive screening and assessment system.
- (v) Continuous data-based decision making.
- (12) Notwithstanding section 17b, the department shall make payments made under subsections (7) and (8) on a schedule determined by the department.
- (13) As used in this section:
 - (a) “Dyslexia” means both of the following:
 - (i) A specific learning disorder that is neurobiological in origin and characterized by difficulties with accurate or fluent word recognition and by poor spelling and decoding abilities that typically result from a deficit in the phonological component of language that is often unexpected in relation to other cognitive abilities and the provision of effective classroom instruction.
 - (ii) A specific learning disorder that may include secondary consequences, such as problems in reading comprehension and a reduced reading experience that can impede the growth of vocabulary and background knowledge and lead to social, emotional, and behavioral difficulties.
 - (b) “Evidence-based” means an activity, program, process, service, strategy, or intervention that demonstrates statistically significant effects on improving pupil outcomes or other relevant outcomes and that meets at least both of the following:
 - (i) At least 1 of the following:
 - (A) Is based on strong evidence from at least 1 well-designed and well-implemented experimental study.
 - (B) Is based on moderate evidence from at least 1 well-designed and well-implemented quasi-experimental study.
 - (C) Is based on promising evidence from at least 1 well-designed and well-implemented correlational study with statistical controls for selection bias.
 - (D) Demonstrates a rationale based on high-quality research findings or positive evaluation that the activity, program, process, service, strategy, or intervention is likely to improve pupil outcomes or other relevant outcomes.
 - (ii) Includes ongoing efforts to examine the effects of the activity, program, process, service, strategy, or intervention.
- (c) “Explicit” means direct and deliberate instruction through continuous pupil-teacher interaction that includes teacher modeling, guided practice, and independent practice.
- (d) “Fluency” means the ability to read with speed, accuracy, and proper expression.
- (e) “Multi-tiered system of supports” means a comprehensive framework that includes 3 distinct tiers of instructional support and is composed of a collection of evidence-based strategies designed to meet the individual needs and assets of a whole pupil at all achievement levels.
- (f) “Phonemic awareness” means the conscious awareness of all of the following:
 - (i) Individual speech sounds, including, but not limited to, consonants and vowels, in spoken syllables.
 - (ii) The ability to consciously manipulate through, including, but not limited to, matching, blending, segmenting, deleting, or substituting, individual speech sounds described in subparagraph (i).
 - (iii) All levels of the speech sound system, including, but not limited to, word boundaries, rhyme recognition, stress patterns, syllables, onset-rime units, and phonemes.
- (g) “Phonological” means relating to the system of contrastive relationships among the speech sounds that constitute the fundamental components of a language.
- (h) “Progress monitoring” means the assessing of students’ academic performance, quantifying students’ rates of improvement or progress toward goals, and determining how students are responding to instruction.
- (i) “Rapid automatized naming (RAN)” means a task that measures how quickly individuals can name objects; pictures; colors; or symbols, including letters and digits, aloud, which can predict later reading abilities for preliterate children.

Sec. 35d. (1) From the general fund money appropriated under section 11, for ~~2021-2022~~, **2022-2023 only**, there is allocated an amount not to exceed \$1,000,000.00 for the department to provide grants to districts and intermediate districts for the purchase of 1 or more components or trainings through an eligible teacher training program for children with dyslexia from a provider of an eligible teacher training program for children with dyslexia as provided under this section.

(2) A provider that provides programming that meets all of the following is considered to be a provider of an eligible teacher training program for purposes of this section:

(a) Allows teachers to incorporate the 5 components essential to an effective reading program into their daily lessons. The 5 components described in this subdivision are phonemic awareness, phonics, vocabulary, fluency, and comprehension.

(b) Trains educators to teach reading using a proven, multisensory approach.

(c) Educates teachers on how to explicitly and effectively teach reading to beginning readers.

(d) Breaks reading and spelling down into smaller skills involving letters and sounds, and then builds on these skills over time.

(e) Uses multisensory teaching strategies to teach reading by using sight, hearing, touch, and movement to help students connect and learn the concepts being taught.

(3) Districts and intermediate districts may apply to the department for grants to purchase components or training through an eligible teacher training program from a provider of an eligible teacher training program, and, upon receiving an application but except as otherwise provided in this subsection, the department shall make payments to districts and intermediate districts for those purchases. The department shall make payments under this section on a first-come, first-served basis until funds are depleted.

Sec. 35f. From the general fund money appropriated in section 11, there is allocated for ~~2021-2022-2022-2023 only~~ an amount not to exceed ~~\$750,000.00~~ **\$1,000,000.00** for the department to award to the Chaldean ~~community foundation~~ **Community Foundation**. The Chaldean ~~community foundation~~ **Community Foundation** shall use funds received under this section to support and expand early childhood learning opportunities, improve early literacy achievement, increase high school graduation rates for new Americans, and assist with diploma acquisition, skills training, and postsecondary education.

Sec. 35g. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$1,000,000.00 for ~~2021-2022-2022-2023 only~~ for competitive grants to eligible districts that have established innovative community libraries.

(2) A district that has established an innovative community library that meets all of the following is an eligible district under this section:

(a) The library provides for the engagement and connection of readers.

(b) The library provides for resources that are used to further reading skills.

(c) The library provides for the involvement of community volunteers and donations.

(3) An eligible district may partner with an existing library to provide an innovative community library described in subsection (2).

(4) For the purpose of this section, an innovative community library described in subsection (2) does not need to be in a physical building.

(5) To receive funding under this section, an eligible district must apply for the funding to the department's innovation council, in a form and manner prescribed by the department's innovation council, by not later than March 15 ~~2022~~ **of each fiscal year in which funding is allocated under this section**. The department's innovation council must develop an application process for the submission of applications for funding under this section by not later than December 15 ~~2021~~ **of each fiscal year in which funding is allocated under this section**. The department's innovation council must score applications and award up to 20 grants under this section based on the following criteria by not later than July 15 ~~2022~~ **of each fiscal year in which funding is allocated under this section**:

(a) How the innovative community library has addressed early childhood literacy gaps.

(b) How community partners of the innovative community library have engaged in addressing literacy gaps.

(c) How the innovative community library has connected different readers together.

(d) How the innovative community library will promote its approach to other districts or communities in addressing early literacy gaps.

(6) The grant awards under subsection (5) must be ranked in a manner in which there are 2 first-place grant awards, 2 second-place grant awards, 2 third-place grant awards, 2 fourth-place grant awards, 2 fifth-place grant awards, 2 sixth-place grant awards, 2 seventh-place grant awards, 2 eighth-place grant awards, 2 ninth-place grant awards, and 2 tenth-place grant awards. The first-place grant awards described in this subsection must receive the highest award of funding under this section and the amount of funding awarded under this section must decline sequentially with each numerical-place award described in this subsection, with the lowest award of funding under this section going to the tenth-place grant award recipients.

(7) Notwithstanding section 17b, subject to subsection (5), the department shall make payments to eligible districts under this section on a schedule determined by the department.

Sec. 35h. From the general fund money appropriated in section 11, there is allocated for ~~2021-2022-2022-2023 only~~ an amount not to exceed ~~\$1,700,000.00~~ **\$500,000.00** to the Jewish Federation of Metro Detroit to support day schools, day camps, and summer programming to help mitigate the impact of remote learning on students' mental health and physical well-being.

Sec. 39. (1) An eligible applicant receiving funds under section 32d shall submit an application, in a form and manner prescribed by the department, by a date specified by the department in the immediately preceding fiscal year. An eligible applicant is not required to amend the applicant's current accounting cycle or adopt this state's fiscal year accounting cycle in accounting for financial transactions under this section. The application must include all of the following:

(a) The estimated total number of children in the community who meet the criteria of section 32d, as provided to the applicant by the department utilizing the most recent population data available from the American Community Survey conducted by the United States Census Bureau. The department shall ensure that it provides updated American Community Survey population data at least once every 3 years.

(b) The estimated number of children in the community who meet the criteria of section 32d and are being served exclusively by Head Start programs operating in the community.

(c) The number of children whom the applicant has the capacity to serve who meet the criteria of section 32d including a verification of physical facility and staff resources capacity.

(2) After notification of funding allocations, an applicant receiving funds under section 32d shall also submit an implementation plan for approval, in a form and manner prescribed by the department, by a date specified by the department, that details how the applicant complies with the program components established by the department pursuant to under section 32d.

(3) The initial allocation to each eligible applicant under section 32d is the lesser of the following:

(a) The sum of the number of children served in a school-day program in the preceding school year multiplied by ~~\$8,700.00~~ **\$9,150.00** and the number of children served in a GSRP/Head Start blended program or a part-day program in the preceding school year multiplied by ~~\$4,350.00~~ **\$4,575.00**.

(b) The sum of the number of children the applicant has the capacity to serve in the current school year in a school-day program multiplied by ~~\$8,700.00~~ **\$9,150.00** and the number of children served in a GSRP/Head Start blended program or a part-day program the applicant has the capacity to serve in the current school year multiplied by ~~\$4,350.00~~ **\$4,575.00**.

(4) If funds remain after the allocations under subsection (3), the department shall distribute the remaining funds to each intermediate district or consortium of intermediate districts that serves less than the state percentage benchmark determined under subsection (5). The department shall distribute these remaining funds to each eligible applicant based upon each applicant's proportionate share of the remaining unserved children necessary to meet the statewide percentage benchmark in intermediate districts or consortia of intermediate districts serving less than the statewide percentage benchmark. When all applicants have been given the opportunity to reach the statewide percentage benchmark, the statewide percentage benchmark may be reset, as determined by the department, until greater equity of opportunity to serve eligible children across all intermediate school districts has been achieved.

(5) For the purposes of subsection (4), the department shall calculate a percentage of children served by each intermediate district or consortium of intermediate districts by adding the number of children served in the immediately preceding year by that intermediate district or consortium with the number of eligible children under section 32d served exclusively by head start, as reported in a form and manner prescribed by the department, within the intermediate district or consortia service area and dividing that total by the total number of children within the intermediate district or consortium of intermediate districts who meet the criteria of section 32d as determined by the department utilizing the most recent population data available from the American Community Survey conducted by the United States Census Bureau. The department shall compare the resulting percentage of eligible children served to a statewide percentage benchmark to determine if the intermediate district or consortium is eligible for additional funds under subsection (4). The statewide percentage benchmark is 100%.

(6) If, taking into account the total amount to be allocated to the applicant as calculated under this section, an applicant determines that it is able to include additional eligible children in the great start readiness program without additional funds under section 32d, the applicant may include additional eligible children but does not receive additional funding under section 32d for those children.

(7) The department shall review the program components under section 32d and under this section at least biennially. The department also shall convene a committee of internal and external stakeholders at least once every 5 years to ensure that the funding structure under this section reflects current system needs under section 32d.

(8) As used in this section, "GSRP/Head Start blended program", "part-day program", and "school-day program" mean those terms as defined in section 32d.

(9) ~~For the 2020-2021 program year only, the number of children reported on the application described in subsection (1)(a), (b), and (c) must not be used by the department for the purpose of calculating hold harmless funding levels for 2021-2022. Hold harmless funding for 2021-2022 must be determined based on the 2019-2020 final allocations calculated and paid under section 32d in 2019-2020.~~

Sec. 39a. (1) From the federal funds appropriated in section 11, there is allocated for ~~2020-2021 to districts, intermediate districts, and other eligible entities all available federal funding, estimated at \$752,300,000.00 and there is allocated for 2021-2022-2022-2023~~ to districts, intermediate districts, and other eligible entities all available federal funding, estimated at \$752,300,000.00, for the federal programs under the no child left behind act of 2001, Public Law 107-110, or the every student succeeds act, Public Law 114-95. These funds are allocated as follows:

(a) ~~An amount estimated at \$1,200,000.00 for 2020-2021 and estimated at \$1,200,000.00 for 2021-2022-2022-2023~~ to provide students with drug- and violence-prevention programs and to implement strategies to improve school safety, funded from DED-OESE, drug-free schools and communities funds.

(b) ~~An amount estimated at \$100,000,000.00 for 2020-2021 and estimated at \$100,000,000.00 for 2021-2022-2022-2023~~ for the purpose of preparing, training, and recruiting high-quality teachers and class size reduction, funded from DED-OESE, improving teacher quality funds.

(c) ~~An amount estimated at \$13,000,000.00 for 2020-2021 and estimated at \$13,000,000.00 for 2021-2022-2022-2023~~ for programs to teach English to limited English proficient (LEP) children, funded from DED-OESE, language acquisition state grant funds.

(d) ~~An amount estimated at \$2,800,000.00 for 2020-2021 and estimated at \$2,800,000.00 for 2021-2022-2022-2023~~ for rural and low-income schools, funded from DED-OESE, rural and low income school funds.

(e) ~~An amount estimated at \$535,000,000.00 for 2020-2021 and estimated at \$535,000,000.00 for 2021-2022-2022-2023~~ to provide supplemental programs to enable educationally disadvantaged children to meet challenging academic standards, funded from DED-OESE, title I, disadvantaged children funds.

(f) ~~An amount estimated at \$9,200,000.00 for 2020-2021 and estimated at \$9,200,000.00 for 2021-2022-2022-2023~~ for the purpose of identifying and serving migrant children, funded from DED-OESE, title I, migrant education funds.

(g) ~~An amount estimated at \$39,000,000.00 for 2020-2021 and estimated at \$39,000,000.00 for 2021-2022-2022-2023~~ for the purpose of providing high-quality extended learning opportunities, after school and during the summer, for children in low-performing schools, funded from DED-OESE, twenty-first century community learning center funds.

(h) ~~An amount estimated at \$14,000,000.00 for 2020-2021 and estimated at \$14,000,000.00 for 2021-2022-2022-2023~~ to help support local school improvement efforts, funded from DED-OESE, title I, local school improvement grants.

(i) ~~An amount estimated at \$35,000,000.00 for 2020-2021 and estimated at \$35,000,000.00 for 2021-2022-2022-2023~~ to improve the academic achievement of students, funded from DED-OESE, title IV, student support and academic enrichment grants.

(j) ~~An amount estimated at \$3,100,000.00 for 2020-2021 and estimated at \$3,100,000.00 for 2021-2022-2022-2023~~ for literacy programs that advance literacy skills for students from birth through grade 12, including, but not limited to, English-proficient students and students with disabilities, funded from DED-OESE, striving readers comprehensive literacy program.

(2) From the federal funds appropriated in section 11, there is allocated to districts, intermediate districts, and other eligible entities all available federal funding, estimated at ~~\$77,867,000.00 for 2020-2021 and estimated at \$56,500,000.00 for 2021-2022-2022-2023~~ for the following programs that are funded by federal grants:

(a) ~~An amount estimated at \$24,367,000.00 for 2020-2021 and estimated at \$3,000,000.00 for 2021-2022-2022-2023~~ to provide services to homeless children and youth, funded from DED-OVAE, homeless children and youth funds.

(b) ~~An amount estimated at \$24,000,000.00 for 2020-2021 and estimated at \$24,000,000.00 for 2021-2022-2022-2023~~ for providing career and technical education services to pupils, funded from DED-OVAE, basic grants to states.

(c) ~~An amount estimated at \$14,000,000.00 for 2020-2021 and estimated at \$14,000,000.00 for 2021-2022-2022-2023~~ for the Michigan charter school subgrant program, funded from DED-OII, public charter schools program funds.

(d) ~~An amount estimated at \$14,000,000.00 for 2020-2021 and estimated at \$14,000,000.00 for 2021-2022-2022-2023~~ for the purpose of promoting and expanding high-quality preschool services, funded from HHS-OCC, preschool development funds.

(e) ~~An amount estimated at \$1,500,000.00 for 2020-2021 and estimated at \$1,500,000.00 for 2021-2022-2022-2023~~ for the purpose of addressing priority substance abuse treatment, prevention, and mental health needs, funded from HHS-SAMHSA.

(3) The department shall distribute all federal funds allocated under this section in accordance with federal law and with flexibility provisions outlined in Public Law 107-116, and in the education flexibility partnership act of 1999, Public Law 106-25. Notwithstanding section 17b, the department shall make payments of federal funds to districts, intermediate districts, and other eligible entities under this section on a schedule determined by the department.

(4) For the purposes of applying for federal grants appropriated under this article, the department shall allow an intermediate district to submit a consortium application on behalf of 2 or more districts with the agreement of those districts as appropriate according to federal rules and guidelines.

(5) For the purposes of funding federal title I grants under this article, in addition to any other federal grants for which the strict discipline academy is eligible, the department shall allocate to a strict discipline academy out of title I, part A an amount equal to what the strict discipline academy would have received if included and calculated under title I, part D, or what it would receive under the formula allocation under title I, part A, whichever is greater.

(6) As used in this section:

- (a) “DED” means the United States Department of Education.
- (b) “DED-OESE” means the DED Office of Elementary and Secondary Education.
- (c) “DED-OII” means the DED Office of Innovation and Improvement.
- (d) “DED-OVAE” means the DED Office of Vocational and Adult Education.
- (e) “HHS” means the United States Department of Health and Human Services.
- (f) “HHS-OCC” means the HHS Office of Child Care.
- (g) “HHS-SAMHSA” means the HHS Substance Abuse and Mental Health Services Project.

Sec. 41. (1) For a district to be eligible to receive funding under this section, the district must administer to English language learners the English language proficiency assessment known as the “WIDA ACCESS for English language learners” or the “WIDA Alternate ACCESS”. From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$25,200,000.00~~ **\$26,511,000.00** for ~~2021-2022~~ **2022-2023** for payments to eligible districts for services for English language learners who have been administered the WIDA ACCESS for English language learners.

(2) The department shall distribute funding allocated under subsection (1) to eligible districts based on the number of full-time equivalent English language learners as follows:

(a) ~~\$935.00~~ **\$984.00** per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 1.0 and 1.9, or less, as applicable to each assessment.

(b) ~~\$645.00~~ **\$679.00** per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 2.0 and 2.9, or less, as applicable to each assessment.

(c) ~~\$405.00~~ **\$111.00** per full-time equivalent English language learner who has been assessed under the WIDA ACCESS for English language learners or the WIDA Alternate ACCESS with a WIDA ACCESS or WIDA Alternate ACCESS composite score between 3.0 and 3.9, or less, as applicable to each assessment.

(3) If funds allocated under subsection (1) are insufficient to fully fund the payments as prescribed under subsection (2), the department shall prorate payments on an equal percentage basis, with the same percentage proration applied to all funding categories.

(4) Each district receiving funds under subsection (1) shall submit to the department by July 15 of each fiscal year a report, not to exceed 10 pages, on the usage by the district of funds under subsection (1) in a form and manner determined by the department, including a brief description of each program conducted or services performed by the district using funds under subsection (1) and the amount of funds under subsection (1) allocated to each of those programs or services. If a district does not comply with this subsection, the department shall withhold an amount equal to the August payment due under this section until the district complies with this subsection. If the district does not comply with this subsection by the end of the fiscal year, the withheld funds are forfeited to the ~~state~~ school aid fund.

(5) In order to receive funds under subsection (1), a district must allow access for the department or the department’s designee to audit all records related to the program for which it receives those funds. The district shall reimburse this state for all disallowances found in the audit.

(6) Beginning July 1, 2020, and every 3 years thereafter, the department shall review the per-pupil distribution under subsection (2), to ensure that funding levels are appropriate and make recommendations for adjustments to the members of the senate and house subcommittees on K-12 school aid appropriations.

Sec. 41b. From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 only an amount not to exceed \$1,250,000.00 for KEYS Grace Academy to, in partnership with Kalasho Education and Youth Services, provide English-as-a-second-language services, provide early childhood learning, improve progress toward high school graduation attainment, and provide K to 12 education-support services to legal immigrants, including, but not limited to, those individuals who recently arrived to the United States from Afghanistan with an application before the United States Department of Homeland Security for temporary protected status or federal humanitarian parole.

Sec. 51a. (1) From the state school aid fund money in section 11, there is allocated an amount not to exceed ~~\$1,079,296,100.00~~ **\$1,089,096,100.00** for ~~2020-2021~~ **2021-2022** and there is allocated an amount not to

exceed \$1,123,696,100.00 **\$1,460,503,100.00** for 2021-2022 ~~2022-2023~~ from state sources and all available federal funding under sections 1411 to 1419 of part B of the individuals with disabilities education act, 20 USC 1411 to 1419, estimated at ~~\$456,752,000.00~~ **\$380,000,000.00** for ~~2020-2021~~ **2021-2022** and ~~\$380,000,000.00~~ **\$390,000,000.00** for ~~2021-2022~~, **2022-2023**, plus any carryover federal funds from previous year appropriations. The allocations under this subsection are for the purpose of reimbursing districts and intermediate districts for special education programs, services, and special education personnel as prescribed in article 3 of the revised school code, MCL 380.1701 to 380.1761; net tuition payments made by intermediate districts to the Michigan Schools for the Deaf and Blind; and special education programs and services for pupils who are eligible for special education programs and services according to statute or rule. For meeting the costs of special education programs and services not reimbursed under this article, a district or intermediate district may use money in general funds or special education funds, not otherwise restricted, or contributions from districts to intermediate districts, tuition payments, gifts and contributions from individuals or other entities, or federal funds that may be available for this purpose, as determined by the intermediate district plan prepared under article 3 of the revised school code, MCL 380.1701 to 380.1761. Notwithstanding section 17b, the department shall make payments of federal funds to districts, intermediate districts, and other eligible entities under this section on a schedule determined by the department.

(2) From the funds allocated under subsection (1), there is allocated the amount necessary, estimated at ~~\$319,000,000.00~~ **\$311,800,000.00** for ~~2020-2021~~ **2021-2022** and estimated at ~~\$332,000,000.00~~ **\$323,300,000.00** for ~~2021-2022~~, **2022-2023**, for payments toward reimbursing districts and intermediate districts for 28.6138% of total approved costs of special education, excluding costs reimbursed under section 53a, and 70.4165% of total approved costs of special education transportation. Allocations under this subsection are made as follows:

(a) **For 2021-2022, the department shall calculate the initial amount allocated to a district under this subsection toward fulfilling the specified percentages by multiplying the district's special education pupil membership, excluding pupils described in subsection (11), times the foundation allowance under section 20 of the pupil's district of residence, plus the amount of the district's per-pupil allocation under section 20m, not to exceed the target foundation allowance for the current fiscal year, or, for a special education pupil in membership in a district that is a public school academy, times an amount equal to the amount per membership pupil calculated under section 20(6). For an intermediate district, the amount allocated under this subdivision toward fulfilling the specified percentages is an amount per special education membership pupil, excluding pupils described in subsection (11), and is calculated in the same manner as for a district, using the foundation allowance under section 20 of the pupil's district of residence, not to exceed the target foundation allowance for the current fiscal year, and that district's per-pupil allocation under section 20m.**

(b) ~~(a)~~ **For 2022-2023, the department shall calculate the initial amount allocated to a district under this subsection toward fulfilling the specified percentages by multiplying the district's special education pupil membership, excluding pupils described in subsection (11), times 25% of the foundation allowance under section 20 of the pupil's district of residence, plus 25% of the amount of the district's per-pupil allocation under section 20m, not to exceed 25% of the target foundation allowance for the current fiscal year, or, for a special education pupil in membership in a district that is a public school academy, times an amount equal to 25% of the amount per membership pupil calculated under section 20(6). For an intermediate district, the amount allocated under this subdivision toward fulfilling the specified percentages is an amount per special education membership pupil, excluding pupils described in subsection (11), and is calculated in the same manner as for a district, using 25% of the foundation allowance under section 20 of the pupil's district of residence, not to exceed 25% of the target foundation allowance for the current fiscal year, and that district's per-pupil allocation under section 20m.**

(c) ~~(b)~~ **After the allocations under subdivision (a) or (b), as applicable, the department shall pay a district or intermediate district for which the payments calculated under subdivision (a) do not fulfill the specified percentages the amount necessary to achieve the specified percentages for the district or intermediate district.**

(3) From the funds allocated under subsection (1), there is allocated for ~~2020-2021~~ **2021-2022** an amount not to exceed \$1,000,000.00 and there is allocated for ~~2021-2022~~ **2022-2023** an amount not to exceed \$1,000,000.00 to make payments to districts and intermediate districts under this subsection. If the amount, **for 2021-2022, —allocated to a district or intermediate district for a—**the fiscal year under subsection (2)(b) ~~(2)(c)~~ **or, for 2022-2023, the amount, equal to the amount necessary to fulfill the specified percentages minus (the sum of the amounts calculated under subsection (2)(a) plus the amount received under section 51e), is less than the sum of the amounts allocated to the district or intermediate district for 1996-97 under sections 52 and 58, there is allocated to the district or intermediate district for the fiscal year an amount equal to that difference, adjusted by applying the same proration factor that was used in the distribution of funds under section 52 in 1996-97 as adjusted to the district's or**

intermediate district's necessary costs of special education used in calculations for the fiscal year. This adjustment is to reflect reductions in special education program operations or services between 1996-97 and subsequent fiscal years. The department shall make adjustments for reductions in special education program operations or services in a manner determined by the department and shall include adjustments for program or service shifts.

(4) If the department determines that the sum of the amounts allocated for a fiscal year to a district or intermediate district under subsection (2)(a) and (b) is not sufficient to fulfill the specified percentages in subsection (2), then the department shall pay the shortfall to the district or intermediate district during the fiscal year beginning on the October 1 following the determination and shall adjust payments under subsection (3) as necessary. If the department determines that the sum of the amounts allocated for a fiscal year to a district or intermediate district under subsection (2)(a) and (b) exceeds the sum of the amount necessary to fulfill the specified percentages in subsection (2), then the department shall deduct the amount of the excess from the district's or intermediate district's payments under this article for the fiscal year beginning on the October 1 following the determination and shall adjust payments under subsection (3) as necessary. However, **for 2021-2022 only**, if the amount allocated under subsection (2)(a) in itself exceeds the amount necessary to fulfill the specified percentages in subsection (2), there is no deduction under this subsection.

(5) State funds are allocated on a total approved cost basis. Federal funds are allocated under applicable federal requirements.

(6) From the amount allocated in subsection (1), there is allocated an amount not to exceed \$2,200,000.00 for ~~2020-2021~~ **2021-2022** and there is allocated an amount not to exceed \$2,200,000.00 for ~~2021-2022~~ **2022-2023** to reimburse 100% of the net increase in necessary costs incurred by a district or intermediate district in implementing the revisions in the administrative rules for special education that became effective on July 1, 1987. As used in this subsection, "net increase in necessary costs" means the necessary additional costs incurred solely because of new or revised requirements in the administrative rules minus cost savings permitted in implementing the revised rules. The department shall determine net increase in necessary costs in a manner specified by the department.

(7) For purposes of this section and sections 51b to 58, all of the following apply:

(a) "Total approved costs of special education" are determined in a manner specified by the department and may include indirect costs, but must not exceed 115% of approved direct costs for section 52 and section 53a programs. The total approved costs include salary and other compensation for all approved special education personnel for the program, including payments for Social Security and Medicare and public school employee retirement system contributions. The total approved costs do not include salaries or other compensation paid to administrative personnel who are not special education personnel as that term is defined in section 6 of the revised school code, MCL 380.6. Costs reimbursed by federal funds, other than those federal funds included in the allocation made under this article, are not included. Special education approved personnel not utilized full time in the evaluation of students or in the delivery of special education programs, ancillary, and other related services are reimbursed under this section only for that portion of time actually spent providing these programs and services, with the exception of special education programs and services provided to youth placed in child caring institutions or juvenile detention programs approved by the department to provide an on-grounds education program.

(b) ~~Beginning with the 2004-2005 fiscal year, a~~ **A** district or intermediate district that employed special education support services staff to provide special education support services in 2003-2004 or in a subsequent fiscal year and that in a fiscal year after 2003-2004 receives the same type of support services from another district or intermediate district shall report the cost of those support services for special education reimbursement purposes under this article. This subdivision does not prohibit the transfer of special education classroom teachers and special education classroom aides if the pupils counted in membership associated with those special education classroom teachers and special education classroom aides are transferred and counted in membership in the other district or intermediate district in conjunction with the transfer of those teachers and aides.

(c) If the department determines before bookclosing for a fiscal year that the amounts allocated for that fiscal year under subsections (2), (3), (6), and (11) and sections 53a, 54, and 56 will exceed expenditures for that fiscal year under subsections (2), (3), (6), and (11) and sections 53a, 54, and 56, then for a district or intermediate district whose reimbursement for that fiscal year would otherwise be affected by subdivision (b), subdivision (b) does not apply to the calculation of the reimbursement for that district or intermediate district and the department shall calculate reimbursement for that district or intermediate district in the same manner as it was for 2003-2004. If the amount of the excess allocations under subsections (2), (3), (6), and (11) and sections 53a, 54, and 56 is not sufficient to fully fund the calculation of reimbursement to those districts and intermediate districts under this subdivision, then the department shall prorate

calculations and resulting reimbursement under this subdivision on an equal percentage basis. ~~Beginning in 2015-2016, the~~ **The** amount of reimbursement under this subdivision for a fiscal year must not exceed \$2,000,000.00 for any district or intermediate district.

(d) Reimbursement for ancillary and other related services, as that term is defined by R 340.1701c of the Michigan Administrative Code, is not provided when those services are covered by and available through private group health insurance carriers or federal reimbursed program sources unless the department and district or intermediate district agree otherwise and that agreement is approved by the state budget director. Expenses, other than the incidental expense of filing, must not be borne by the parent. In addition, the filing of claims must not delay the education of a pupil. A district or intermediate district is responsible for payment of a deductible amount and for an advance payment required until the time a claim is paid.

(e) ~~Beginning with calculations for 2004-2005, if~~ **If** an intermediate district purchases a special education pupil transportation service from a constituent district that was previously purchased from a private entity; if the purchase from the constituent district is at a lower cost, adjusted for changes in fuel costs; and if the cost shift from the intermediate district to the constituent does not result in any net change in the revenue the constituent district receives from payments under sections 22b and 51c, then upon application by the intermediate district, the department shall direct the intermediate district to continue to report the cost associated with the specific identified special education pupil transportation service and shall adjust the costs reported by the constituent district to remove the cost associated with that specific service.

(8) A pupil who is enrolled in a full-time special education program conducted or administered by an intermediate district or a pupil who is enrolled in the Michigan Schools for the Deaf and Blind is not included in the membership count of a district, but is counted in membership in the intermediate district of residence.

(9) Special education personnel transferred from 1 district to another to implement the revised school code are entitled to the rights, benefits, and tenure to which the ~~person-individual~~ would otherwise be entitled had that ~~person-individual~~ been employed by the receiving district originally.

(10) If a district or intermediate district uses money received under this section for a purpose other than the purpose or purposes for which the money is allocated, the department may require the district or intermediate district to refund the amount of money received. The department shall deposit money that is refunded in the state treasury to the credit of the state school aid fund.

(11) From the funds allocated in subsection (1), there is allocated the amount necessary, estimated at ~~\$2,400,000.00~~ **\$1,500,000.00** for ~~2020-2021~~ **2021-2022** and estimated at ~~\$2,900,000.00~~ **\$1,500,000.00** for ~~2021-2022~~ **2022-2023**, to pay the foundation allowances for pupils described in this subsection. The department shall calculate the allocation to a district under this subsection by multiplying the number of pupils described in this subsection who are counted in membership in the district times the sum of the foundation allowance under section 20 of the pupil's district of residence, plus the amount of the district's per-pupil allocation under section 20m, not to exceed the target foundation allowance for the current fiscal year, or, for a pupil described in this subsection who is counted in membership in a district that is a public school academy, times an amount equal to the amount per membership pupil under section 20(6). The department shall calculate the allocation to an intermediate district under this subsection in the same manner as for a district, using the foundation allowance under section 20 of the pupil's district of residence not to exceed the target foundation allowance for the current fiscal year and that district's per-pupil allocation under section 20m. This subsection applies to all of the following pupils:

(a) Pupils described in section 53a.

(b) Pupils counted in membership in an intermediate district who are not special education pupils and are served by the intermediate district in a juvenile detention or child caring facility.

(c) Pupils with an emotional impairment counted in membership by an intermediate district and provided educational services by the department of health and human services.

(12) If it is determined that funds allocated under subsection (2) or (11) or under section 51c will not be expended, funds up to the amount necessary and available may be used to supplement the allocations under subsection (2) or (11) or under section 51c in order to fully fund those allocations. After payments under subsections (2) and (11) and section 51c, the department shall expend the remaining funds from the allocation in subsection (1) in the following order:

(a) ~~100%~~ **One hundred percent** of the reimbursement required under section 53a.

(b) ~~100%~~ **One hundred percent** of the reimbursement required under subsection (6).

(c) ~~100%~~ **One hundred percent** of the payment required under section 54.

(d) ~~100%~~ **One hundred percent** of the payment required under subsection (3).

(e) ~~100%~~ **One hundred percent** of the payments under section 56.

(13) The allocations under subsections (2), (3), and (11) are allocations to intermediate districts only and are not allocations to districts, but instead are calculations used only to determine the state payments under section 22b.

(14) If a public school academy that is not a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, enrolls under this section a pupil who resides outside of the intermediate district in which the public school academy is located and who is eligible for special education programs and services according to statute or rule, or who is a child with a disability, as that term is defined under the individuals with disabilities education act, Public Law 108-446, the intermediate district in which the public school academy is located and the public school academy shall enter into a written agreement with the intermediate district in which the pupil resides for the purpose of providing the pupil with a free appropriate public education, and the written agreement must include at least an agreement on the responsibility for the payment of the added costs of special education programs and services for the pupil. If the public school academy that enrolls the pupil does not enter into an agreement under this subsection, the public school academy shall not charge the pupil's resident intermediate district or the intermediate district in which the public school academy is located the added costs of special education programs and services for the pupil, and the public school academy is not eligible for any payouts based on the funding formula outlined in the resident or nonresident intermediate district's plan. If a pupil is not enrolled in a public school academy under this subsection, the provision of special education programs and services and the payment of the added costs of special education programs and services for a pupil described in this subsection are the responsibility of the district and intermediate district in which the pupil resides.

(15) For the purpose of receiving its federal allocation under part B of the individuals with disabilities education act, Public Law 108-446, a public school academy that is a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, and is in compliance with section 553a of the revised school code, MCL 380.553a, directly receives the federal allocation under part B of the individuals with disabilities education act, Public Law 108-446, from the intermediate district in which the cyber school is located, as the subrecipient. If the intermediate district does not distribute the funds described in this subsection to the cyber school by the part B application due date of July 1, the department may distribute the funds described in this subsection directly to the cyber school according to the formula prescribed in 34 CFR 300.705 and 34 CFR 300.816. **Beginning July 1, 2021, this subsection is subject to section 8c. It is the intent of the legislature that the immediately preceding sentence apply retroactively and is effective July 1, 2021.**

(16) For a public school academy that is a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, and is in compliance with section 553a of the revised school code, MCL 380.553a, that enrolls a pupil under this section, the intermediate district in which the cyber school is located shall ensure that the cyber school complies with sections 1701a, 1703, 1704, 1751, 1752, 1756, and 1757 of the revised school code, MCL 380.1701a, 380.1703, 380.1704, 380.1751, 380.1752, 380.1756, and 380.1757; applicable rules; and the individuals with disabilities education act, Public Law 108-446. **Beginning July 1, 2021, this subsection is subject to section 8c. It is the intent of the legislature that the immediately preceding sentence apply retroactively and is effective July 1, 2021.**

(17) For the purposes of this section, the department or the center shall only require a district or intermediate district to report information that is not already available from the financial information database maintained by the center.

Sec. 51c. As required by the court in the consolidated cases known as *Durant v State of Michigan*, 456 Mich 175 (1997), from the allocation under section 51a(1), there is allocated for ~~2020-2021-2021-2022~~ and for ~~2021-2022-2022-2023~~, the amount necessary, estimated at ~~\$702,500,000.00~~ **\$686,200,000.00** for ~~2020-2021-2021-2022~~ and ~~\$733,400,000.00~~ **\$709,900,000.00** for ~~2021-2022-2022-2023~~, for payments to reimburse districts for 28.6138% of total approved costs of special education excluding costs reimbursed under section 53a, and 70.4165% of total approved costs of special education transportation. Funds allocated under this section that are not expended in the fiscal year for which they were allocated, as determined by the department, may be used to supplement the allocations under sections 22a and 22b to fully fund those allocations for the same fiscal year. For each fund transfer as described in the immediately preceding sentence that occurs, the state budget director shall send notification of the transfer to the house and senate appropriations subcommittees on state school aid and the house and senate fiscal agencies by not later than 14 calendar days after the transfer occurs.

Sec. 51d. (1) From the federal funds appropriated in section 11, there is allocated for ~~2020-2021-all available federal funding, estimated at \$83,195,000.00, and there is allocated for 2021-2022-2022-2023~~ all available federal funding, estimated at \$71,000,000.00, for special education programs and services that are funded by federal grants. The department shall distribute all federal funds allocated under this section in accordance with federal law. Notwithstanding section 17b, the department shall make payments of federal funds to districts, intermediate districts, and other eligible entities under this section on a schedule determined by the department.

(2) From the federal funds allocated under subsection (1), the following amounts are allocated:

(a) ~~For 2020-2021, an amount estimated at \$19,822,000.00 for handicapped infants and toddlers, funded from DED-OSERS, handicapped infants and toddlers funds. For 2021-2022, 2022-2023, an amount estimated at \$14,000,000.00 for handicapped infants and toddlers, funded from DED-OSERS, handicapped infants and toddlers funds.~~

(b) ~~For 2020-2021, an amount estimated at \$20,373,000.00 for preschool grants under Public Law 94-142, funded from DED-OSERS, handicapped preschool incentive funds. For 2021-2022, 2022-2023, an amount estimated at \$14,000,000.00 for preschool grants under Public Law 94-142, funded from DED-OSERS, handicapped preschool incentive funds.~~

(c) ~~For 2020-2021 and for 2021-2022, 2022-2023, an amount estimated at \$43,000,000.00 for special education programs funded by DED-OSERS, handicapped program, individuals with disabilities act funds.~~

(3) As used in this section, "DED-OSERS" means the United States Department of Education Office of Special Education and Rehabilitative Services.

Sec. 51e. (1) From the allocation under section 51a(1), there is allocated for 2022-2023 the amount necessary, estimated at \$336,207,000.00 for 2022-2023 for payments to districts and intermediate districts for 75% of foundation allowance costs associated with special education pupils.

(2) The department shall calculate the amount allocated to a district under this section by multiplying the district's special education pupil membership, excluding pupils described in section 51a(11), times 75% of the foundation allowance under section 20 of the pupil's district of residence, plus 75% of the amount of the district's per-pupil allocation under section 20m, not to exceed 75% of the target foundation allowance for the current fiscal year, or, for a special education pupil in membership in a district that is a public school academy, times an amount equal to 75% of the amount per membership pupil calculated under section 20(6). For an intermediate district, the amount allocated under this subsection is an amount per special education membership pupil, excluding pupils described in section 51a(11), and is calculated in the same manner as for a district, using 75% of the foundation allowance under section 20 of the pupil's district of residence, not to exceed 75% of the target foundation allowance for the current fiscal year, and 75% of that district's per-pupil allocation under section 20m.

(3) In addition to the amount calculated in subsection (2), there is allocated the difference between the amount received under section 51f in the 2021-2022 fiscal year and the amount calculated under subsection (2). If the calculated amount under subsection (2) exceeds the amount received by the district or intermediate district under section 51f for the 2021-2022 fiscal year, there is no payment calculated under this subsection.

Sec. 51g. From the general fund money appropriated in section 11, \$3,000,000.00 is allocated for ~~2021-2022-2022-2023~~ to an association for administrators of special education services to develop content for use by special education students, teachers, and others. Any content that is developed as described in this section must be accessible throughout this state. Funds received by an association under this section may be used to support the development of assessment tools to measure the needs of students with special education needs in remote learning environments and the effectiveness of various educational methods and tools, in collaboration with the department. Funds under this section may also be utilized to identify any available federal funds for research related to special education in remote learning.

Sec. 53a. (1) For districts, reimbursement for pupils described in subsection (2) is 100% of the total approved costs of operating special education programs and services approved by the department and included in the intermediate district plan adopted under article 3 of the revised school code, MCL 380.1701 to 380.1761, minus the district's foundation allowance calculated under section 20 and minus the district's per-pupil allocation under section 20m. For intermediate districts, the department shall calculate reimbursement for pupils described in subsection (2) in the same manner as for a district, using the foundation allowance under section 20 of the pupil's district of residence, not to exceed the target foundation allowance under section 20 for the current fiscal year plus the amount of the district's per-pupil allocation under section 20m.

(2) Reimbursement under subsection (1) is for the following special education pupils:

(a) Pupils assigned to a district or intermediate district through the community placement program of the courts or a state agency, if the pupil was a resident of another intermediate district at the time the pupil came under the jurisdiction of the court or a state agency.

(b) Pupils who are residents of institutions operated by the department of health and human services.

(c) Pupils who are former residents of department of community health institutions for the developmentally disabled who are placed in community settings other than the pupil's home.

(d) Pupils enrolled in a department-approved on-grounds educational program longer than 180 days, but not longer than 233 days, at a residential child care institution, if the child care institution offered in 1991-92 an on-grounds educational program longer than 180 days but not longer than 233 days.

(e) Pupils placed in a district by a parent for the purpose of seeking a suitable home, if the parent does not reside in the same intermediate district as the district in which the pupil is placed.

(3) Only those costs that are clearly and directly attributable to educational programs for pupils described in subsection (2), and that would not have been incurred if the pupils were not being educated in a district or intermediate district, are reimbursable under this section.

(4) The costs of transportation are funded under this section and are not reimbursed under section 58.

(5) The department shall not allocate more than \$10,500,000.00 of the allocation for ~~2021-2022-2022-2023~~ in section 51a(1) under this section.

Sec. 54. Each intermediate district receives an amount per pupil for each pupil in attendance at the Michigan Schools for the Deaf and Blind. The amount is proportionate to the total instructional cost at each school. The department shall not allocate more than \$1,688,000.00 of the allocation for ~~2021-2022-2022-2023~~ in section 51a(1) under this section.

Sec. 54b. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed \$1,600,000.00 for ~~2021-2022-2022-2023~~ to continue the implementation of the recommendations of the special education reform task force published in January 2016.

(2) The department shall use funds allocated under this section for the purpose of piloting statewide implementation of the ~~Michigan Integrated Behavior and Learning Support Initiative (MiBLSI)~~, **MiMTSS Center**, a nationally recognized program that includes positive behavioral intervention and supports and provides a statewide structure to support local initiatives for an integrated behavior and reading program. With the assistance of the intermediate districts involved in ~~MiBLSI~~, **the MiMTSS Center**, the department shall identify a number of intermediate districts to participate in the pilot that is sufficient to ensure that ~~MiBLSI~~ **the MiMTSS Center** can be implemented statewide with fidelity and sustainability. In addition, the department shall identify an intermediate district to act as a fiscal agent for these funds.

(3) As used in this section, "MiMTSS Center" means the Michigan Multi-Tiered System of Supports Center.

Sec. 54d. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$14,150,000.00~~ **\$21,250,000.00** for ~~2021-2022-2022-2023~~ to intermediate districts for the purpose of providing state early on services programs for children from birth to 3 years of age with a developmental delay or a disability, or both, and their families, as described in the early on Michigan state plan, as approved by the department.

(2) To be eligible to receive grant funding under this section, each intermediate district must apply in a form and manner determined by the department.

(3) The grant funding allocated under this section must be used to increase early on services and resources available to children that demonstrate developmental delays to help prepare them for success as they enter school. State early on services include evaluating and providing early intervention services for eligible infants and toddlers and their families to address developmental delays, including those affecting physical, cognitive, communication, adaptive, social, or emotional development. Grant funds must not be used to supplant existing services that are currently being provided.

(4) The department shall distribute the funds allocated under subsection (1) to intermediate districts according to the department's early on funding formula utilized to distribute the federal award to Michigan under part C of the individuals with disabilities education act, Public Law 108-446. Funds received under this section must not supplant existing funds or resources allocated for early on early intervention services. An intermediate district receiving funds under this section shall maximize the capture of Medicaid funds to support early on early intervention services to the extent possible.

(5) Each intermediate district that receives funds under this section shall report data and other information to the department in a form, manner, and frequency prescribed by the department to allow for monitoring and evaluation of the program and to ensure that the children described in subsection (1) received appropriate levels and types of services delivered by qualified personnel, based on the individual needs of the children and their families.

(6) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(7) Grant funds awarded and allocated to an intermediate district under this section must be expended by the grant recipient before June 30 of the fiscal year immediately following the fiscal year in which the funds were received.

Sec. 55. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$250,000.00~~ **\$300,000.00** for ~~2021-2022-2022-2023~~ **only** to the Conductive Learning Center ~~located at operating in cooperation with~~ Aquinas College. This funding must be used to support the operational costs of the conductive education model taught at the Conductive Learning Center to maximize the independence and mobility of children and adults with neuromotor disabilities. The conductive education model funded under this section must be based on the concept of neuroplasticity and the ability of people to learn and improve when they are motivated, regardless of the severity of their disability.

(2) Notwithstanding section 17b, the department shall distribute the funding allocated under this section to the Conductive Learning Center not later than December 1, ~~2021~~**of each fiscal year for which funding is allocated under this section.**

Sec. 56. (1) For the purposes of this section:

(a) “Membership” means for a particular fiscal year the total membership of the intermediate district and the districts constituent to the intermediate district, except that if a district has elected not to come under part 30 of the revised school code, MCL 380.1711 to 380.1741, membership of the district is not included in the membership of the intermediate district.

(b) “Millage levied” means the millage levied for special education under part 30 of the revised school code, MCL 380.1711 to 380.1741, including a levy for debt service obligations.

(c) “Taxable value” means the total taxable value of the districts constituent to an intermediate district, except that if a district has elected not to come under part 30 of the revised school code, MCL 380.1711 to 380.1741, taxable value of the district is not included in the taxable value of the intermediate district.

(2) From the allocation under section 51a(1), there is allocated an amount not to exceed \$40,008,100.00 for ~~2020-2021~~**2021-2022** and an amount not to exceed \$40,008,100.00 for ~~2021-2022~~**2022-2023** to reimburse intermediate districts levying millages for special education under part 30 of the revised school code, MCL 380.1711 to 380.1741. The purpose, use, and expenditure of the reimbursement are limited as if the funds were generated by these millages and governed by the intermediate district plan adopted under article 3 of the revised school code, MCL 380.1701 to 380.1761. As a condition of receiving funds under this section, an intermediate district distributing any portion of special education millage funds to its constituent districts must submit for departmental approval and implement a distribution plan.

(3) Except as otherwise provided in this subsection, reimbursement for those millages levied in ~~2019-2020~~**2020-2021** is made in ~~2020-2021~~**2021-2022** at an amount per ~~2019-2020~~**2020-2021** membership pupil computed by subtracting from ~~\$208,800.00~~**\$218,200.00** the ~~2019-2020~~**2020-2021** taxable value behind each membership pupil and multiplying the resulting difference by the ~~2019-2020~~**2020-2021** millage levied, and then subtracting from that amount the ~~2019-2020~~**2020-2021** local community stabilization share revenue for special education purposes behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362. Reimbursement in ~~2020-2021~~**2021-2022** for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection (5) is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate district.

(4) Except as otherwise provided in this subsection, reimbursement for those millages levied in ~~2020-2021~~**2021-2022** is made in ~~2021-2022~~**2022-2023** at an amount per ~~2020-2021~~**2021-2022** membership pupil computed by subtracting from ~~\$215,900.00~~**\$229,600.00** the ~~2020-2021~~**2021-2022** taxable value behind each membership pupil and multiplying the resulting difference by the ~~2020-2021~~**2021-2022** millage levied, and then subtracting from that amount the ~~2020-2021~~**2021-2022** local community stabilization share revenue for special education purposes **and 2021-2022 tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670,** behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, **and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.** Reimbursement in ~~2021-2022~~**2022-2023** for an intermediate district whose 2017-2018 allocation was affected by the operation of subsection (5) is an amount equal to 102.5% of the 2017-2018 allocation to that intermediate district.

(5) The department shall ensure that the amount paid to a single intermediate district under ~~this section~~**subsection (2)** does not exceed 62.9% of the total amount allocated under subsection (2).

(6) The department shall ensure that the amount paid to a single intermediate district under ~~this section~~**subsection (2)** is not less than 75% of the amount allocated to the intermediate district under ~~this section~~**subsection (2)** for the immediately preceding fiscal year.

(7) From the ~~state school aid fund money appropriated in section 11,~~**allocation under section 51a(1),** there is allocated an amount not to exceed \$34,200,000.00 for 2021-2022 **and an amount not to exceed \$34,200,000.00 for 2022-2023,** to provide payments to intermediate districts levying millages for special education under part 30 of the revised school code, MCL 380.1711 to 380.1741. The purpose, use, and expenditure of the payments under this subsection are limited as if the funds were generated by these millages and governed by the intermediate district plan adopted under article 3 of the revised school code, MCL 380.1701 to 380.1761. The department shall provide a payment under this subsection to each intermediate district described in this subsection as follows:

(a) Except as otherwise provided in this subsection, for an intermediate district with a ~~2020-2021~~**3-year** average special education millage revenue per pupil **in the immediately preceding fiscal year** that is less

than \$251.00 and that is levying at least 46.2% but less than 60.0% of its maximum millage rate allowed under section 1724a of the revised school code, MCL 380.1724a, an amount computed by subtracting from \$251.00 the 2020-2021 3-year average special education millage revenue per pupil **in the immediately preceding fiscal year** and, only if the millage levied by the intermediate district is less than 1, multiplying that amount by the number of mills levied divided by 1, and then multiplying that amount by the 2020-2021 3-year average membership **in the immediately preceding fiscal year**, and then subtracting from that amount the amount allocated under subsection (2) for 2021-2022-~~the current fiscal year~~. If the calculation under this subdivision results in an amount below zero, there is no payment under this subdivision.

(b) Except as otherwise provided in this subsection, for an intermediate district with a 2020-2021 3-year average special education millage revenue per pupil **in the immediately preceding fiscal year** that is less than ~~\$281.00~~ **\$296.00** and that is levying at least 60.0% of its maximum millage rate allowed under section 1724a of the revised school code, MCL 380.1724a, an amount computed by subtracting from \$281.00 the 2020-2021 3-year average special education millage revenue per pupil **in the immediately preceding fiscal year**, and, only if the millage levied by the intermediate district is less than 1, multiplying that amount by the number of mills levied divided by 1, and then multiplying that amount by the 2020-2021 3-year average membership **in the immediately preceding fiscal year**, and then subtracting from that amount the amount allocated under subsection (2) for 2021-2022-~~the current fiscal year~~. If the calculation under this subdivision results in an amount below zero, there is no payment under this subdivision.

(8) As used in subsection (7):

(a) “2020-2021 3-year-~~“3-year~~ average membership” means the 3-year average pupil membership for 2018-2019, 2019-2020, and 2020-2021-~~each of the 3 most recent fiscal years~~.

(b) “2020-2021 3-year-~~“3-year~~ average special education millage revenue per pupil” means the 3-year average taxable value per mill levied behind each membership pupil for 2018-2019, 2019-2020, and 2020-2021-~~each of the 3 most recent fiscal years~~ multiplied by the 2020-2021-millage levied **in the most recent fiscal year**.

Sec. 61a. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$37,611,300.00~~ **\$47,611,300.00** for 2021-2022-~~2022-2023 only~~ to reimburse on an added cost basis districts, except for a district that served as the fiscal agent for a vocational education consortium in the 1993-94 school year and that has a foundation allowance as calculated under section 20 greater than the ~~minimum-target~~ foundation allowance under that section, and secondary area vocational-technical education centers for secondary-level career and technical education programs according to rules approved by the superintendent. **It is the intent of the legislature that, for 2023-2024, the allocation from the state school aid fund money appropriated in section 11 for purposes described in this subsection will be \$37,611,300.00.** Applications for participation in the programs must be submitted in the form prescribed by the department. The department shall determine the added cost for each career and technical education program area. The department shall prioritize the allocation of added cost funds based on the capital and program expenditures needed to operate the career and technical education programs provided; the number of pupils enrolled; the advancement of pupils through the instructional program; the existence of an articulation agreement with at least 1 postsecondary institution that provides pupils with opportunities to earn postsecondary credit during the pupil’s participation in the career and technical education program and transfers those credits to the postsecondary institution upon completion of the career and technical education program; and the program rank in student placement, job openings, and wages, and shall ensure that the allocation does not exceed 75% of the added cost of any program. Notwithstanding any rule or department determination to the contrary, when determining a district’s allocation or the formula for making allocations under this section, the department shall include the participation of pupils in grade 9 in all of those determinations and in all portions of the formula. With the approval of the department, the board of a district maintaining a secondary career and technical education program may offer the program for the period from the close of the school year until September 1. The program shall use existing facilities and must be operated as prescribed by rules promulgated by the superintendent.

(2) Except for a district that served as the fiscal agent for a vocational education consortium in the 1993-94 school year, the department shall reimburse districts and intermediate districts for local career and technical education administration, shared time career and technical education administration, and career education planning district career and technical education administration. The superintendent shall adopt guidelines for the definition of what constitutes administration and shall make reimbursement pursuant to those guidelines. The department shall not distribute more than \$800,000.00 of the allocation in subsection (1) under this subsection.

(3) A career and technical education program funded under this section may provide an opportunity for participants who are eligible to be funded under section 107 to enroll in the career and technical education program funded under this section if the participation does not occur during regular school hours.

Sec. 61b. (1) From the funds ~~state school aid fund money~~ appropriated under section 11, there is allocated for ~~2021-2022-2022-2023~~ an amount not to exceed \$8,000,000.00 ~~from the state school aid fund appropriation~~ for CTE early middle college and CTE dual enrollment programs authorized under this section and for planning grants for the development or expansion of CTE early middle college programs. The purpose of these programs is to increase the number of Michigan residents with high-quality degrees or credentials, and to increase the number of students who are college and career ready upon high school graduation.

(2) From the funds allocated under subsection (1), the department shall allocate an amount as determined under this subsection to each intermediate district serving as a fiscal agent for state-approved CTE early middle college and CTE dual enrollment programs in each of the career education planning districts identified by the department. An intermediate district shall not use more than 5% of the funds allocated under this subsection for administrative costs for serving as the fiscal agent.

(3) To be an eligible fiscal agent, an intermediate district must agree to do all of the following in a form and manner determined by the department:

(a) Distribute funds to eligible CTE early middle college and CTE dual enrollment programs in a career education planning district as described in this section.

(b) Collaborate with the career and educational advisory council in the workforce development board service delivery area to develop 1 regional strategic plan under subsection (4) that aligns CTE programs and services into an efficient and effective delivery system for high school students. The department will align career education planning districts, workforce development board service delivery areas, and intermediate districts for the purpose of creating 1 regional strategic plan for each workforce development board service delivery area.

(c) Implement a regional process to rank career clusters in the workforce development board service delivery area as described under subsection (4). Regional processes must be approved by the department before the ranking of career clusters.

(d) Report CTE early middle college and CTE dual enrollment program and student data and information as prescribed by the department and the center.

(e) The local education agency responsible for student reporting in the Michigan student data system (MSDS) will report the total number of college credits the student earned, at the time of high school graduation, as determined by the department and the center.

(f) The local education agency will report each award outcome in the Michigan student data system (MSDS) that the CTE early middle college student attained. For purposes of this subsection, an on-track CTE early middle college graduate is a graduate who obtained their high school diploma and at least 1 of the following:

- (i) An associate's degree.
- (ii) 60 transferrable college credits.
- (iii) Professional certification.
- (iv) A Michigan Early Middle College Association certificate.
- (v) Participation in a registered apprenticeship.

(4) A regional strategic plan must be approved by the career and educational advisory council before submission to the department. A regional strategic plan must include, but is not limited to, the following:

(a) An identification of regional employer need based on a ranking of all career clusters in the workforce development board service delivery area ranked by 10-year projections of annual job openings and median wage for each standard occupational code in each career cluster as obtained from the United States Bureau of Labor Statistics. Standard occupational codes within high-ranking clusters also may be further ranked by median wage and annual job openings. The career and educational advisory council located in the workforce development board service delivery area shall review the rankings and modify them if necessary to accurately reflect employer demand for talent in the workforce development board service delivery area. A career and educational advisory council shall document that it has conducted this review and certify that it is accurate. These career cluster rankings must be determined and updated once every 4 years.

(b) An identification of educational entities in the workforce development board service delivery area that will provide eligible CTE early middle college and CTE dual enrollment programs including districts, intermediate districts, postsecondary institutions, and noncredit occupational training programs leading to an industry-recognized credential.

(c) A strategy to inform parents and students of CTE early middle college and CTE dual enrollment programs in the workforce development board service delivery area.

(d) Any other requirements as defined by the department.

(5) An eligible CTE program is a program that meets all of the following:

(a) Has been identified in the highest 5 career cluster rankings in any of the 16 workforce development board service delivery area strategic plans jointly approved by the department of labor and economic opportunity and the department.

(b) Has a coherent sequence of courses in a specific career cluster that will allow a student to earn a high school diploma and achieve at least 1 of the following:

(i) For CTE early middle college, outcomes as defined in subsection (3)(f).

(ii) For CTE dual enrollment, 1 of the following:

(A) An associate degree.

(B) An industry-recognized technical certification approved by the department of labor and economic opportunity.

(C) Up to 60 transferable college credits.

(D) Participation in a registered apprenticeship, pre-apprenticeship, or apprentice readiness program.

(e) Is aligned with the Michigan merit curriculum.

(d) Has an articulation or a college credit agreement with at least 1 postsecondary institution that provides students with opportunities to receive postsecondary credits during the student's participation in the CTE early middle college or CTE dual enrollment program and transfers those credits to the postsecondary institution upon completion of the CTE early middle college or CTE dual enrollment program.

(e) Provides instruction that is supervised, directed, or coordinated by an appropriately certificated CTE teacher or, for concurrent enrollment courses, a postsecondary faculty member.

(f) Provides for highly integrated student support services that include at least the following:

(i) Teachers as academic advisors.

(ii) Supervised course selection.

(iii) Monitoring of student progress and completion.

(iv) Career planning services provided by a local one-stop service center as described in the Michigan works one-stop service center system act, 2006 PA 491, MCL 408.111 to 408.135, or by a high school counselor or advisor.

(g) Has courses that are taught on a college campus, are college courses offered at the high school and taught by college faculty, or are courses taught in combination with online instruction.

(6) The department shall distribute funds to eligible CTE early middle college and CTE dual enrollment programs as follows:

(a) The department shall determine statewide average CTE costs per pupil for each CIP code program by calculating statewide average costs for each CIP code program for the 3 most recent fiscal years.

(b) The distribution to each eligible CTE early middle college or CTE dual enrollment program is the product of 50% of CTE costs per pupil times the pupil enrollment of each eligible CTE early middle college or CTE dual enrollment program in the immediately preceding school year.

(7) In order to receive funds under this section, a CTE early middle college or CTE dual enrollment program shall furnish to the intermediate district that is the fiscal agent identified in subsection (2), in a form and manner determined by the department, all information needed to administer this program and meet federal reporting requirements; shall allow the department or the department's designee to review all records related to the program for which it receives funds; and shall reimburse the state for all disallowances found in the review, as determined by the department.

(8) There is allocated for ~~2021-2022~~ **2022-2023** from the funds under subsection (1) an amount not to exceed \$500,000.00 from the state school aid fund allocation for grants to intermediate districts or consortia of intermediate districts for the purpose of planning for new or expanded early middle college programs. Applications for grants must be submitted in a form and manner determined by the department. The amount of a grant under this subsection must not exceed \$50,000.00. To be eligible for a grant under this subsection, an intermediate district or consortia of intermediate districts must provide matching funds equal to the grant received under this subsection. Notwithstanding section 17b, the department shall make payments under this subsection in the manner determined by the department.

(9) Funds distributed under this section may be used to fund program expenditures that would otherwise be paid from foundation allowances. A program receiving funding under section 61a may receive funding under this section for allowable costs that exceed the reimbursement the program received under section 61a. The combined payments received by a program under section 61a and this section must not exceed the total allowable costs of the program. A program provider shall not use more than 5% of the funds allocated under this section to the program for administrative costs.

(10) If the allocation under subsection (1) is insufficient to fully fund payments as otherwise calculated under this section, the department shall prorate payments under this section on an equal percentage basis.

(11) If pupils enrolled in a career cluster in an eligible CTE early middle college or CTE dual enrollment program qualify to be reimbursed under this section, those pupils continue to qualify for reimbursement until graduation, even if the career cluster is no longer identified as being in the highest 5 career cluster rankings.

(12) As used in this section:

(a) "Allowable costs" means those costs directly attributable to the program as jointly determined by the department of labor and economic opportunity and the department.

(b) “Career and educational advisory council” means an advisory council to the local workforce development boards located in a workforce development board service delivery area consisting of educational, employer, labor, and parent representatives.

(c) “CIP” means classification of instructional programs.

(d) “CTE” means career and technical education programs.

(e) “CTE dual enrollment program” means a 4-year high school program of postsecondary courses offered by eligible postsecondary educational institutions that leads to an industry-recognized certification or degree.

(f) “Early middle college program” means a 5-year high school program.

(g) “Eligible postsecondary educational institution” means that term as defined in section 3 of the career and technical preparation act, 2000 PA 258, MCL 388.1903.

Sec. 61c. (1) From the ~~general state school aid~~ fund money appropriated in section 11, there is allocated for ~~2021-2022-2022-2023~~ **only** an amount not to exceed \$7,500,000.00 to eligible career education planning districts for the ~~CTE skilled trades initiative described in subsections (2) to (5)~~. **purposes described in this section.** To be eligible to receive funding under this section, at least 50% of the area served by a CEPD must be located in an intermediate district that did not levy a vocational education millage in ~~2021-2022~~.

(2) To receive funding under subsection (1), each eligible CEPD must apply in a form and manner prescribed by the department. Funding to each eligible CEPD must be equal to the quotient of the allocation under subsection (1) and the sum of the number of career education planning districts applying for funding under subsection (1) that are located in an intermediate district that did not levy a vocational education millage in ~~2021-2022~~.

(3) At least 50% of the funding allocated to each eligible CEPD must be used to update equipment in current CTE programs that have been identified in the highest 5 career cluster rankings in the most recent CEPD regional strategic plans jointly approved by the Michigan talent investment agency in the department of labor and economic opportunity and the department, for training on new equipment, for professional development relating to computer science or coding, or for new and emerging certified CTE programs to allow CEPD administrators to provide programming in communities that will enhance economic development. The funding for equipment should be used to support and enhance community areas that have sustained job growth, and act as a commitment to build a more qualified and skilled workforce. In addition, each CEPD is encouraged to explore the option of leasing equipment from local private industry to encourage the use of the most advanced equipment.

(4) The allocation of funds at the local level must be determined by CEPD administrators using data from the state, region, and local sources to make well-informed decisions on program equipment improvements. Grants awarded by CEPD administrators for capital infrastructure must be used to ensure that CTE programs can deliver educational programs in high-wage, high-skill, and high-demand occupations. Each CEPD shall continue to ensure that program advisory boards make recommendations on needed improvements for equipment that support job growth and job skill development and retention for both the present and the future.

(5) Not later than September 15 of each fiscal year, each CEPD receiving funding shall annually report to the department, the senate and house appropriations subcommittees on school aid, the senate and house fiscal agencies, and legislature on equipment purchased under subsection (1). In addition, the report must identify growth data on program involvement, retention, and development of student skills.

(6) As used in this section:

(a) “CEPD” means a career education planning district described in this section.

(b) “CTE” means career and technical education.

Sec. 61d. (1) From the appropriation in section 11, there is allocated for ~~2021-2022-2022-2023~~ an amount not to exceed \$5,000,000.00 from the state school aid fund for additional payments to districts for career and technical education programs for the purpose of increasing the number of Michigan residents with high-quality degrees or credentials, and to increase the number of pupils who are college- and career-ready upon high school graduation.

(2) The department shall calculate payments to districts under this section in the following manner:

(a) A payment of \$35.00 multiplied by the number of pupils in grades 9 to 12 who are counted in membership in the district and are enrolled in at least 1 career and technical education program.

(b) An additional payment of \$35.00 multiplied by the number of pupils in grades 9 to 12 who are counted in membership in the district and are enrolled in at least 1 career and technical education program that provides instruction in critical skills and high-demand career fields.

(3) If the allocation under subsection (1) is insufficient to fully fund payments under subsection (2), the department shall prorate payments under this section on an equal per-pupil basis.

(4) If a student attends a career and technical education program at an intermediate district, the payment under subsection (2) attributable to that student must be split equally between the intermediate district providing the program and the district that counts the student in membership.

(5) (4)-As used in this section:

(a) “Career and technical education program” means a state-approved career and technical education program, as determined by the department.

(b) “Career and technical education program that provides instruction in critical skills and high-demand career field” means a career and technical education program classified under any of the following 2-digit classification of instructional programs (CIP) codes:

(i) 01, which refers to “agriculture, agriculture operations, and related sciences”.

(ii) 03, which refers to “natural resources and conservation”.

(iii) 10 through 11, which refers to “communications technologies/technicians and support services” and “computer and information sciences and support services”.

(iv) 14 through 15, which refers to “engineering” and “engineering technologies and engineering-related fields”.

(v) 26, which refers to “biological and biomedical sciences”.

(vi) 46 through 48, which refers to “construction trades”, “mechanic and repair technologies/technicians”, and “precision production”.

(vii) 51, which refers to “health professions and related programs”.

Sec. 61i. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 only an amount not to exceed \$10,000,000.00 to eligible intermediate districts as provided under this section.

(2) To receive funding under this section, an intermediate district must apply for the funding in a form and manner prescribed by the department.

(3) The department shall not allocate more than 1% of the total funding allocated under this section to an eligible intermediate district in the first round of funding under this section.

(4) An intermediate district that meets either of the following is an eligible intermediate district under this section:

(a) It has a CTE teacher on staff.

(b) It pledges in its application described in subsection (2) to hire a CTE teacher.

(5) An eligible intermediate district that receives funding under this section shall use the funding only for the recruitment of, retention of, and coverage of continued education costs for CTE teachers.

(6) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(7) Funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to continue providing funding for the recruitment of, retention of, and coverage of continued education costs for CTE teachers as described in this section. The estimated completion date of the work project is September 30, 2024.

(8) As used in this section, “CTE” means career and technical education.

Sec. 62. (1) For the purposes of this section:

(a) “Membership” means for a particular fiscal year the total membership of the intermediate district and the districts constituent to the intermediate district or the total membership of the area vocational-technical program, except that if a district has elected not to come under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, the membership of that district are not included in the membership of the intermediate district. However, the membership of a district that has elected not to come under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, is included in the membership of the intermediate district if the district meets both of the following:

(i) The district operates the area vocational-technical education program pursuant to a contract with the intermediate district.

(ii) The district contributes an annual amount to the operation of the program that is commensurate with the revenue that would have been raised for operation of the program if millage were levied in the district for the program under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690.

(b) “Millage levied” means the millage levied for area vocational-technical education under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, including a levy for debt service obligations incurred as the result of borrowing for capital outlay projects and in meeting capital projects fund requirements of area vocational-technical education.

(c) “Taxable value” means the total taxable value of the districts constituent to an intermediate district or area vocational-technical education program, except that if a district has elected not to come under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, the taxable value of that district is not included in the taxable value of the intermediate district. However, the taxable value of a district that has elected not to come under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690, is included in the taxable value of the intermediate district if the district meets both of the following:

(i) The district operates the area vocational-technical education program pursuant to a contract with the intermediate district.

(ii) The district contributes an annual amount to the operation of the program that is commensurate with the revenue that would have been raised for operation of the program if millage were levied in the district for the program under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690.

(2) From the appropriation in section 11, there is allocated an amount not to exceed \$9,190,000.00 each fiscal year for ~~2020-2021-2021-2022~~ and for ~~2021-2022-2022-2023~~ to reimburse intermediate districts and area vocational-technical education programs established under section 690(3) of the revised school code, MCL 380.690, levying millages for area vocational-technical education under sections 681 to 690 of the revised school code, MCL 380.681 to 380.690. The purpose, use, and expenditure of the reimbursement are limited as if the funds were generated by those millages.

(3) Reimbursement for those millages levied in ~~2019-2020-2020-2021~~ is made in ~~2020-2021-2021-2022~~ at an amount per ~~2019-2020-2020-2021~~ membership pupil computed by subtracting from \$218,700.00 ~~\$227,300.00~~ the ~~2019-2020-2020-2021~~ taxable value behind each membership pupil and multiplying the resulting difference by the ~~2019-2020-2020-2021~~ millage levied, and then subtracting from that amount the ~~2019-2020-2020-2021~~ local community stabilization share revenue for area vocational technical education behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362.

(4) Reimbursement for those millages levied in ~~2020-2021-2021-2022~~ is made in ~~2021-2022-2022-2023~~ at an amount per ~~2020-2021-2021-2022~~ membership pupil computed by subtracting from \$224,800.00 ~~\$237,500.00~~ the ~~2020-2021-2021-2022~~ taxable value behind each membership pupil and multiplying the resulting difference by the ~~2020-2021-2021-2022~~ millage levied, and then subtracting from that amount the ~~2020-2021-2021-2022~~ local community stabilization share revenue for area vocational technical education **and 2021-2022 tax increment revenues captured by a brownfield redevelopment authority created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670**, behind each membership pupil for reimbursement of personal property exemption loss under the local community stabilization authority act, 2014 PA 86, MCL 123.1341 to 123.1362, **and reimbursements paid under section 26d for tax increment revenues captured by a brownfield redevelopment authority under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2670.**

(5) The department shall ensure that the amount paid to a single intermediate district under this section does not exceed 38.4% of the total amount allocated under subsection (2).

(6) The department shall ensure that the amount paid to a single intermediate district under this section is not less than 75% of the amount allocated to the intermediate district under this section for the immediately preceding fiscal year.

Sec. 65. (1) From the appropriation under section 11, there is allocated an amount not to exceed ~~\$400,000.00~~ **\$900,000.00** for ~~2021-2022-2022-2023~~ **only** for a pre-college engineering K-12 educational program that is focused on the development of a diverse future Michigan workforce, that serves multiple communities within southeast Michigan, that enrolls pupils from multiple districts, and that received funds appropriated for this purpose in the appropriations act that provided the Michigan strategic fund budget for 2014-2015. **It is the intent of the legislature that, for 2023-2024, the allocation from the state school aid fund money appropriated in section 11 for purposes described in this section will be \$400,000.00.**

(2) To be eligible for funding under this section, a program must have the ability to expose pupils to, and motivate and prepare pupils for, science, technology, engineering, and mathematics careers and postsecondary education with special attention given to groups of pupils who are at-risk and underrepresented in technical professions and careers.

Sec. 67. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed \$3,000,000.00 for ~~2021-2022-2022-2023~~ for college access programs. The programs funded under this section are intended to inform students of college and career options and to provide resources intended to increase the number of pupils who are adequately prepared with the information needed to make informed decisions on college and career. The funds appropriated under this section are intended to be used to increase the number of Michigan residents with high-quality degrees or credentials. Funds appropriated under this section must not be used to supplant funding for counselors already funded by districts.

(2) The department of labor and economic opportunity shall administer funds allocated under this section in collaboration with the Michigan college access network. These funds may be used for any of the following purposes:

(a) Michigan college access network operations, programming, and services to local college access networks.

(b) Local college access networks, which are community-based college access/success partnerships committed to increasing the college participation and completion rates within geographically defined communities through a coordinated strategy.

(c) The Michigan college advising program, a program intended to place trained, recently graduated college advisors in high schools that serve significant numbers of low-income and first-generation college-going pupils. State funds used for this purpose may not exceed 33% of the total funds available under this subsection.

(d) Subgrants of up to \$5,000.00 to districts with comprehensive high schools that establish a college access team and implement specific strategies to create a college-going culture in a high school in a form and manner approved by the Michigan college access network and the department of labor and economic opportunity.

(e) The Michigan college access portal, an online one-stop portal to help pupils and families plan and apply for college.

(f) Public awareness and outreach campaigns to encourage low-income and first-generation college-going pupils to take necessary steps toward college and to assist pupils and families in completing a timely and accurate free application for federal student aid.

(g) Subgrants to postsecondary institutions to recruit, hire, and train college student mentors and college advisors to assist high school pupils in navigating the postsecondary planning and enrollment process.

(3) For the purposes of this section, “college” means any postsecondary educational opportunity that leads to a career, including, but not limited to, a postsecondary degree, industry-recognized technical certification, or registered apprenticeship.

Sec. 67a. (1) From the general fund money appropriated under section 11, there is allocated an amount not to exceed \$50,000.00 for 2021–2022–~~2022~~–2023 only for a grant to be distributed by the department to an organization to provide industrial and technological education and workforce preparation for students and professional development opportunities and support for teachers.

(2) Notwithstanding section 17b, the department shall make grant payments under this section on a schedule determined by the department.

Sec. 67c. (1) From the general fund money appropriated in section 11, there is allocated for 2022–2023 only an amount not to exceed \$3,000,000.00 to Michigan State University as prescribed in this section.

(2) Michigan State University shall use the funding it receives under subsection (1) to recruit participants for and to provide stipends for basic living expenses to participants in a developer academy at Michigan State University that, at a minimum, does all of the following:

(a) Provides individuals age 18 or older with a 1-year program focused on coding, design, entrepreneurship, and essential professional skills.

(b) Provides the individuals described in subdivision (a) the opportunity to become world-class developers.

(c) Provides the individuals described in subdivision (a) the opportunity to work on real-world challenges and connect with community and industry partners.

(d) Provides a month-long foundation program throughout the year designed for learners considering app economy careers who are also interested in learning more about app development generally.

(e) Provides the services described in subdivisions (a) to (d) without charging participants tuition or fees.

(3) In determining the amount of each stipend described in subsection (2), Michigan State University shall, based on the federal free application for federal student aid (FAFSA) form, determine the participant’s estimated family contribution and compare that to the participant’s indirect opportunity cost.

(4) As used in this section, “opportunity cost” means the income a participant foregoes by not working at minimum-wage levels due to his or her attendance in the developer academy described in this section.

(5) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 67d. (1) From the general fund money appropriated in section 11, there is allocated for 2022–2023 only an amount not to exceed \$2,500,000.00 to, through a grant program administered by the department, an eligible state-approved 501(c)(3) organization to teach or train restaurant management, culinary arts or hospitality, and tourism management as part of career and professional development.

(2) As used in this section, “eligible state-approved 501(c)(3) organization” means an organization that is exempt from taxation under section 501(c)(3) of the internal revenue code of 1986, 26 USC 501, that provides either the ProStart or Hospitality Tourism Management curriculum and training to state-approved career and technical education programs with classification of instructional programs (CIP) codes in the 12.05xx or 52.09xx and that administers national certification for the purposes of restaurant management, culinary arts or hospitality, or tourism management in becoming a hospitality and tourism specialist as part of career and professional development.

(3) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 67e. (1) From the general fund money appropriated in section 11, there is allocated for 2022–2023 only \$2,000,000.00 for a skilled-trades-for-students awareness program. Funds allocated under this section must be awarded to a 501(c)(3) nonprofit organization to which all of the following criteria apply:

(a) It focuses on raising awareness of skilled trades as a viable career option.

(b) It has previously distributed educational booklets on building a house or an activity book for the skilled trades.

(c) It is affiliated with a statewide residential building trade organization.

(2) The funds allocated under this section must be used to develop, produce, and distribute a guide to skilled trades careers for students in grades 8 to 12.

(3) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 74. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$3,805,800.00~~ **\$3,964,800.00** for 2021-2022 **and there is allocated an amount not to exceed \$3,844,200.00 for 2022-2023** for the purposes of this section.

(2) From the allocation in subsection (1), there is allocated for 2021-2022 **and for 2022-2023** the amount necessary for payments to state supported colleges or universities and intermediate districts providing school bus driver safety instruction under section 51 of the pupil transportation act, 1990 PA 187, MCL 257.1851. The department shall make payments in an amount determined by the department not to exceed the actual cost of instruction and driver compensation for each public or nonpublic school bus driver attending a course of instruction. For the purpose of computing compensation, the hourly rate allowed each school bus driver must not exceed the hourly rate received for driving a school bus. The department shall make reimbursement compensating the driver during the course of instruction to the college or university or intermediate district providing the course of instruction.

(3) From the allocation in subsection (1), there is allocated for 2021-2022 **and for 2022-2023** the amount necessary to pay the reasonable costs of nonspecial education auxiliary services transportation provided under section 1323 of the revised school code, MCL 380.1323. Districts funded under this subsection do not receive funding under any other section of this article for nonspecial education auxiliary services transportation.

(4) From the funds allocated in subsection (1), there is allocated an amount not to exceed ~~\$1,780,800.00~~ **\$1,819,200.00 for 2022-2023** for reimbursement to districts and intermediate districts for costs associated with the inspection of school buses and pupil transportation vehicles by the department of state police as required under section 715a of the Michigan vehicle code, 1949 PA 300, MCL 257.715a, and section 39 of the pupil transportation act, 1990 PA 187, MCL 257.1839. The department of state police shall prepare a statement of costs attributable to each district for which bus inspections are provided and submit it to the department and to an intermediate district serving as fiduciary in a time and manner determined jointly by the department and the department of state police. Upon review and approval of the statement of cost, the department shall forward to the designated intermediate district serving as fiduciary the amount of the reimbursement on behalf of each district and intermediate district for costs detailed on the statement within 45 days after receipt of the statement. The designated intermediate district shall make payment in the amount specified on the statement to the department of state police within 45 days after receipt of the statement. The total reimbursement of costs under this subsection must not exceed the amount allocated under this subsection. Notwithstanding section 17b, the department shall make payments to eligible entities under this subsection on a schedule prescribed by the department.

Sec. 81. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2020-2021 to the intermediate districts the sum necessary, but not to exceed \$69,138,000.00, and there is allocated for 2021-2022-2022-2023~~ to the intermediate districts the sum necessary, but not to exceed ~~\$71,903,600.00~~ **\$75,642,600.00** to provide state aid to intermediate districts under this section.

(2) ~~The amount allocated under this section for 2020-2021 to each intermediate district is an amount equal to 100% of the amount allocated to the intermediate district under this section for 2019-2020. The amount allocated under this section for 2021-2022-2022-2023 to each intermediate district is an amount equal to 104%-105.2% of the amount allocated to the intermediate district under this section for 2020-2021-2021-2022.~~ An intermediate district shall use funding provided under this section to comply with requirements of this article and the revised school code that are applicable to intermediate districts, and for which funding is not provided elsewhere in this article, and to provide technical assistance to districts as authorized by the intermediate school board.

(3) Intermediate districts receiving funds under this section shall collaborate with the department to develop expanded professional development opportunities for teachers to update and expand their knowledge and skills needed to support the Michigan merit curriculum.

(4) From the allocation in subsection (1), there is allocated to an intermediate district, formed by the consolidation or annexation of 2 or more intermediate districts or the attachment of a total intermediate district to another intermediate district or the annexation of all of the constituent K-12 districts of a previously existing intermediate district which has disorganized, an additional allotment of \$3,500.00 each fiscal year for each intermediate district included in the new intermediate district for 3 years following consolidation, annexation, or attachment.

(5) In order to receive funding under this section, an intermediate district shall do all of the following:

(a) Demonstrate to the satisfaction of the department that the intermediate district employs at least 1 person who is trained in pupil accounting and auditing procedures, rules, and regulations.

(b) Demonstrate to the satisfaction of the department that the intermediate district employs at least 1 person who is trained in rules, regulations, and district reporting procedures for the individual-level student data that serves as the basis for the calculation of the district and high school graduation and dropout rates.

(c) Comply with sections 1278a and 1278b of the revised school code, MCL 380.1278a and 380.1278b.

(d) Furnish data and other information required by state and federal law to the center and the department in the form and manner specified by the center or the department, as applicable.

(e) Comply with section 1230g of the revised school code, MCL 380.1230g.

(f) Provide advice, guidance, and leadership to assist all districts located within its geographic boundaries to assist in the preparedness and response efforts toward addressing COVID-19. At a minimum, this must include the coordination and collaboration with any local public health agency that has jurisdiction within the intermediate district's geographic boundaries and may include the coordination of bulk purchasing of personal protective equipment, technology, or other products or services necessary for students to return to school.

~~(g) An intermediate district shall ensure~~ **Ensure** that all districts located within its geographic boundaries have equitable access to the intermediate district's coordination activities and services, intermediate district-wide or regional meetings, regularly scheduled superintendent meetings, programming, events, **email distribution lists, listservs**, or other coordination or collaboration activities **organized by or hosted at the intermediate district**. In ensuring that all districts located within the geographic boundaries of the intermediate district have equitable access to services, meetings, programming, events, **email distribution lists, listservs**, or activities as described in the immediately preceding sentence, the intermediate district shall ensure that districts that are public school academies that are located within its geographic boundaries are not excluded from said services, meetings, programming, events, **email distribution lists, listservs**, or activities **organized by or hosted at the intermediate district** if districts that are not public school academies that are located within the geographic boundaries of the intermediate district are not excluded.

Sec. 94. (1) From the general fund money appropriated in section 11, there is allocated to the department for ~~2021-2022-2022-2023~~ an amount not to exceed \$1,200,000.00 for efforts to increase the number of pupils who participate and succeed in advanced placement and international baccalaureate programs, and to support the college-level examination program (CLEP).

(2) From the funds allocated under this section, the department shall award funds to cover all or part of the costs of advanced placement test fees or international baccalaureate test fees and international baccalaureate registration fees for low-income pupils who take an advanced placement or an international baccalaureate test and CLEP fees for low-income pupils who take a CLEP test.

(3) The department shall only award funds under this section if the department determines that all of the following criteria are met:

(a) Each pupil for whom payment is made meets eligibility requirements of the federal advanced placement test fee program under ~~section 1701 of the no child left behind act of 2001, Public Law 107-110, or under a corresponding provision of the every student succeeds act, Public Law 114-95, as applicable.~~

(b) The tests are administered by the college board, the international baccalaureate organization, or another test provider approved by the department.

(c) The pupil for whom payment is made pays at least \$5.00 toward the cost of each test for which payment is made.

(4) The department shall establish procedures for awarding funds under this section.

(5) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 94a. (1) There is created within the state budget office in the department of technology, management, and budget the center for educational performance and information. The center shall do all of the following:

(a) Coordinate the collection of all data required by state and federal law from districts, intermediate districts, and postsecondary institutions.

(b) Create, maintain, and enhance this state's P-20 longitudinal data system and ensure that it meets the requirements of subsection (4).

(c) Collect data in the most efficient manner possible in order to reduce the administrative burden on reporting entities, including, but not limited to, electronic transcript services.

(d) Create, maintain, and enhance this state's web-based educational portal to provide information to school leaders, teachers, researchers, and the public in compliance with all federal and state privacy laws. Data must include, but are not limited to, all of the following:

(i) Data sets that link teachers to student information, allowing districts to assess individual teacher impact on student performance and consider student growth factors in teacher and principal evaluation systems.

(ii) Data access or, if practical, data sets, provided for regional data hubs that, in combination with local data, can improve teaching and learning in the classroom.

(iii) Research-ready data sets for researchers to perform research that advances this state's educational performance.

(e) Provide data in a useful manner to allow state and local policymakers to make informed policy decisions.

(f) Provide public reports to the residents of this state to allow them to assess allocation of resources and the return on their investment in the education system of this state.

(g) Other functions as assigned by the state budget director.

(2) Each state department, officer, or agency that collects information from districts, intermediate districts, or postsecondary institutions as required under state or federal law shall make arrangements with the center to ensure that the state department, officer, or agency is in compliance with subsection (1). This subsection does not apply to information collected by the department of treasury under the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a; the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821; the school bond qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to 388.1939; or section 1351a of the revised school code, MCL 380.1351a.

(3) The center may enter into any interlocal agreements necessary to fulfill its functions.

(4) The center shall ensure that the P-20 longitudinal data system required under subsection (1)(b) meets all of the following:

(a) Includes data at the individual student level from preschool through postsecondary education and into the workforce.

(b) Supports interoperability by using standard data structures, data formats, and data definitions to ensure linkage and connectivity in a manner that facilitates the exchange of data among agencies and institutions within the state and between states.

(c) Enables the matching of individual teacher and student records so that an individual student may be matched with those teachers providing instruction to that student.

(d) Enables the matching of individual teachers with information about their certification and the institutions that prepared and recommended those teachers for state certification.

(e) Enables data to be easily generated for continuous improvement and decision-making, including timely reporting to parents, teachers, and school leaders on student achievement.

(f) Ensures the reasonable quality, validity, and reliability of data contained in the system.

(g) Provides this state with the ability to meet federal and state reporting requirements.

(h) For data elements related to preschool through grade 12 and postsecondary, meets all of the following:

(i) Contains a unique statewide student identifier that does not permit a student to be individually identified by users of the system, except as allowed by federal and state law.

(ii) Contains student-level enrollment, demographic, and program participation information.

(iii) Contains student-level information about the points at which students exit, transfer in, transfer out, drop out, or complete education programs.

(iv) Has the capacity to communicate with higher education data systems.

(i) For data elements related to preschool through grade 12 only, meets all of the following:

(i) Contains yearly test records of individual students for assessments approved by DED-OESE for accountability purposes under section 1111(b) of the elementary and secondary education act of 1965, 20 USC 6311, including information on individual students not tested, by grade and subject.

(ii) Contains student-level transcript information, including information on courses completed and grades earned.

(iii) Contains student-level college readiness test scores.

(j) For data elements related to postsecondary education only:

(i) Contains data that provide information regarding the extent to which individual students transition successfully from secondary school to postsecondary education, including, but not limited to, all of the following:

(A) Enrollment in remedial coursework.

(B) Completion of 1 year's worth of college credit applicable to a degree within 2 years of enrollment.

(ii) Contains data that provide other information determined necessary to address alignment and adequate preparation for success in postsecondary education.

(5) From the general fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$18,802,500.00~~ **\$19,032,300.00** for ~~2021-2022-2022-2023~~ to the department of technology, management, and budget to support the operations of the center. In addition, from the federal funds appropriated in section 11, there is allocated for ~~2021-2022-2022-2023~~ the amount necessary, estimated at \$193,500.00, to support the operations of the center and to establish a P-20 longitudinal data system necessary for state and federal reporting purposes. The center shall cooperate with the department to ensure that this state is in compliance with federal law and is maximizing opportunities for increased federal funding to improve education in this state.

(6) From the funds allocated in subsection (5), the center may use an amount determined by the center for competitive grants for ~~2021–2022–2022–2023~~ to support collaborative efforts on the P-20 longitudinal data system. All of the following apply to grants awarded under this subsection:

(a) The center shall award competitive grants to eligible intermediate districts or a consortium of intermediate districts based on criteria established by the center.

(b) Activities funded under the grant must support the P-20 longitudinal data system portal and may include portal hosting, hardware and software acquisition, maintenance, enhancements, user support and related materials, and professional learning tools and activities aimed at improving the utility of the P-20 longitudinal data system.

(c) An applicant that received a grant under this subsection for the immediately preceding fiscal year has priority for funding under this section. However, after 3 fiscal years of continuous funding, an applicant is required to compete openly with new applicants.

(7) Funds allocated under this section that are not expended in the fiscal year in which they were allocated may be carried forward to a subsequent fiscal year and are appropriated for the purposes for which the funds were originally allocated.

(8) The center may bill departments as necessary in order to fulfill reporting requirements of state and federal law. The center may also enter into agreements to supply custom data, analysis, and reporting to other principal executive departments, state agencies, local units of government, and other individuals and organizations. The center may receive and expend funds in addition to those authorized in subsection (5) to cover the costs associated with salaries, benefits, supplies, materials, and equipment necessary to provide such data, analysis, and reporting services.

(9) As used in this section, “DED-OESE” means the United States Department of Education Office of Elementary and Secondary Education.

Sec. 95b. (1) From the general fund money appropriated under section 11, there is allocated an amount not to exceed \$2,000,000.00 for ~~2021–2022–2022–2023~~ **only** for the model value-added growth and projection analytics system. The department shall continue the model value-added growth and projection analytics system and incorporate that model into its reporting requirements under the every student succeeds act, Public Law 114-95. The model described in this subsection must do at least all of the following:

(a) Utilize existing assessments and any future assessments that are suitable for measuring student growth.

(b) Report student growth measures at the district, school, teacher, and subgroup levels.

(c) Recognize the growth of tested students, including those who may have missing assessment data.

(d) Include all available prior standardized assessment data that meet inclusion criteria across grades, subjects, and state and local assessments.

(e) Allow student growth results to be disaggregated.

(f) Provide individual student projections showing the probability of a student reaching specific performance levels on future assessments. Given school closures and extended cancellations related to COVID-19, the data under this subdivision may be used to inform decisions about student placement or students that could benefit from additional supports or interventions.

(g) Demonstrate any prior success with this state’s assessments through the Michigan council of educator effectiveness teacher evaluation pilot.

(h) Demonstrate prior statewide implementation in at least 2 other states for at least 10 years.

(i) Have a native roster verification system built into the value-added reporting platform that has been implemented statewide in at least 2 other states.

(j) Have a “help/contact us” ticketing system built into the value-added reporting platform.

(k) Given school closures that have occurred pursuant to an executive order issued by the governor, the value-added reporting platform must provide continued hosting and delivery of reporting and offer the department additional supports in the areas of research, analysis, web reporting, and training.

(l) The department and the platform vendor shall provide statewide training for educators to understand the reporting that details the impact to student learning and growth.

(2) The department shall provide internet-based electronic student growth and projection reporting based on the model under subsection (1) to educators at the school, district, and state levels. The model must include role-based permissions that allow educators to access information about the performance of the students within their immediate responsibility in accordance with applicable privacy laws.

(3) The model under subsection (1) must not be a mandatory part of teacher evaluation or educator pay-for-performance systems.

(4) The model under subsection (1) must be a model that received funding under this section in 2018-2019.

(5) By March 31 ~~–2022–~~ **of each fiscal year for which funding is allocated under this section**, the department shall work with the center to ~~provide a report to the senate and house appropriations subcommittees on school aid and the senate and house fiscal agencies regarding the number of districts that~~

are not public school academies that opted in to student-teacher linkages in their use of the model value-added growth and projection analytics system under this section. The report under this subsection must also include verification that the value-added reporting platform continued hosting and delivery of historical reporting and specify any additional research and analysis offered to the department. **make data publicly available on an external website that provides student growth metrics provided by the value-added reporting platform at the district and school level by grade and subject.**

Sec. 97. (1) For 2021-2022, from the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed \$7,500,000.00 and from the general fund money appropriated under section 11, there is allocated an amount not to exceed \$2,500,000.00 for competitive grants to public schools, nonpublic schools, districts, and intermediate districts to purchase technology equipment, upgrade hardening measures, or conduct school building safety assessments to improve the safety and security of school buildings, pupils or students, and school staff with the goal of creating a safer school environment through equipment and technology enhancements. The department of state police, grants and community services division, shall administer the grant program described in this subsection. All grants under this subsection must be funded on a reimbursement-only basis. Grants under this subsection must not exceed \$50,000.00 for each public school or nonpublic school and \$250,000.00 for each district or intermediate district.

(2) All of the following apply to the application process for funding under subsection (1):

(a) To receive funding under subsection (1), a public school, nonpublic school, district, or intermediate district shall submit an application for funding under subsection (1) directly to the department of state police, grants and community services division.

(b) An application from a district or intermediate district under this subsection must be for 1 or more buildings that have some or all of pre-K to grade 12 classrooms and pupils.

(c) An applicant may submit only 1 application.

(d) An individual public school may submit its own application but must not also be included in its district's application if the district submits an application under this subsection.

(e) The department of state police shall award grants to applicants based on eligibility, the project description, and whether the project reflects the highest security need of the applicant within grant funding constraints, the budget narrative, the budget, project goals, objectives, and performance measures.

(f) The department of state police shall give priority to all of the following applicants:

(i) Applicants seeking funding for projects that involve multiple agencies working in partnership.

(ii) Applicants seeking funding for proposals that seek to secure exterior access points of school buildings.

(iii) Applicants that did not receive a school safety grant in the past.

(iv) Applicants that did not receive a grant under section 1001 of article XX of 2018 PA 207 or under section 115 of 2018 PA 618.

(g) To be awarded a grant, an applicant must demonstrate proof that the public school, nonpublic school, district, or intermediate district has an emergency operation plan that was updated after August 1, 2017 to align with the state emergency operations plan guidance and statewide school safety information policy developed under section 1308 of the revised school code, MCL 380.1308.

(h) The department of state police shall issue grant guidance and application materials, including required performance measures, not later than February 1, 2022.

(3) The department of state police shall not award funding under subsection (1) to a public school, nonpublic school, district, or intermediate district in relation to the same school building more than once. If a district submits an application under subsection (2) relating to a school building and a public school within that district also submits an application for funding in relation to that same school building, the department of state police shall not allocate funding under subsection (1) twice for that school building. If a public school, nonpublic school, district, or intermediate district submits more than 1 application, the department of state police shall first consider the most recent application submitted in considering funding under subsection (1).

(4) Eligible expenses for reimbursement under subsection (1) must be consistent with the recommendations of the school safety task force created by Executive Order No. 2018-5. The department of state police shall list the eligible expenses in the grant guidance and application materials described under subsection (2). The following items are not eligible expenses for which grant funds under subsection (1) may be applied:

(a) Weapons, including tasers.

(b) Personal body armor for routine use.

(c) Construction of new facilities.

(d) Costs in applying for the grant, such as consultants and grant writers.

(e) Expenses incurred before the date of the award or after the end of the performance period of the grant award.

- (f) Personnel costs or operation costs related to a capital improvement.
 - (g) Indirect costs or indirect administrative expenses.
 - (h) Travel.
 - (i) Contributions or donations.
 - (j) Management or administrative training and conferences, except as otherwise preapproved by the department of state police.
 - (k) Management studies or research and development.
 - (l) Memberships and dues, except for a specific requirement of the project that has been preapproved by the department of state police.
 - (m) Vehicles, watercraft, or aircraft, including unmanned or remotely piloted aircraft and vehicles.
 - (n) Service contracts and training beyond the performance period of the grant award.
 - (o) Food, refreshments, and snacks.
- (5) A grantee under section 1001 of article XX of 2018 PA 207 that is a public school, nonpublic school, district, or intermediate district or a grantee under section 115 of 2018 PA 618 that is a public school, nonpublic school, district, or intermediate district is not prohibited from applying for, and receiving, a grant award under this section.
- (6) The department of state police shall begin issuing awards for grants under subsection (1) not later than May 1, 2022. A project that is awarded a grant under this section must be completed by July 1, 2023.
- (7) The department of state police shall report on grant activities under this section, including available performance outcomes as identified in individual grant agreements, to the senate and house appropriations subcommittees on state police, the senate and house fiscal agencies, and the state budget office by August 1, 2023.
- (8) The funds allocated for school safety grants under this section for 2021-2022 are a work project appropriation, and any unexpended funds for 2021-2022 do not lapse to the state school aid fund or general fund and are carried forward into 2022-2023. The purpose of the work project is to continue promoting safer school environments. The estimated completion date of the work project is July 1, 2023.
- (1) (9) The department of state police shall ensure that a grant to a nonpublic school under this section is funded from the general fund money allocated under this section. From the state school aid fund money appropriated in section 11, there is allocated \$150,000,000.00 for 2022-2023 only, and from the general fund money appropriated in section 11, there is allocated \$18,000,000.00 for 2022-2023 only, to provide payments to districts and nonpublic schools for activities to improve student safety. Allowable expenditures of funds allocated under this section include, but are not limited to, the following:
- (a) Coordination with local law enforcement.
 - (b) Training for school staff on threat assessment.
 - (c) Training for school staff and students on threat response.
 - (d) Training for school staff on crisis communication.
 - (e) Safety infrastructure, including, but not limited to, cameras, door blocks, hardened vestibules, window screening, and technology necessary to operate buzzer systems. This may also include firearm detection software that integrates to existing security cameras to detect and alert school personnel and first responders to visible firearms on school property. The software described in the immediately preceding sentence must be organically developed and proprietary to the company it is purchased from and should not include any third-party or open-source data.
 - (f) Age-appropriate training for students and families on responsible gun ownership.
 - (g) Providing professional development to school resource officers that includes training on the best practices for serving in a school setting.
 - (h) Any other school safety service or product necessary to improve or maintain security in buildings.
- (2) From the state school aid fund money allocated in subsection (1), the department shall make payments to districts in an equal amount per pupil based on the total number of pupils in membership in each district. From the general fund money allocated in subsection (1), the department shall make payments to nonpublic schools in an equal amount per pupil, using pupil counts determined by the department. The department shall ensure that the amount per pupil paid to nonpublic schools does not exceed the amount per pupil paid to districts.
- (3) If funding remains after the distribution of funds described in subsection (2), the department may provide additional per-pupil allocations to allocate remaining funding, using for those calculations the same requirements described in subsection (2).
- (4) To receive funding under this section, districts and nonpublic schools must apply for the funding in a form and manner prescribed by the department. As part of the application process described in this subsection, districts and nonpublic schools must document how they will use community input to guide the expenditure of these funds and must commit to hosting at least 1 community conversation about school safety and student mental health.

(5) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 97a. From the general fund money appropriated in section 11, there is allocated an amount not to exceed \$1,947,000.00 for ~~2021-2022~~ **2022-2023** only for Michigan Virtual University to support Navigate 360.

Sec. 97b. (1) From the state school aid fund money appropriated in section 11, there is allocated for **2022-2023** an amount not to exceed \$25,000,000.00 to public schools, districts, and intermediate districts as prescribed in this section.

(2) To receive funding under this section, a public school, district, or intermediate district must apply for the funding to the department of state police, grants and community services division, in a form and manner prescribed by the department of state police, and must pledge, in its application, that it will provide 50% matching funds for the funds it receives under this section.

(3) The department of state police shall not award funding under subsection (1) to a public school, district, or intermediate district in relation to the same school building more than once in a single grant application period. If a district submits an application under subsection (2) relating to a school building and a public school within that district also submits an application for funding in relation to that same school building, the department of state police shall not allocate funding under subsection (1) twice for that school building. If a public school, district, or intermediate district submits more than 1 application, the department of state police shall first consider the most recent application submitted in considering funding under subsection (1).

(4) A public school, district, or intermediate district that receives funding under this section shall use the funding only to ensure that it has at least 1 school resource officer at its school, district, or intermediate district to do 1 or more of the following in his or her service at the school, district, or intermediate district:

(a) Assist school administration in ensuring the physical safety of school buildings of the school, district, or intermediate district and the individuals inside the school buildings.

(b) Work with school administration to develop safety procedures for potential threats in school buildings of the school, district, or intermediate district.

(c) Welcome, counsel, and mentor students.

(d) Educate students about law-related topics, as appropriate.

(e) De-escalate aggression that occurs between students or between students and school, district, or intermediate district staff.

(f) Mentor students as advisors and role models.

(5) Funds allocated under this section for **2022-2023** are a work project appropriation, and any unexpended funds for **2022-2023** are carried forward into **2023-2024**. The purpose of the work project is to continue providing funding to support public schools, districts, and intermediate districts in having school resource officers at schools, districts, or intermediate districts. The estimated completion date of the work project is September 30, 2027.

(6) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(7) As used in this section, “public school” means that term as defined in section 5 of the revised school code, MCL 380.5.

Sec. 97e. (1) From the general fund money appropriated in section 11, there is allocated for **2022-2023** only an amount not to exceed \$2,000,000.00 for the commission.

(2) The school safety and mental health commission is created within the department.

(3) The commission must consist of all of the following members who must be appointed by the governor as follows:

(a) One member from a list of 3 or more names submitted by the minority leader of the house of representatives who has experience in school mental health.

(b) One member from a list of 3 or more names submitted by the speaker of the house of representatives who has a background in law enforcement.

(c) One member from a list of 3 or more names submitted by the speaker of the house of representatives who is a parent.

(d) One member from a list of 3 or more names submitted by the senate minority leader who is a school psychologist or psychiatrist.

(e) One member from a list of 3 or more names submitted by the senate majority leader who is a prosecutor.

(f) One member from a list of 3 or more names submitted by the senate majority leader who is a teacher.

- (g) One member who has a background in school administration.
 - (h) One member who has experience in school-threat assessments.
 - (i) One member who has experience in the provision of inpatient treatment to children under age 18.
 - (4) The director of the department of health and human services or the director's designee may be a member of the commission. In addition, the following department heads or their designees that are from within their respective departments or agencies may be nonvoting, ex officio members of the commission:
 - (a) The director of the department of state police.
 - (b) The superintendent of public instruction.
 - (5) The governor shall appoint 5 of the first members to 2-year terms and 4 of the first members to 4-year terms. After the first appointments, the term of a member of the commission is 4 years or until a successor is appointed under subsection (3), whichever is later.
 - (6) If a vacancy occurs on the commission, an individual must be appointed in the same manner as prescribed under subsection (3) to fill the vacancy for the balance of the term.
 - (7) The governor may remove a member of the commission for incompetence, dereliction of duty, malfeasance, or nonfeasance in office, or any other good cause.
 - (8) The commission shall meet at least monthly.
 - (9) A majority of the members of the commission constitutes a quorum for transacting business. A vote of the majority of the members of the commission serving is required for any action of the commission.
 - (10) The commission shall conduct its business in compliance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.
 - (11) A writing that is prepared, owned, used, possessed, or retained by the commission in performing an official function is subject to the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.
 - (12) A member of the commission is not entitled to compensation for service on the commission, but the commission may reimburse a member for actual and necessary expenses incurred in serving.
 - (13) The commission shall do all of the following:
 - (a) Collaborate to provide recommendations to reduce youth suicides and strengthen the mental health of school-aged children, adolescents, and their families through a comprehensive, statewide approach.
 - (b) Seek input from educational professionals, mental health professionals, and organizations from across this state to suggest approaches to identify and support students at risk of behavioral health issues.
 - (c) Collaborate with the Michigan suicide prevention commission on recommendations regarding youth suicide.
 - (d) Create and maintain an online community through which best practices and resources can be shared, host professional trainings, and engage in public awareness efforts regarding mental health issues and resources.
 - (e) Review possible uses of and make recommendations for the use of funds received by districts and nonpublic schools under section 97.
 - (f) Convey recommendations to the department of licensing and regulatory affairs and the bureau of construction codes within the department of licensing and regulatory affairs concerning building construction that is consistent with school safety needs.
 - (14) The commission may hire an executive director and staff.
 - (15) As used in this section, "commission" means the school safety and mental health commission created in subsection (2).
- Sec. 97f. (1) From the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 only an amount not to exceed \$15,000,000.00 for a pilot program implementing a cross-system intervention approach for identifying and supporting middle and high school students that are determined to be at risk for violence through a psychiatric or psychological assessment.
- (2) Funding allocated in this section must be awarded to a public research institution within a public university in this state and must be used for the pilot program described in this section.
 - (3) The pilot program must be a collaboration between a public research institution and a national law enforcement foundation and must include all the following:
 - (a) The use of case management, intensive mentoring, and technical assistance to reduce the threat of violence in school communities in this state and to provide early interventions for participating youth.
 - (b) Implementation in at least 5 communities from regions across this state.
 - (c) A third-party evaluation to assess outcomes and inform potential statewide implementation.
 - (d) The provision of research-informed training and technical assistance to law enforcement, schools, and community organizations to avert school violence and support young people in this state.
 - (4) The funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to increase school safety by identifying and supporting middle and high school students that are determined to be at risk for violence as described in this section. The estimated completion date of the work project is September 30, 2027.

(5) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 98. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$7,500,000.00~~ **\$8,000,000.00** for ~~2021-2022-2022-2023~~ for the purposes described in this section. **It is the intent of the legislature that, for 2023-2024, the allocation from the general fund money appropriated in section 11 for purposes described in this section will be \$7,500,000.00.** The Michigan Virtual University shall provide a report to the legislature not later than November 1 of each ~~year~~ **fiscal year for which funding is allocated under this section** that includes its mission, its plans, and proposed benchmarks it must meet, including a plan to achieve the organizational priorities identified in this section, in order to receive full funding for ~~2022-2023- the next fiscal year for which funding is allocated under this section.~~ Not later than March 1 of each ~~year~~ **fiscal year for which funding is allocated under this section**, the Michigan Virtual University shall provide an update to the house and senate appropriations subcommittees on school aid to show the progress being made to meet the benchmarks identified.

(2) The Michigan Virtual University shall operate the Michigan Virtual Learning Research Institute. The Michigan Virtual Learning Research Institute shall do all of the following:

(a) Support and accelerate innovation in education through the following activities:

(i) Test, evaluate, and recommend as appropriate new technology-based instructional tools and resources.

(ii) Research, design, and recommend virtual education delivery models for use by pupils and teachers that include age-appropriate multimedia instructional content.

(iii) Research, develop, and recommend annually to the department criteria by which cyber schools and virtual course providers should be monitored and evaluated to ensure a quality education for their pupils.

(iv) Based on pupil completion and performance data reported to the department or the center from cyber schools and other virtual course providers operating in this state, analyze the effectiveness of virtual learning delivery models in preparing pupils to be college- and career-ready and publish a report that highlights enrollment totals, completion rates, and the overall impact on pupils. The Michigan Virtual Learning Research Institute shall submit the report to the house and senate appropriations subcommittees on school aid, the state budget director, the house and senate fiscal agencies, the department, districts, and intermediate districts not later than March 31 of each ~~year~~ **fiscal year for which funding is allocated under this section.**

(v) Provide an extensive professional development program to at least 30,000 educational personnel, including teachers, school administrators, and school board members, that focuses on the effective integration of virtual learning into curricula and instruction. The Michigan Virtual Learning Research Institute is encouraged to work with the MiSTEM council described in section 99s to coordinate professional development of teachers in applicable fields. In addition, the Michigan Virtual Learning Research Institute and external stakeholders are encouraged to coordinate with the department for professional development in this state. Not later than December 1 of each ~~year~~ **fiscal year for which funding is allocated under this section**, the Michigan Virtual Learning Research Institute shall submit a report to the house and senate appropriations subcommittees on school aid, the state budget director, the house and senate fiscal agencies, and the department on the number of teachers, school administrators, and school board members who have received professional development services from the Michigan Virtual University. The report must also ~~identify~~ **include both of the following:**

(A) The identification of barriers and other opportunities to encourage the adoption of virtual learning in the public education system.

(B) A link to, and explanation of, the Michigan Virtual University's online course standards for professional development programming. The standards described in this sub-subparagraph must inform learners how to file a complaint about course content and detail the steps that will be taken for the review and resolution of complaints.

(vi) Identify and share best practices for planning, implementing, and evaluating virtual and blended education delivery models with intermediate districts, districts, and public school academies to accelerate the adoption of innovative education delivery models statewide.

(b) Provide leadership for this state's system of virtual learning education by doing the following activities:

(i) Develop and report policy recommendations to the governor and the legislature that accelerate the expansion of effective virtual learning in this state's schools.

(ii) Provide a clearinghouse for research reports, academic studies, evaluations, and other information related to virtual learning.

(iii) Promote and distribute the most current instructional design standards and guidelines for virtual teaching.

(iv) In collaboration with the department and interested colleges and universities in this state, support implementation and improvements related to effective virtual learning instruction.

(v) Pursue public/private partnerships that include districts to study and implement competency-based technology-rich virtual learning models.

(vi) Create a statewide network of school-based mentors serving as liaisons between pupils, virtual instructors, parents, and school staff, as provided by the department or the center, and provide mentors with research-based training and technical assistance designed to help more pupils be successful virtual learners.

(vii) Convene focus groups and conduct annual surveys of teachers, administrators, pupils, parents, and others to identify barriers and opportunities related to virtual learning.

(viii) Produce an annual consumer awareness report for schools and parents about effective virtual education providers and education delivery models, performance data, cost structures, and research trends.

(ix) Provide an internet-based platform that educators can use to create student-centric learning tools and resources for sharing in the state's open educational resource repository and facilitate a user network that assists educators in using the content creation platform and state repository for open educational resources. As part of this initiative, the Michigan Virtual University shall work collaboratively with districts and intermediate districts to establish a plan to make available virtual resources that align to Michigan's K-12 curriculum standards for use by students, educators, and parents.

(x) Create and maintain a public statewide catalog of virtual learning courses being offered by all public schools and community colleges in this state. The Michigan Virtual Learning Research Institute shall identify and develop a list of nationally recognized best practices for virtual learning and use this list to support reviews of virtual course vendors, courses, and instructional practices. The Michigan Virtual Learning Research Institute shall also provide a mechanism for intermediate districts to use the identified best practices to review content offered by constituent districts. The Michigan Virtual Learning Research Institute shall review the virtual course offerings of the Michigan Virtual University, and make the results from these reviews available to the public as part of the statewide catalog. The Michigan Virtual Learning Research Institute shall ensure that the statewide catalog is made available to the public on the Michigan Virtual University website and shall allow the ability to link it to each district's website as provided for in section 21f. The statewide catalog must also contain all of the following:

(A) The number of enrollments in each virtual course in the immediately preceding school year.

(B) The number of enrollments that earned 60% or more of the total course points for each virtual course in the immediately preceding school year.

(C) The pass rate for each virtual course.

(xi) Support registration, payment services, and transcript functionality for the statewide catalog and train key stakeholders on how to use new features.

(xii) Collaborate with key stakeholders to examine district level accountability and teacher effectiveness issues related to virtual learning under section 21f and make findings and recommendations publicly available.

(xiii) Provide a report on the activities of the Michigan Virtual Learning Research Institute.

(3) To further enhance its expertise and leadership in virtual learning, the Michigan Virtual University shall continue to operate the Michigan Virtual School as a statewide laboratory and quality model of instruction by implementing virtual and blended learning solutions for Michigan schools in accordance with the following parameters:

(a) The Michigan Virtual School must maintain its accreditation status from recognized national and international accrediting entities.

(b) The Michigan Virtual University shall use no more than \$1,000,000.00 of the amount allocated under this section to subsidize the cost paid by districts for virtual courses.

(c) In providing educators responsible for the teaching of virtual courses as provided for in this section, the Michigan Virtual School shall follow the requirements to request and assess, and the department of state police shall provide, a criminal history check and criminal records check under sections 1230 and 1230a of the revised school code, MCL 380.1230 and 380.1230a, in the same manner as if the Michigan Virtual School were a school district under those sections.

(4) From the funds allocated under subsection (1), the Michigan Virtual University shall allocate up to \$500,000.00 to support the expansion of new online and blended educator professional development programs.

(5) If the course offerings are included in the statewide catalog of virtual courses under subsection (2)(b)(x), the Michigan Virtual School operated by the Michigan Virtual University may offer virtual course offerings, including, but not limited to, all of the following:

(a) Information technology courses.

(b) College level equivalent courses, as that term is defined in section 1471 of the revised school code, MCL 380.1471.

(c) Courses and dual enrollment opportunities.

(d) Programs and services for at-risk pupils.

(e) High school equivalency test preparation courses for adjudicated youth.

(f) Special interest courses.

(g) Professional development programs for teachers, school administrators, other school employees, and school board members.

(6) If a home-schooled or nonpublic school student is a resident of a district that subscribes to services provided by the Michigan Virtual School, the student may use the services provided by the Michigan Virtual School to the district without charge to the student beyond what is charged to a district pupil using the same services.

(7) Not later than December 1 of each fiscal year **for which funding is allocated under this section**, the Michigan Virtual University shall provide a report to the house and senate appropriations subcommittees on school aid, the state budget director, the house and senate fiscal agencies, and the department that includes at least all of the following information related to the Michigan Virtual School for the preceding ~~state~~ fiscal year:

- (a) A list of the districts served by the Michigan Virtual School.
- (b) A list of virtual course titles available to districts.
- (c) The total number of virtual course enrollments and information on registrations and completions by course.

(d) The overall course completion rate percentage.

(8) In addition to the information listed in subsection (7), the report under subsection (7) must also include a plan to serve at least 600 schools with courses from the Michigan Virtual School or with content available through the internet-based platform identified in subsection (2)(b)(ix).

(9) The governor may appoint an advisory group for the Michigan Virtual Learning Research Institute established under subsection (2). The members of the advisory group serve at the pleasure of the governor and without compensation. The purpose of the advisory group is to make recommendations to the governor, the legislature, and the president and board of the Michigan Virtual University that will accelerate innovation in this state's education system in a manner that will prepare elementary and secondary students to be career and college ready and that will promote the goal of increasing the percentage of residents of this state with high-quality degrees and credentials to at least 60% by 2025.

(10) Not later than November 1 of each ~~year~~, **fiscal year for which funding is allocated under this section**, the Michigan Virtual University shall submit to the house and senate appropriations subcommittees on school aid, the state budget director, and the house and senate fiscal agencies a detailed budget for that fiscal year that includes a breakdown on its projected costs to deliver virtual educational services to districts and a summary of the anticipated fees to be paid by districts for those services. Not later than March 1 each ~~year~~, **fiscal year for which funding is allocated under this section**, the Michigan Virtual University shall submit to the house and senate appropriations subcommittees on school aid, the state budget director, and the house and senate fiscal agencies a breakdown on its actual costs to deliver virtual educational services to districts and a summary of the actual fees paid by districts for those services based on audited financial statements for the immediately preceding fiscal year.

(11) As used in this section:

(a) "Blended learning" means a hybrid instructional delivery model where pupils are provided content, instruction, and assessment, in part at a supervised educational facility away from home where the pupil and a teacher with a valid Michigan teaching certificate are in the same physical location and in part through internet-connected learning environments with some degree of pupil control over time, location, and pace of instruction.

(b) "Cyber school" means a full-time instructional program of virtual courses for pupils that may or may not require attendance at a physical school location.

(c) "Virtual course" means a course of study that is capable of generating a credit or a grade and that is provided in an interactive learning environment in which the majority of the curriculum is delivered using the internet and in which pupils are separated from their instructor or teacher of record by time or location, or both.

Sec. 98b. (1) In order to receive state aid under this article for ~~2021-2022, 2022-2023~~, a district must do all of the following:

(a) By not later than the first meeting of the board that occurs in February of ~~2022~~ **the fiscal year referenced in subsection (1)** and by not later than the last day of the ~~2021-2022~~ **school year that falls within the fiscal year referenced in subsection (1)**, the district superintendent or chief administrator of the district, as applicable, shall present both of the following at a public meeting of the board:

(i) Subject to state and federal privacy laws, the results from benchmark assessments and local benchmark assessments, as applicable, administered under section ~~104a-104h~~ **104i, as applicable**.

(ii) For each school operated by the district, each school's progress toward meeting the educational goals described in subdivision (d).

(b) The district shall ensure that the information presented under subdivision (a) is disaggregated by grade level, by student demographics, and by the mode of instruction received by the pupils to which the information applies.

(c) The information presented under subdivision (a) must also be compiled into a report that the district shall make available through the transparency reporting link located on the district's website.

(d) The district shall ensure that, by not later than September 15, ~~2021~~, **of the fiscal year immediately preceding the fiscal year referenced in subsection (1)**, each school building leader of each school operated by the district, in conjunction with all teachers and school administrators of the school, establishes educational goals expected to be achieved for the ~~2021-2022-school year~~ **that falls within the fiscal year referenced in subsection (1)** for the school. The goals described in this subdivision must specify which educational goals are expected to be achieved by not later than the middle of the school year and which goals are expected to be achieved by not later than the last day of the ~~2021-2022-school year~~. All the following apply to the educational goals described in this subdivision:

(i) The goals must include increased pupil achievement or, if growth can be validly and reliably measured using a benchmark assessment or benchmark assessments or a local benchmark assessment, growth on a benchmark assessment or benchmark assessments or a local benchmark assessment described in subparagraph (ii) in the aggregate and for all subgroups of pupils broken down by grade level, student demographics, and mode of instruction.

(ii) The goals must include an assurance that the district shall select a benchmark assessment or benchmark assessments or a local benchmark assessment that are aligned to state standards and an assurance that the district shall administer the benchmark assessment or benchmark assessments or local benchmark assessment to all pupils as prescribed under section 404a-~~104h~~ **or 104i, as applicable**, to determine whether pupils are making meaningful progress toward mastery of these standards.

(iii) The goals must be measurable through a benchmark assessment or benchmark assessments or a local benchmark assessment described in subparagraph (ii).

(iv) ~~For districts that provided instruction under an approved extended COVID-19 learning plan under section 98a, the goals must correlate to the educational goals that were included in the district's COVID-19 learning plan under section 98a for the 2020-2021 school year.~~

(e) In implementing a benchmark assessment system under section 404a-~~104h~~ **or 104i, as applicable**, the district ensures that it is in compliance with section ~~404a(1)(f)~~ **104h(1)(f) or 104i(1)(f), as applicable**.

(2) The department shall create a statewide uniform template for districts to utilize in the development of educational goals under subsection (1)(d) and shall make this template available to all districts by not later than June 30, ~~2022~~, **of the fiscal year referenced in subsection (1)**.

(3) By not later than June 15, ~~2022~~, **of the fiscal year referenced in subsection (1)**, subject to state and federal privacy laws, the superintendent of public instruction shall submit a report to the house and senate appropriations subcommittees on school aid and the house and senate standing committees on education that includes the results of benchmark assessments administered under section 404a-~~104h~~ **or 104i, as applicable**, that the superintendent of public instruction has received from districts. All of the following apply to the data included in the report described in this subsection:

(a) It must be disaggregated by grade level, student demographics, and the modes of instruction received by pupils.

(b) It must be broken down so as to show a comparison of growth among pupils within a grade level, within certain student demographics, and based on the modes of instruction received by the pupils.

(4) If requested to do so by the chairs of the house and senate appropriations subcommittees on school aid and the chairs of the house and senate standing committees on education, the superintendent of public instruction shall present his or her report submitted under subsection (3) in person to the house and senate appropriations subcommittees on school aid and the house and senate standing committees on education.

Sec. 98c. (1) Subject to subsection (3), from the federal funding appropriated in section 11 from funds awarded to this state from the governor's emergency education relief (GEER) fund under the coronavirus response and relief supplemental appropriations act, 2021, division M of Public Law 116-260, there is allocated the amount available, estimated at \$6,618,200.00 for 2021-2022 only, and, from funds awarded to this state from the elementary and secondary school emergency relief (ESSER) fund under the coronavirus response and relief supplemental appropriations act, 2021, division M of Public Law 116-260, there is allocated the amount available, estimated at \$45,437,800.00 for 2021-2022 only, to provide per-pupil payments to eligible districts to address learning loss.

(2) A district that meets all of the following is an eligible district under this section:

(a) By not later than October 30, 2022, at a public meeting of the board of the district, the board of the district ensures that a presentation is provided to the board, to the parents and legal guardians of pupils enrolled in the district, and to other members of the community. The presentation must include a plan on how funding received under this section will be used to address learning loss.

(b) The board of the district posts the plan described in subdivision (a) on the district's website.

(c) The board of the district posts any updates to the plan described in subdivision (a), as applicable, on the district's website.

(3) The amount of funding provided to each eligible district under this section must be an equal amount per pupil in membership.

(4) By not later than August 15, 2023, an eligible district that has received funding under this section shall provide a report to the chairs of the house and senate appropriations subcommittees on school aid, to the house and senate fiscal agencies, and to the state budget director indicating how funds received under this section were spent, detailing the amounts spent, the services provided with the funding, students reached with the funding, and any outcomes that measure how the funds that were used to address learning loss impacted student achievement.

(5) If funds received under this section were not used to address learning loss in accordance with an eligible district's plan as described in subsection (2)(a), including any updates to the plan, as applicable, as evidenced by findings in the report described in subsection (4), by not later than September 30, 2023, the eligible district shall remit to the department the amount of funds received under this section that were not used to address learning loss.

Sec. 99h. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed ~~\$4,723,200.00~~ **\$5,223,200.00** for ~~2021-2022-2022-2023~~ for competitive grants to districts and intermediate districts, and from the general fund money appropriated in section 11, there is allocated \$600,000.00 for ~~2021-2022-2022-2023~~ for competitive grants to nonpublic schools, that provide pupils in grades pre-K to 12 with expanded opportunities to improve mathematics, science, and technology skills by participating in ~~events~~ **competitions** hosted by a science and technology development program known as FIRST (for inspiration and recognition of science and technology) Robotics, including JR FIRST Lego League, FIRST Lego League, FIRST Tech challenge, and FIRST Robotics competition, or other competitive robotics programs **or equipment vendors**, including VEX, Square One, and those hosted by the Robotics Education and Competition (REC) Foundation. **It is the intent of the legislature that, for 2023-2024, the allocation from the state school aid fund money appropriated in section 11 for purposes described in this section will be \$4,723,200.00.** Programs funded under this section are intended to increase the number of pupils demonstrating proficiency in science and mathematics on the state assessments and to increase the number of pupils who are college- and career-ready upon high school graduation. Notwithstanding section 17b, the department shall make grant payments to districts, nonpublic schools, and intermediate districts under this section on a schedule determined by the department. The department shall set maximum grant awards for each different level of programming and competition in a manner that both maximizes the number of teams that will be able to receive funds and expands the geographical distribution of teams.

(2) The department shall do all of the following for purposes of this section:

(a) Both of the following by not later than 60 days after the K to 12 appropriations bill for the current fiscal year is enacted into law or October 1 of the current fiscal year, whichever is later:

(i) Open applications for funding under this section to all districts, nonpublic schools, and intermediate districts.

(ii) Publish a list of approved programs and vendors for purposes of this section in a manner that is accessible to all applicants. To obtain approval under this subparagraph, a program or vendor must do both of the following:

(A) Submit to the department registration information, including any fees; pledge that it will post this information on its website; and, by not later than January 1, 2023, and January 1 each year thereafter, submit this information to the department for publication on the department's website.

(B) Pledge that it will not require a payment of any team described in this section, including, but not limited to, registration fees, if the team does not receive a grant under this section.

(b) By not later than 30 days after applications are opened as described in subdivision (a), close applications under this section.

(c) By not later than 60 days after applications are closed as described in subdivision (b), make all determinations concerning funding under this section.

(d) By not later than July 1, 2023, and by not later than July 1 each year thereafter, publish a document listing the requirements for becoming an approved program or vendor under subdivision (a).

(3) Except as otherwise provided under this subsection, if funding under this section is insufficient to fulfill all funding requests by qualified applicants under this section, the department shall prorate the total funding allocated under this section equally among all qualified applicants. However, for funding under this section toward grants under subsection (5)(b), in its proration under this subsection, the department shall ensure that each district is paid in an amount equal to the percentage the department would have paid the district in grant funding under subsection (5)(b), but for proration under this subsection, with no district receiving a grant under subsection (5)(b) in an amount that is greater than the district's total accrued costs under subsection (5)(b).

(4) ~~(2)~~-A district, nonpublic school, or intermediate district applying for a grant under this section ~~shall~~ **must** submit an application in a form and manner prescribed by the department. To be eligible for a grant, a district, nonpublic school, or intermediate district must demonstrate in its application that the district, nonpublic school, or intermediate district has established a partnership for the purposes of the robotics program with at least 1 sponsor, business entity, higher education institution, or technical school, shall submit a spending plan, and shall provide a local in-kind or cash match from other private or local funds of at least 25% of the cost of the robotics program award.

(5) ~~(3)~~-The department shall distribute the grant funding under this section for the following purposes:

(a) Grants to districts, nonpublic schools, or intermediate districts to pay for stipends not to exceed \$1,500.00 per building for coaching.

(b) Grants to districts, nonpublic schools, or intermediate districts for event registrations, materials, travel costs, and other expenses associated with the preparation for and attendance at robotics events and competitions.

(c) Grants to districts, nonpublic schools, or intermediate districts for awards to teams that advance to the next levels of competition as determined by the department. The department shall determine an equal amount per team for those teams that advance.

(6) ~~(4)~~-The funds allocated under this section for ~~2021-2022-2022-2023~~ are a work project appropriation, and any unexpended funds for ~~2021-2022-2022-2023~~ are carried forward into ~~2022-2023-2023-2024~~. The purpose of the work project is to continue support of ~~FIRST Robotics and must not be used to support other robotics competitions--~~ **programs under this section**. The estimated completion date of the work project is September 30, ~~2023-2024~~.

(7) ~~(5)~~-A nonpublic school that receives a grant under this section may use the funds for either robotics or Science Olympiad programs.

(8) ~~(6)~~-To be eligible to receive funds under this section, a nonpublic school must be a nonpublic school registered with the department and must meet all applicable state reporting requirements for nonpublic schools.

(9) For purposes of this section, an approved program or vendor under this section that provides a program under this section shall not work with the department to set prices or policies for the program.

(10) As used in this section, "current fiscal year" means the fiscal year for which an allocation is made under this section.

Sec. 99i. From the general fund money appropriated in section 11, there is allocated for ~~2021-2022-2022-~~ **2023 only** an amount not to exceed ~~\$150,000.00~~ **\$500,000.00** to support the Michigan council of women in technology foundation. The funds awarded under this section must be used to support the girls-exploring-together-information-technology clubs for middle and high school girls that provide structured hands-on learning activities through a comprehensive technology-focused curriculum.

Sec. 99s. (1) ~~From the funds-state school aid fund money~~ appropriated under section 11, there is allocated for ~~2021-2022--2022-2023~~ an amount not to exceed \$7,634,300.00 ~~from the state school aid fund appropriation and an amount not to exceed \$300,000.00 from the general fund appropriation for Michigan science, technology, engineering, and mathematics (MiSTEM) programs. In addition, from the federal funds appropriated in section 11, there is allocated to the department for 2021-2022 an amount estimated at \$235,000.00 from DED-OESE, title II, mathematics and science partnership grants.~~ The MiSTEM network may receive funds from private sources. If the MiSTEM network receives funds from private sources, the MiSTEM network shall expend those funds in alignment with the statewide STEM strategy. Programs funded under this section are intended to increase the number of pupils demonstrating proficiency in science and mathematics on the state assessments, to increase the number of pupils who are college- and career-ready upon high school graduation, and to promote certificate and degree attainment in STEM fields. Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

(2) The MiSTEM council annually shall review and make recommendations to the governor, the legislature, and the department concerning changes to the statewide strategy adopted by the council for delivering STEM education-related opportunities to pupils. The MiSTEM council shall use funds received under this subsection to ensure that its members or their designees are trained in the Change the Equation STEMworks rating system program for the purpose of rating STEM programs.

(3) The MiSTEM council shall make specific funding recommendations for the funds allocated under subsection (4) by December 15 of each fiscal year. Each specific funding recommendation must be for a program approved by the MiSTEM council. All of the following apply:

(a) To be eligible for MiSTEM council approval as described in this subsection, a program must satisfy all of the following:

(i) Align with this state's academic standards.

(ii) Have STEMworks certification.

(iii) Provide project-based experiential learning, student programming, or educator professional learning experiences.

(iv) Focus predominantly on classroom-based STEM experiences or professional learning experiences.

(b) The MiSTEM council shall approve programs that represent all network regions and include a diverse array of options for students and educators and at least 1 program in each of the following areas:

(i) Robotics.

(ii) Computer science or coding.

(iii) Engineering or bioscience.

(c) The MiSTEM council is encouraged to work with the MiSTEM network to develop locally and regionally developed programs and professional learning experiences for the programs on the list of approved programs.

(d) If the MiSTEM council is unable to make specific funding recommendations by December 15 of a fiscal year, the department shall award and distribute the funds allocated under subsection (4) on a competitive grant basis that at least follows the statewide STEM strategy plan and rating system recommended by the MiSTEM council. Each grant must provide STEM education-related opportunities for pupils.

(e) The MiSTEM council shall work with the department of labor and economic opportunity to implement the statewide STEM strategy adopted by the MiSTEM council.

(4) ~~Except as otherwise provided in this subsection, from~~ **From** the state school aid fund money allocated under subsection (1), there is allocated for ~~2021-2022-2022-2023~~ **2022-2023** an amount not to exceed \$3,050,000.00 for the purpose of funding programs under this section for ~~2021-2022-2022-2023~~ **2022-2023** as recommended by the MiSTEM council. ~~However, from the allocation under this subsection, the MiSTEM council shall recommend and the department shall award \$350,000.00 in grants to intermediate districts to implement fabrication laboratories (Fab Labs). The MiSTEM council shall recommend and the department shall only award 10 grants described in the immediately preceding sentence in an amount not to exceed \$35,000.00 each.~~

(5) From the state school aid fund money allocated under subsection (1), there is allocated an amount not to exceed \$3,834,300.00 for ~~2021-2022-2022-2023~~ **2022-2023** to support the activities and programs of the MiSTEM network regions. ~~In addition, from the federal funds allocated under subsection (1), there is allocated for 2021-2022 an amount estimated at \$235,000.00 from DED OESE, title II, mathematics and science partnership grants, for the purposes of this subsection. From the money allocated under this subsection, the department shall award the fiscal agent for each MiSTEM network region \$200,000.00 for the base operations of each region. The department shall distribute the remaining funds to each fiscal agent in an equal amount per pupil, based on the number of K to 12 pupils enrolled in districts within each region in the immediately preceding fiscal year.~~

(6) A MiSTEM network region shall do all of the following:

(a) Collaborate with the career and educational advisory council that is located in the MiSTEM region to develop a regional strategic plan for STEM education that creates a robust regional STEM culture, that empowers STEM teachers, that integrates business and education into the STEM network, and that ensures high-quality STEM experiences for pupils. At a minimum, a regional STEM strategic plan should do all of the following:

(i) Identify regional employer need for STEM.

(ii) Identify processes for regional employers and educators to create guided pathways for STEM careers that include internships or externships, apprenticeships, and other experiential engagements for pupils.

(iii) Identify educator professional learning opportunities, including internships or externships and apprenticeships, that integrate this state's science standards into high-quality STEM experiences that engage pupils.

(b) Facilitate regional STEM events such as educator and employer networking and STEM career fairs to raise STEM awareness.

(c) Contribute to the MiSTEM website and engage in other MiSTEM network functions to further the mission of STEM in this state in coordination with the MiSTEM council and the department of labor and economic opportunity.

(d) Facilitate application and implementation of state and federal funds under this subsection and any other grants or funds for the MiSTEM network region.

(e) Work with districts to provide STEM programming and professional learning.

(f) Coordinate recurring discussions and work with the career and educational advisory council to ensure that feedback and best practices are being shared, including funding, program, professional learning opportunities, and regional strategic plans.

(7) From the state school aid fund money allocated under subsection (1), the department shall distribute for ~~2021-2022-2022-2023~~ **2022-2023** an amount not to exceed \$750,000.00, in a form and manner determined by the department, to those network regions able to further the statewide STEM strategy recommended by the MiSTEM council.

(8) In order to receive state or federal funds under subsection (5) or (7), or to receive funds from private sources as authorized under subsection (1), a grant recipient must allow access for the department or the department's designee to audit all records related to the program for which it receives those funds. The grant recipient shall reimburse the state for all disallowances found in the audit.

(9) In order to receive state funds under subsection (5) or (7), a grant recipient must provide at least a 10% local match from local public or private resources for the funds received under this subsection.

(10) Not later than July 1 of each year, ~~fiscal year for which funding is allocated under this section~~, a MiSTEM network region that receives funds under subsection (5) shall report to the executive director of the MiSTEM network in a form and manner prescribed by the executive director on performance measures developed by the MiSTEM network regions and approved by the executive director. The performance measures must be designed to ensure that the activities of the MiSTEM network are improving student academic outcomes.

(11) Not more than 5% of a MiSTEM network region grant under subsection (5) or (7) may be retained by a fiscal agent for serving as the fiscal agent of a MiSTEM network region.

(12) ~~From the general fund money allocated under subsection (1), there is allocated an amount not to exceed \$300,000.00 to the department of labor and economic opportunity to support the staff for the MiSTEM network, and for administrative, training, and travel costs related to the MiSTEM council. The staff for the MiSTEM network shall do all of the following:~~

~~(a) Serve as a liaison among and between the department, the department of labor and economic opportunity, the MiSTEM council, the governor's workforce development board, the MiSTEM regions, and any other relevant organization or entity in a manner that creates a robust statewide STEM culture, that empowers STEM teachers, that integrates business and education into the STEM network, and that ensures high-quality STEM experiences for pupils.~~

~~(b) Coordinate the implementation of a marketing campaign, including, but not limited to, a website that includes dashboards of outcomes, to build STEM awareness and communicate STEM needs and opportunities to pupils, parents, educators, and the business community.~~

~~(c) Work with the department and the MiSTEM council to coordinate, award, and monitor MiSTEM state and federal grants to the MiSTEM network regions and conduct reviews of grant recipients, including, but not limited to, pupil experience and feedback.~~

~~(d) Report to the governor, the legislature, the department, and the MiSTEM council annually on the activities and performance of the MiSTEM network regions.~~

~~(e) Coordinate recurring discussions and work with regional staff to ensure that a network or loop of feedback and best practices are shared, including funding, programming, professional learning opportunities, discussion of MiSTEM strategic vision, and regional objectives.~~

~~(f) Coordinate major grant application efforts with the MiSTEM council to assist regional staff with grant applications on a local level. The MiSTEM council shall leverage private and nonprofit relationships to coordinate and align private funds in addition to funds appropriated under this section.~~

~~(g) Train state and regional staff in the STEMworks rating system, in collaboration with the MiSTEM council and the department.~~

~~(h) Hire MiSTEM network region staff in collaboration with the network region fiscal agent.~~

~~(12) (13)-As used in this section:~~

~~(a) "Career and educational advisory council" means an advisory council to the local workforce development boards located in a prosperity region consisting of educational, employer, labor, and parent representatives.~~

~~(b) "DED" means the United States Department of Education.~~

~~(c) "DED-OESE" means the DED Office of Elementary and Secondary Education.~~

~~(d) "MiSTEM Council" means the Michigan Science, Technology, Engineering, and Mathematics Education Advisory Council created as an advisory body within the department of labor and economic opportunity by Executive Reorganization Order No. 2019-3, MCL 125.1998.~~

~~(e) "STEM" means science, technology, engineering, and mathematics delivered in an integrated fashion using cross-disciplinary learning experiences that can include language arts, performing and fine arts, and career and technical education.~~

Sec. 99t. (1) From the general fund appropriation under section 11, there is allocated an amount not to exceed ~~\$2,000,000.00~~ **\$3,000,000.00** for ~~2021-2022~~ **2022-2023 only** to purchase statewide access to an online algebra tool that meets all of the following:

(a) Provides students statewide with complete access to videos aligned with state standards including study guides and workbooks that are aligned with the videos.

(b) Provides students statewide with access to a personalized online algebra learning tool including adaptive diagnostics.

(c) Provides students statewide with dynamic algebra practice assessments that emulate the state assessment with immediate feedback and help solving problems.

(d) Provides students statewide with online access to algebra help 24 hours a day and 7 days a week from study experts, teachers, and peers on a moderated social networking platform.

(e) Provides an online algebra professional development network for teachers.

(f) Is already provided under a statewide contract in at least 1 other state that has a population of at least 18,000,000 but not more than 19,000,000 according to the most recent decennial census and is offered in that state in partnership with a public university.

(2) The department shall purchase the online algebra tool that was chosen under this section in 2016-2017.

(3) A grantee receiving funding under this section shall comply with the requirements of section 19b.

Sec. 99u. (1) From the general fund money appropriated under section 11, there is allocated for ~~2021-2022~~ **2022-2023 only** an amount not to exceed \$6,000,000.00 to a provider that is a provider of both of the following:

(a) An online mathematics tool that meets all of the following:

(i) Provides students statewide with complete access to mathematics support aligned with state standards through a program that has all of the following elements:

(A) Student motivation.

(B) Valid and reliable assessments.

(C) Personalized learning pathways.

(D) Highly qualified, live teachers available all day and all year.

(E) Twenty-four-hour reporting.

(F) Content built for rigorous mathematics.

(ii) Has a record of improving student mathematics scores in at least 5 other states.

(iii) Received funding under this section in 2017-2018.

(b) A program that provides explicit, targeted literacy instruction within an individualized learning path that continually adjusts to a pupil's needs. A program described in this subdivision that is funded under this subsection must be funded through a grant to a provider described in this subsection that also promotes literacy through the teaching of critical language and literacy concepts, such as reading and listening comprehension, basic vocabulary, academic language, grammar, phonological awareness, phonics, and fluency.

(2) A grantee that receives funding under this section shall comply with the requirements of section 19b.

(3) Notwithstanding section 17b, the department shall make payments under this section by not later than December 1, ~~2021~~ **of each fiscal year for which funding is allocated under this section.**

Sec. 99x. (1) From the ~~general fund money~~ **federal funding** appropriated under section 11, there is allocated for ~~2021-2022~~ **2022-2023 only** an amount not to exceed ~~\$1,000,000.00~~ **\$20,000,000.00 from the federal funding awarded to this state from the coronavirus state fiscal recovery fund under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, for, subject to subsection (2), Teach for America to host a summer training institute in the city of Detroit, recruit teachers into a master teacher fellowship, and retain a committed alumni community. A program funded under this section must provide coaching and professional development, with the goal to produce highly effective teachers that move pupils beyond their growth benchmarks, lead and support teacher recruitment, training, development, and retention efforts for high-performing educators in at-risk schools in this state, which includes, but is not limited to, the operation of educator fellowship programs in at least 3 regions in this state, including rural regions; the provision of support to educator-led innovation in this state; and investment in a broad educator workforce campaign to recruit and retain high-performing educators and educator candidates in this state.**

(2) Teach for America must have recruited or invested in the retention and development of 100 teachers in this state in fulfilling the purposes under subsection (1) since December 15, 2021 to be eligible for the first \$10,000,000.00 of the funding allocated under this section. Teach for America must have recruited or invested in the retention and development of a total of 450 teachers in this state in fulfilling the purposes under subsection (1) since December 15, 2021 to be eligible for the remaining \$10,000,000.00 of the funding allocated under this section.

(3) Teach for America shall engage with an external evaluator and produce semi-annual reports to the legislature that provide information concerning the recruitment, development, and retention of high-performing educators that can be scaled or shared with other similar programs.

(4) ~~(2)~~ Notwithstanding section 17b, the department shall make payments under this section ~~by not later than December 1, 2021, on a schedule determined by the department.~~

(5) The department shall not make payments under this section on a reimbursement basis.

(6) The funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to continue to provide support to Teach for America as prescribed in this section. The estimated completion date of the work project is December 31, 2026.

(7) The federal funding allocated under this section is intended to respond to the COVID-19 public health emergency and its negative impacts.

Sec. 99aa. (1) From the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$1,500,000.00 for ~~2021-2022-2022-2023~~ **only** to 1 eligible intermediate district to provide opportunities for high school students with disabilities to train for, gain, and maintain competitive employment.

(2) An intermediate district that has partnered with Project SEARCH to provide the opportunities described in subsection (1) is an eligible intermediate district under this section.

(3) The funds allocated under this section for ~~2021-2022-2022-2023~~ are a work project appropriation, and any unexpended funds for ~~2021-2022-2023-2024~~ are carried forward into ~~2022-2023-2023-2024~~. The purpose of the work project is to provide for the continuation of opportunities for high school students with disabilities as described in subsection (1). The estimated completion date of the work project is September 30, ~~2023-2024~~.

Sec. 99ec. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2022-2023~~ **only** an amount not to exceed \$253,000.00 for competitive grants to eligible districts and eligible intermediate districts to provide pupils in grades 9 to 12 with expanded opportunities through programs for work-based learning that are hosted in partnership with NAF. It is the intent of the legislature that the programs described in this subsection increase the number of pupils who are college- and career-ready after high school graduation.

(2) To receive grant funding under this section, a district or intermediate district must apply for the grant in a form and manner prescribed by the department.

(3) A district or intermediate district that meets all of the following is an eligible district or eligible intermediate district under this section:

(a) It has an established partnership with NAF.

(b) As part of its partnership described in subdivision (a), it implements an advisory board that includes at least 1 business entity.

(c) As part of its partnership described in subdivision (a), it implements an advisory board that includes an institution of higher education or a technical school.

(d) In its application described in subsection (2), it submits a spending plan for its intended spending of funding under this section.

(4) The department shall prioritize awarding grant funding under this section to eligible districts and eligible intermediate districts that demonstrate partnership with local businesses that target disciplines that have been identified as critical shortage disciplines by the superintendent of public instruction under section 61 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1361.

(5) The department shall award grant funding under this section as follows:

(a) In an amount not to exceed \$12,000.00 to each eligible district or eligible intermediate district to be used for purposes of planning in carrying out the programs described in subsection (1).

(b) An amount not to exceed \$3,500.00 to each eligible district or eligible intermediate district to be used toward expenses related to the partnership described in subsection (3)(a).

(6) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 99dd. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed \$2,000,000.00 for 2022-2023 only to a 501(c)(3) nonprofit organization located in a city with a population greater than 600,000 in a county with a population greater than 1,700,000. Funds under this section must be used by the recipient to expand the recipient's mission of providing opportunities for students to discover, explore, and appreciate science, technology, engineering, and mathematics in a creative, dynamic learning environment.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 99ee. (1) From the general fund money appropriated in section 11, there is allocated an amount not to exceed \$1,500,000.00 for 2022-2023 only for programming at a nonprofit that teaches, mentors, and supports academically ambitious first-generation Hispanic high school and college students in under-resourced Hispanic communities in this state. A recipient of funds under this section must have received state funds for this purpose in the immediately preceding fiscal year.

(2) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

Sec. 101. (1) To be eligible to receive state aid under this article, not later than the fifth Wednesday after the pupil membership count day and not later than the fifth Wednesday after the supplemental count day, each district superintendent shall submit and certify to the center and the intermediate superintendent, in the

form and manner prescribed by the center, the number of pupils enrolled and in regular daily attendance, including identification of tuition-paying pupils, in the district as of the pupil membership count day and as of the supplemental count day, as applicable, for the current school year. In addition, a district maintaining school during the entire year shall submit and certify to the center and the intermediate superintendent, in the form and manner prescribed by the center, the number of pupils enrolled and in regular daily attendance in the district for the current school year pursuant to rules promulgated by the superintendent. Not later than the sixth Wednesday after the pupil membership count day and not later than the sixth Wednesday after the supplemental count day, the district shall resolve any pupil membership conflicts with another district, correct any data issues, and recertify the data in a form and manner prescribed by the center and file the certified data with the intermediate superintendent. If a district fails to submit and certify the attendance data, as required under this subsection, the center shall notify the department and the department shall withhold state aid due to be distributed under this article from the defaulting district immediately, beginning with the next payment after the failure and continuing with each payment until the district complies with this subsection. If a district does not comply with this subsection by the end of the fiscal year, the district forfeits the amount withheld. A person who willfully falsifies a figure or statement in the certified and sworn copy of enrollment is subject to penalty as prescribed by section 161.

(2) To be eligible to receive state aid under this article, not later than the twenty-fourth Wednesday after the pupil membership count day and not later than the twenty-fourth Wednesday after the supplemental count day, an intermediate district shall submit to the center, in a form and manner prescribed by the center, the audited enrollment and attendance data as described in subsection (1) for the pupils of its constituent districts and of the intermediate district. If an intermediate district fails to submit the audited data as required under this subsection, the department shall withhold state aid due to be distributed under this article from the defaulting intermediate district immediately, beginning with the next payment after the failure and continuing with each payment until the intermediate district complies with this subsection. If an intermediate district does not comply with this subsection by the end of the fiscal year, the intermediate district forfeits the amount withheld.

(3) Except as otherwise provided in subsections (11) and (12) all of the following apply to the provision of pupil instruction:

(a) Except as otherwise provided in this section, each district shall provide at least 1,098 hours and 180 days of pupil instruction. If a collective bargaining agreement that provides a complete school calendar was in effect for employees of a district as of June 24, 2014, and if that school calendar is not in compliance with this subdivision, then this subdivision does not apply to that district until after the expiration of that collective bargaining agreement. A district may apply for a waiver under subsection (9) from the requirements of this subdivision.

(b) Except as otherwise provided in this article, a district failing to comply with the required minimum hours and days of pupil instruction under this subsection forfeits from its total state aid allocation an amount determined by applying a ratio of the number of hours or days the district was in noncompliance in relation to the required minimum number of hours and days under this subsection. Not later than the first business day in August, the board of each district shall either certify to the department that the district was in full compliance with this section regarding the number of hours and days of pupil instruction in the previous school year, or report to the department, in a form and manner prescribed by the center, each instance of noncompliance. If the district did not provide at least the required minimum number of hours and days of pupil instruction under this subsection, the department shall make the deduction of state aid in the following fiscal year from the first payment of state school aid. A district is not subject to forfeiture of funds under this subsection for a fiscal year in which a forfeiture was already imposed under subsection (6).

(c) Hours or days lost because of strikes or teachers' conferences are not counted as hours or days of pupil instruction.

(d) Except as otherwise provided in subdivisions (e) and (f), if a district does not have at least 75% of the district's membership in attendance on any day of pupil instruction, the department shall pay the district state aid in that proportion of 1/180 that the actual percent of attendance bears to 75%.

(e) If a district adds 1 or more days of pupil instruction to the end of its instructional calendar for a school year to comply with subdivision (a) because the district otherwise would fail to provide the required minimum number of days of pupil instruction even after the operation of subsection (4) due to conditions not within the control of school authorities, then subdivision (d) does not apply for any day of pupil instruction that is added to the end of the instructional calendar. Instead, for any of those days, if the district does not have at least 60% of the district's membership in attendance on that day, the department shall pay the district state aid in that proportion of 1/180 that the actual percentage of attendance bears to 60%. For any day of pupil instruction added to the instructional calendar as described in this subdivision, the district shall report to the department the percentage of the district's membership that is in attendance, in the form and manner prescribed by the department.

(f) At the request of a district that operates a department-approved alternative education program and that does not provide instruction for pupils in all of grades K to 12, the superintendent shall grant a waiver from the requirements of subdivision (d). The waiver must provide that an eligible district is subject to the proration provisions of subdivision (d) only if the district does not have at least 50% of the district's membership in attendance on any day of pupil instruction. In order to be eligible for this waiver, a district must maintain records to substantiate its compliance with the following requirements:

(i) The district offers the minimum hours of pupil instruction as required under this section.

(ii) For each enrolled pupil, the district uses appropriate academic assessments to develop an individual education plan that leads to a high school diploma.

(iii) The district tests each pupil to determine academic progress at regular intervals and records the results of those tests in that pupil's individual education plan.

(g) All of the following apply to a waiver granted under subdivision (f):

(i) If the waiver is for a blended model of delivery, a waiver that is granted for the 2011-2012 fiscal year or a subsequent fiscal year remains in effect unless it is revoked by the superintendent.

(ii) If the waiver is for a 100% online model of delivery and the educational program for which the waiver is granted makes educational services available to pupils for a minimum of at least 1,098 hours during a school year and ensures that each pupil participates in the educational program for at least 1,098 hours during a school year, a waiver that is granted for the 2011-2012 fiscal year or a subsequent fiscal year remains in effect unless it is revoked by the superintendent.

(iii) A waiver that is not a waiver described in subparagraph (i) or (ii) is valid for 3 fiscal years, unless it is revoked by the superintendent, and must be renewed at the end of the 3-year period to remain in effect.

(h) The superintendent shall promulgate rules for the implementation of this subsection.

(4) Except as otherwise provided in this subsection, the first 6 days or the equivalent number of hours for which pupil instruction is not provided because of conditions not within the control of school authorities, such as severe storms, fires, epidemics, utility power unavailability, water or sewer failure, or health conditions as defined by the city, county, or state health authorities, are counted as hours and days of pupil instruction. With the approval of the superintendent of public instruction, the department shall count as hours and days of pupil instruction for a fiscal year not more than 3 additional days or the equivalent number of additional hours for which pupil instruction is not provided in a district due to unusual and extenuating occurrences resulting from conditions not within the control of school authorities such as those conditions described in this subsection. Subsequent such hours or days are not counted as hours or days of pupil instruction.

(5) A district does not forfeit part of its state aid appropriation because it adopts or has in existence an alternative scheduling program for pupils in kindergarten if the program provides at least the number of hours required under subsection (3) for a full-time equated membership for a pupil in kindergarten as provided under section 6(4).

(6) In addition to any other penalty or forfeiture under this section, if at any time the department determines that 1 or more of the following have occurred in a district, the district forfeits in the current fiscal year beginning in the next payment to be calculated by the department a proportion of the funds due to the district under this article that is equal to the proportion below the required minimum number of hours and days of pupil instruction under subsection (3), as specified in the following:

(a) The district fails to operate its schools for at least the required minimum number of hours and days of pupil instruction under subsection (3) in a school year, including hours and days counted under subsection (4).

(b) The board of the district takes formal action not to operate its schools for at least the required minimum number of hours and days of pupil instruction under subsection (3) in a school year, including hours and days counted under subsection (4).

(7) In providing the minimum number of hours and days of pupil instruction required under subsection (3), a district shall use the following guidelines, and a district shall maintain records to substantiate its compliance with the following guidelines:

(a) Except as otherwise provided in this subsection, a pupil must be scheduled for at least the required minimum number of hours of instruction, excluding study halls, or at least the sum of 90 hours plus the required minimum number of hours of instruction, including up to 2 study halls.

(b) The time a pupil is assigned to any tutorial activity in a block schedule may be considered instructional time, unless that time is determined in an audit to be a study hall period.

(c) Except as otherwise provided in this subdivision, a pupil in grades 9 to 12 for whom a reduced schedule is determined to be in the individual pupil's best educational interest must be scheduled for a number of hours equal to at least 80% of the required minimum number of hours of pupil instruction to be considered a full-time equivalent pupil. A pupil in grades 9 to 12 who is scheduled in a 4-block schedule may receive a reduced schedule under this subsection if the pupil is scheduled for a number of hours equal to at least 75% of the required minimum number of hours of pupil instruction to be considered a full-time equivalent pupil.

(d) If a pupil in grades 9 to 12 who is enrolled in a cooperative education program or a special education pupil cannot receive the required minimum number of hours of pupil instruction solely because of travel time between instructional sites during the school day, that travel time, up to a maximum of 3 hours per school week, is considered to be pupil instruction time for the purpose of determining whether the pupil is receiving the required minimum number of hours of pupil instruction. However, if a district demonstrates to the satisfaction of the department that the travel time limitation under this subdivision would create undue costs or hardship to the district, the department may consider more travel time to be pupil instruction time for this purpose.

(e) In grades 7 through 12, instructional time that is part of a Junior Reserve Officer Training Corps (JROTC) program is considered to be pupil instruction time regardless of whether the instructor is a certificated teacher if all of the following are met:

(i) The instructor has met all of the requirements established by the United States Department of Defense and the applicable branch of the armed services for serving as an instructor in the Junior Reserve Officer Training Corps program.

(ii) The board of the district or intermediate district employing or assigning the instructor complies with the requirements of sections 1230 and 1230a of the revised school code, MCL 380.1230 and 380.1230a, with respect to the instructor to the same extent as if employing the instructor as a regular classroom teacher.

(8) Except as otherwise provided in subsections (11) and (12), the department shall apply the guidelines under subsection (7) in calculating the full-time equivalency of pupils.

(9) Upon application by the district for a particular fiscal year, the superintendent shall waive for a district the minimum number of hours and days of pupil instruction requirement of subsection (3) for a department-approved alternative education program or another innovative program approved by the department, including a 4-day school week. If a district applies for and receives a waiver under this subsection and complies with the terms of the waiver, the district is not subject to forfeiture under this section for the specific program covered by the waiver. If the district does not comply with the terms of the waiver, the amount of the forfeiture is calculated based upon a comparison of the number of hours and days of pupil instruction actually provided to the minimum number of hours and days of pupil instruction required under subsection (3). A district shall report pupils enrolled in a department-approved alternative education program under this subsection to the center in a form and manner determined by the center. All of the following apply to a waiver granted under this subsection:

(a) If the waiver is for a blended model of delivery, a waiver that is granted for the 2011-2012 fiscal year or a subsequent fiscal year remains in effect unless it is revoked by the superintendent.

(b) If the waiver is for a 100% online model of delivery and the educational program for which the waiver is granted makes educational services available to pupils for a minimum of at least 1,098 hours during a school year and ensures that each pupil is on track for course completion at proficiency level, a waiver that is granted for the 2011-2012 fiscal year or a subsequent fiscal year remains in effect unless it is revoked by the superintendent.

(c) A waiver that is not a waiver described in subdivision (a) or (b) is valid for 3 fiscal years, unless it is revoked by the superintendent, and must be renewed at the end of the 3-year period to remain in effect.

(10) A district may count up to 38 hours of professional development for teachers as hours of pupil instruction. All of the following apply to the counting of professional development as pupil instruction under this subsection:

(a) If the professional development exceeds 5 hours in a single day, that day may be counted as a day of pupil instruction.

(b) At least 8 hours of the professional development counted as hours of pupil instruction under this subsection must be recommended by a districtwide professional development advisory committee appointed by the district board. The advisory committee must be composed of teachers employed by the district who represent a variety of grades and subject matter specializations, including special education; nonteaching staff; parents; and administrators. The majority membership of the committee must be composed of teaching staff.

(c) Professional development provided online is allowable and encouraged, as long as the instruction has been approved by the district. The department shall issue a list of approved online professional development providers that must include the Michigan Virtual School.

(d) Professional development may only be counted as hours of pupil instruction under this subsection for the pupils of those teachers scheduled to participate in the professional development.

(e) The professional development must meet all of the following to be counted as pupil instruction under this subsection:

(i) Be aligned to the school or district improvement plan for the school or district in which the professional development is being provided.

(ii) Be linked to 1 or more criteria in the evaluation tool developed or adopted by the district or intermediate district under section 1249 of the revised school code, MCL 380.1249.

(iii) Has been approved by the department as counting for state continuing education clock hours. The number of hours of professional development counted as hours of pupil instruction under this subsection may not exceed the number of state continuing education clock hours for which the professional development was approved.

(iv) Not more than a combined total of 10 hours of the professional development takes place before the first scheduled day of school for the school year ending in the fiscal year and after the last scheduled day of school for that school year.

(v) Not more than 10 hours of the professional development takes place in a single month.

(vi) At least 75% of teachers scheduled to participate in the professional development are in attendance.

(11) Subsections (3) and (8) do not apply to a school of excellence that is a cyber school, as that term is defined in section 551 of the revised school code, MCL 380.551, and is in compliance with section 553a of the revised school code, MCL 380.553a. **Beginning July 1, 2021, this subsection is subject to section 8c. It is the intent of the legislature that the immediately preceding sentence apply retroactively and is effective July 1, 2021.**

(12) Subsections (3) and (8) do not apply to eligible pupils enrolled in a dropout recovery program that meets the requirements of section 23a. As used in this subsection, "eligible pupil" means that term as defined in section 23a.

(13) At least every 2 years the superintendent shall review the waiver standards set forth in the pupil accounting and auditing manuals to ensure that the waiver standards and waiver process continue to be appropriate and responsive to changing trends in online learning. The superintendent shall solicit and consider input from stakeholders as part of this review.

Sec. 104. (1) In order to receive state aid under this article, a district shall comply with sections 1249, 1278a, 1278b, 1279g, and 1280b of the revised school code, MCL 380.1249, 380.1278a, 380.1278b, 380.1279g, and 380.1280b, and 1970 PA 38, MCL 388.1081 to 388.1086. Subject to subsection (2), from the state school aid fund money appropriated in section 11, there is allocated for ~~2021-2022~~ **2022-2023** an amount not to exceed ~~\$29,509,400.00~~ **\$37,509,400.00** for payments on behalf of districts for costs associated with complying with those provisions of law. In addition, from the federal funds appropriated in section 11, there is allocated for ~~2021-2022~~ **2022-2023** an amount estimated at \$6,250,000.00 funded from DED-OESE, title VI, state assessment funds, and from DED-OSERS, part B of the individuals with disabilities education act, 20 USC 1411 to 1419, plus any carryover federal funds from previous year appropriations, for the purposes of complying with the every student succeeds act, Public Law 114-95.

(2) The results of each test administered as part of the Michigan student test of educational progress (M-STEP), including tests administered to high school students, must include an item analysis that lists all items that are counted for individual pupil scores and the percentage of pupils choosing each possible response. The department shall work with the center to identify the number of students enrolled at the time assessments are given by each district. In calculating the percentage of pupils assessed for a district's scorecard, the department shall use only the number of pupils enrolled in the district at the time the district administers the assessments and shall exclude pupils who enroll in the district after the district administers the assessments.

(3) The department shall distribute federal funds allocated under this section in accordance with federal law and with flexibility provisions outlined in Public Law 107-116, and in the education flexibility partnership act of 1999, Public Law 106-25.

(4) The department may recommend, but may not require, districts to allow pupils to use an external keyboard with tablet devices for online M-STEP testing, including, but not limited to, open-ended test items such as constructed response or equation builder items.

(5) Notwithstanding section 17b, the department shall make payments on behalf of districts, intermediate districts, and other eligible entities under this section on a schedule determined by the department.

(6) From the allocation in subsection (1), there is allocated an amount not to exceed \$500,000.00 for ~~2021-2022~~ **2022-2023** for the operation of an online reporting tool to provide student-level assessment data in a secure environment to educators, parents, and pupils immediately after assessments are scored. The department and the center shall ensure that any data collected by the online reporting tool do not provide individually identifiable student data to the federal government.

(7) As used in this section:

(a) "DED" means the United States Department of Education.

(b) "DED-OESE" means the DED Office of Elementary and Secondary Education.

(c) "DED-OSERS" means the DED Office of Special Education and Rehabilitative Services.

Sec. 104f. (1) From the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed ~~\$500,000.00~~ **\$150,000.00** to a district for the implementation of an assessment digital literacy preparation program for pupils enrolled in grades K to 8 for ~~2021-2022-2022-2023~~ **only**. The department shall ensure that a program funded under this subsection satisfies all of the following:

- (a) Is available to districts in the ~~2021-2022-2022-2023~~ school year.
- (b) Focuses on ensuring pupils have the necessary skills required for state online assessments by assessing pupil digital literacy skill levels and providing teachers with a digital curriculum targeted at areas of determined weakness.
- (c) Allows pupils to engage with the digital curriculum in an independent or teacher-facilitated modality.
- (d) Includes training and professional development for teachers.
- (e) Is implemented in at least ~~400-50~~ districts that operate grades K to 8 and that represent a diverse geography and socio-economic demographic.

(2) Funding under subsection (1) must be allocated to a district ~~that did not receive funding under former section 104e for 2017-2018~~ and that operates at least grades K to 8 and has a partnership with a third party that is experienced in the assessment of digital literacy and the preparation of digital literacy skills and has demonstrable experience serving districts in this state and local education agencies in 10 other states. The district, along with its third-party partner, shall provide a report to the house and senate appropriations subcommittees on school aid and the house and senate fiscal agencies on the efficacy and usefulness of the assessment digital literacy preparation program no later than July 1 ~~, 2022~~ **of each fiscal year for which funding is allocated under this section.**

(3) Notwithstanding section 17b, the department shall make payments under subsection (1) by not later than December 1 ~~, 2021~~ **of each fiscal year for which funding is allocated under this section.**

Sec. 104h. (1) From the state school aid fund money appropriated under section 11, there is allocated for 2021-2022 an amount not to exceed \$11,500,000.00 to districts to begin implementation of a benchmark assessment system for the 2022-2023 school year. All of the following apply to the benchmark assessment system described in this subsection:

- (a) The system must provide for all of the following:
 - (i) That, within the first 9 weeks of the 2022-2023 school year, the district shall administer 1 or more benchmark assessments provided by a provider approved under subsection (6), benchmark assessments described in subdivision (b), or local benchmark assessments, or any combination thereof, to all pupils in grades K to 8 to measure proficiency in reading and mathematics.
 - (ii) That, in addition to the benchmark assessment or benchmark assessments administered under subparagraph (i), by not later than the last day of the 2022-2023 school year, the district shall administer 1 or more benchmark assessments provided by a provider approved under subsection (6), benchmark assessments described in subdivision (b), or local benchmark assessments, or any combination thereof, to all pupils in grades K to 8 to measure proficiency in reading and mathematics.
- (b) A district may administer 1 or more of the following benchmark assessments toward meeting the requirements under subdivision (a):
 - (i) A benchmark assessment in reading for students in grades K to 9 that contains progress monitoring tools and enhanced diagnostic assessments.
 - (ii) A benchmark assessment in math for students in grades K to 8 that contains progress monitoring tools.
- (c) The system must provide that, to the extent practicable, if a district administers a benchmark assessment or benchmark assessments under this section, the district shall administer the same benchmark assessment or benchmark assessments provided by a provider approved under subsection (6), benchmark assessment or benchmark assessments described in subdivision (b), or local benchmark assessment or local benchmark assessments that it administered to pupils in previous school years, as applicable.
- (d) The system must provide that, if a district administers a benchmark assessment or benchmark assessments under this section, the district shall provide each pupil's data from the benchmark assessment or benchmark assessments, as available, to the pupil's parent or legal guardian within 30 days of administering the benchmark assessment or benchmark assessments.
- (e) The system must provide that, if a local benchmark assessment or local benchmark assessments are administered under subdivision (a), the district shall report to the department and the center, in a form and manner prescribed by the center, the local benchmark assessment or local benchmark assessments that were administered and how that assessment or those assessments measure changes, including any losses, as applicable, in learning, and the district's plan for addressing any losses in learning.
- (f) The system must provide that, by not later than 30 days after a benchmark assessment or benchmark assessments are administered under ~~subparagraph (1)(a)(ii)~~, **subdivision (a)(ii), or within a time frame specified by the department**, the district shall send benchmark assessment data, **including grade level, student demographics, and mode of instruction, to the department in a form and manner prescribed**

by the department, from all benchmark assessments administered in the 2022-2023 school year, excluding data from a local benchmark assessment, as applicable, ~~aggregated by grade level, student demographic subgroups, and mode of instruction to the department.~~ If available, the data described in this subdivision must include information concerning pupil growth from fall 2022 to spring 2023.

(2) To receive funding under this section, a district must apply for the funding in a form and manner prescribed by the department.

(3) The department shall pay an amount equal to \$12.50 per membership pupil in grades K to 8 in the district to each district that applies for funding under this section.

(4) The department shall make 1 of the benchmark assessments provided by a provider approved under subsection (6) available to districts at no cost to the districts for purposes of meeting the requirements under this section. The benchmark assessment described in this subsection must meet all of the following:

(a) Be aligned to the content standards of this state.

(b) Complement the state's summative assessment system.

(c) Be internet-delivered and include a standards-based assessment.

(d) Provide information on pupil achievement with regard to learning content required in a given year or grade span.

(e) Provide timely feedback to pupils and teachers.

(f) Be nationally normed.

(g) Provide information to educators about student growth and allow for multiple testing opportunities.

(5) By not later than ~~June 15, 2023~~, **September 30, 2023**, the department shall submit a report to the house and senate appropriations committees, the house and senate appropriations subcommittees on school aid, and the house and senate fiscal agencies regarding the benchmark assessment data received under this section, disaggregated by grade level and demographic subgroup for each district. If information concerning pupil growth is included in the data described in this subsection, it must be incorporated in the report described in this subsection.

(6) The department shall approve at least 4 but not more than 6 providers of benchmark assessments for the purposes of this section. The department shall inform districts of all of the providers approved under this subsection in an equitable manner. The benchmark assessments, with the exclusion of the benchmark assessment described in subsection (4), provided by approved providers under this subsection must meet all of the following:

(a) Be aligned to the content standards of this state.

(b) Complement the state's summative assessment system.

(c) Be internet-delivered and include a standards-based remote, in-person, or both remote and in-person assessment using a computer-adaptive model to target the instructional level of each pupil.

(d) Provide information on pupil achievement with regard to learning content required in a given year or grade span.

(e) Provide immediate feedback to pupils and teachers.

(f) Be nationally normed.

(g) Provide multiple measures of growth and provide for multiple testing opportunities.

Sec. 104i. (1) From the state school aid fund money appropriated under section 11, there is allocated for 2022-2023 an amount not to exceed \$11,500,000.00 to districts and intermediate districts with enrolled K to 8 pupils to begin implementation of a benchmark assessment system for the 2023-2024 school year. All of the following apply to the benchmark assessment system described in this subsection:

(a) The system must provide for all of the following:

(i) That, within the first 9 weeks of the 2023-2024 school year, the district or intermediate district shall administer 1 or more benchmark assessments provided by a provider approved under subsection (6), benchmark assessments described in subdivision (b), or local benchmark assessments, or any combination thereof, to all pupils in grades K to 8 to measure proficiency in reading and mathematics.

(ii) That, in addition to the benchmark assessment or benchmark assessments administered under subparagraph (i), by not later than the last day of the 2023-2024 school year, the district or intermediate district shall administer 1 or more benchmark assessments provided by a provider approved under subsection (6), benchmark assessments described in subdivision (b), or local benchmark assessments, or any combination thereof, to all pupils in grades K to 8 to measure proficiency in reading and mathematics.

(b) A district or intermediate district may administer 1 or more of the following benchmark assessments toward meeting the requirements under subdivision (a):

(i) A benchmark assessment in reading for students in grades K to 9 that contains progress monitoring tools and enhanced diagnostic assessments.

(ii) A benchmark assessment in math for students in grades K to 8 that contains progress monitoring tools.

(c) The system must provide that, to the extent practicable, if a district or intermediate district administers a benchmark assessment or benchmark assessments under this section, the district or intermediate district shall administer the same benchmark assessment or benchmark assessments provided by a provider approved under subsection (6), benchmark assessment or benchmark assessments described in subdivision (b), or local benchmark assessment or local benchmark assessments that it administered to pupils in previous school years, as applicable.

(d) The system must provide that, if a district or intermediate district administers a benchmark assessment or benchmark assessments under this section, the district or intermediate district shall provide each pupil's data from the benchmark assessment or benchmark assessments, as available, to the pupil's parent or legal guardian within 30 days of administering the benchmark assessment or benchmark assessments.

(e) The system must provide that, if a local benchmark assessment or local benchmark assessments are administered under subdivision (a), the district or intermediate district shall report to the department and the center, in a form and manner prescribed by the center, the local benchmark assessment or local benchmark assessments that were administered and how that assessment or those assessments measure changes, including any losses, as applicable, in learning, and the district's or intermediate district's plan for addressing any losses in learning.

(f) The system must provide that, by not later than 30 days after a benchmark assessment or benchmark assessments are administered under subdivision (a)(ii), or within a time frame specified by the department, the district or intermediate district shall send benchmark assessment data, including grade level, student demographics, and mode of instruction, to the department in a form and manner prescribed by the department, from all benchmark assessments administered in the 2023-2024 school year, excluding data from a local benchmark assessment, as applicable. If available, the data described in this subdivision must include information concerning pupil growth from fall 2023 to spring 2024.

(2) To receive funding under this section, a district or intermediate district must apply for the funding in a form and manner prescribed by the department.

(3) The department shall pay an amount equal to \$12.50 per membership pupil in grades K to 8 in the district or intermediate district to each district or intermediate district that applies for funding under this section.

(4) The department shall make 1 of the benchmark assessments provided by a provider approved under subsection (6) available to districts and intermediate districts at no cost to the districts and intermediate districts for purposes of meeting the requirements under this section. The benchmark assessment described in this subsection must meet all of the following:

(a) Be aligned to the content standards of this state.

(b) Complement the state's summative assessment system.

(c) Be internet-delivered and include a standards-based assessment.

(d) Provide information on pupil achievement with regard to learning content required in a given year or grade span.

(e) Provide timely feedback to pupils and teachers.

(f) Be nationally normed.

(g) Provide information to educators about student growth and allow for multiple testing opportunities.

(5) By not later than September 25, 2024, the department shall submit a report to the house and senate appropriations committees, the house and senate appropriations subcommittees on school aid, and the house and senate fiscal agencies regarding the benchmark assessment data received under this section, disaggregated by grade level and demographic subgroup for each district and intermediate district. If information concerning pupil growth is included in the data described in this subsection, it must be incorporated in the report described in this subsection.

(6) The department shall approve at least 4 but not more than 6 providers of benchmark assessments for the purposes of this section. The department shall inform districts and intermediate districts of all of the providers approved under this subsection in an equitable manner. The benchmark assessments, with the exclusion of the benchmark assessment described in subsection (4), provided by approved providers under this subsection must meet all of the following:

(a) Be aligned to the content standards of this state.

(b) Complement the state's summative assessment system.

(c) Be internet-delivered and include a standards-based remote, in-person, or both remote and in-person assessment using a computer-adaptive model to target the instructional level of each pupil.

(d) Provide information on pupil achievement with regard to learning content required in a given year or grade span.

(e) Provide immediate feedback to pupils and teachers.

(f) Be nationally normed.

(g) Provide multiple measures of growth and provide for multiple testing opportunities.

Sec. 107. (1) From the appropriation in section 11, there is allocated an amount not to exceed \$30,000,000.00 for ~~2021–2022~~ **2022–2023** for adult education programs authorized under this section. Except as otherwise provided under subsections (14) and (15), funds allocated under this section are restricted for adult education programs as authorized under this section only. A recipient of funds under this section shall not use those funds for any other purpose.

(2) To be eligible for funding under this section, an eligible adult education provider shall employ certificated teachers and qualified administrative staff and shall offer continuing education opportunities for teachers to allow them to maintain certification.

(3) To be eligible to be a participant funded under this section, an individual must be enrolled in an adult basic education program, an adult secondary education program, an adult English as a second language program, a high school equivalency test preparation program, or a high school completion program, that meets the requirements of this section, and for which instruction is provided, and the individual must be at least 18 years of age by July 1 of the program year and the individual's graduating class must have graduated.

(4) By April 1 of each fiscal year **for which funding is allocated under this section**, the intermediate districts within a prosperity region or subregion shall determine which intermediate district will serve as the prosperity region's or subregion's fiscal agent for the next fiscal year and shall notify the department in a form and manner determined by the department. The department shall approve or disapprove of the prosperity region's or subregion's selected fiscal agent. From the funds allocated under subsection (1), an amount as determined under this subsection is allocated to each intermediate district serving as a fiscal agent for adult education programs in each of the prosperity regions or subregions identified by the department. An intermediate district shall not use more than 5% of the funds allocated under this subsection for administration costs for serving as the fiscal agent. The allocation provided to each intermediate district serving as a fiscal agent must be calculated as follows:

(a) Sixty percent of this portion of the funding must be distributed based upon the proportion of the state population of individuals between the ages of 18 and 24 that are not high school graduates that resides in each of the prosperity regions or subregions located within the intermediate district, as reported by the most recent 5-year estimates from the American Community Survey (ACS) from the United States Census Bureau.

(b) Thirty-five percent of this portion of the funding must be distributed based upon the proportion of the state population of individuals age 25 or older who are not high school graduates that resides in each of the prosperity regions or subregions located within the intermediate district, as reported by the most recent 5-year estimates from the ACS from the United States Census Bureau.

(c) Five percent of this portion of the funding must be distributed based upon the proportion of the state population of individuals age 18 or older who lack basic English language proficiency that resides in each of the prosperity regions or subregions located within the intermediate district, as reported by the most recent 5-year estimates from the ACS from the United States Census Bureau.

(5) To be an eligible fiscal agent, an intermediate district must agree to do the following in a form and manner determined by the department:

(a) Distribute funds to adult education programs in a prosperity region or subregion as described in this section.

(b) Collaborate with the career and educational advisory council, which is an advisory council of the workforce development boards located in the prosperity region or subregion, or its successor, to develop a regional strategy that aligns adult education programs and services into an efficient and effective delivery system for adult education learners, with special consideration for providing contextualized learning and career pathways and addressing barriers to education and employment.

(c) Collaborate with the career and educational advisory council, which is an advisory council of the workforce development boards located in the prosperity region or subregion, or its successor, to create a local process and criteria that will identify eligible adult education providers to receive funds allocated under this section based on location, demand for services, past performance, quality indicators as identified by the department, and cost to provide instructional services. The fiscal agent shall determine all local processes, criteria, and provider determinations. However, the local processes, criteria, and provider services must be approved by the department before funds may be distributed to the fiscal agent.

(d) Provide oversight to its adult education providers throughout the program year to ensure compliance with the requirements of this section.

(e) Report adult education program and participant data and information as prescribed by the department.

(6) An adult basic education program, an adult secondary education program, or an adult English as a second language program operated on a year-round or school year basis may be funded under this section, subject to all of the following:

(a) The program enrolls adults who are determined by a department-approved assessment, in a form and manner prescribed by the department, to be below twelfth grade level in reading or mathematics, or both, or to lack basic English proficiency.

(b) The program tests individuals for eligibility under subdivision (a) before enrollment and upon completion of the program in compliance with the state-approved assessment policy.

(c) A participant in an adult basic education program is eligible for reimbursement until 1 of the following occurs:

(i) The participant's reading and mathematics proficiency are assessed at or above the ninth grade level.

(ii) The participant fails to show progress on 2 successive assessments after having completed at least 450 hours of instruction.

(d) A participant in an adult secondary education program is eligible for reimbursement until 1 of the following occurs:

(i) The participant's reading and mathematics proficiency are assessed above the twelfth grade level.

(ii) The participant fails to show progress on 2 successive assessments after having at least 450 hours of instruction.

(e) A funding recipient enrolling a participant in an English as a second language program is eligible for funding according to subsection (9) until the participant meets 1 of the following:

(i) The participant is assessed as having attained basic English proficiency as determined by a department-approved assessment.

(ii) The participant fails to show progress on 2 successive department-approved assessments after having completed at least 450 hours of instruction. The department shall provide information to a funding recipient regarding appropriate assessment instruments for this program.

(7) A high school equivalency test preparation program operated on a year-round or school year basis may be funded under this section, subject to all of the following:

(a) The program enrolls adults who do not have a high school diploma or a high school equivalency certificate.

(b) The program administers a pre-test approved by the department before enrolling an individual to determine the individual's literacy levels, administers a high school equivalency practice test to determine the individual's potential for success on the high school equivalency test, and administers a post-test upon completion of the program in compliance with the state-approved assessment policy.

(c) A funding recipient receives funding according to subsection (9) for a participant, and a participant may be enrolled in the program until 1 of the following occurs:

(i) The participant achieves a high school equivalency certificate.

(ii) The participant fails to show progress on 2 successive department-approved assessments used to determine readiness to take a high school equivalency test after having completed at least 450 hours of instruction.

(8) A high school completion program operated on a year-round or school year basis may be funded under this section, subject to all of the following:

(a) The program enrolls adults who do not have a high school diploma.

(b) The program tests participants described in subdivision (a) before enrollment and upon completion of the program in compliance with the state-approved assessment policy.

(c) A funding recipient receives funding according to subsection (9) for a participant in a course offered under this subsection until 1 of the following occurs:

(i) The participant passes the course and earns a high school diploma.

(ii) The participant fails to earn credit in 2 successive semesters or terms in which the participant is enrolled after having completed at least 900 hours of instruction.

(9) The department shall make payments to a funding recipient under this section in accordance with all of the following:

(a) Statewide allocation criteria, including 3-year average enrollments, census data, and local needs.

(b) Participant completion of the adult basic education objectives by achieving an educational gain as determined by the national reporting system levels; for achieving basic English proficiency, as determined by the department; for achieving a high school equivalency certificate or passage of 1 or more individual high school equivalency tests; for attainment of a high school diploma or passage of a course required for a participant to attain a high school diploma; for enrollment in a postsecondary institution, or for entry into or retention of employment, as applicable.

(c) Participant completion of core indicators as identified in the innovation and opportunity act.

(d) Allowable expenditures.

(10) ~~A person~~ **An individual** who is not eligible to be a participant funded under this section may receive adult education services upon the payment of tuition. In addition, ~~a person~~ **an individual** who is not eligible to be served in a program under this section due to the program limitations specified in subsection (6), (7), or (8) may continue to receive adult education services in that program upon the payment of tuition. The local or intermediate district conducting the program shall determine the tuition amount.

(11) An individual who is an inmate in a state correctional facility is not counted as a participant under this section.

(12) A funding recipient shall not commingle money received under this section or from another source for adult education purposes with any other funds and shall establish a separate ledger account for funds received under this section. This subsection does not prohibit a district from using general funds of the district to support an adult education or community education program.

(13) A funding recipient receiving funds under this section may establish a sliding scale of tuition rates based upon a participant's family income. A funding recipient may charge a participant tuition to receive adult education services under this section from that sliding scale of tuition rates on a uniform basis. The amount of tuition charged per participant must not exceed the actual operating cost per participant minus any funds received under this section per participant. A funding recipient may not charge a participant tuition under this section if the participant's income is at or below 200% of the federal poverty guidelines published by the United States Department of Health and Human Services.

(14) In order to receive funds under this section, a funding recipient shall furnish to the department, in a form and manner determined by the department, all information needed to administer this program and meet federal reporting requirements; shall allow the department or the department's designee to review all records related to the program for which it receives funds; and shall reimburse the state for all disallowances found in the review, as determined by the department. In addition, a funding recipient shall agree to pay to a career and technical education program under section 61a the amount of funding received under this section in the proportion of career and technical education coursework used to satisfy adult basic education programming, as billed to the funding recipient by programs operating under section 61a. In addition to the funding allocated under subsection (1), there is allocated for ~~2021-2022~~ **2022-2023** an amount not to exceed \$500,000.00 to reimburse funding recipients for administrative and instructional expenses associated with commingling programming under this section and section 61a. The department shall make payments under this subsection to each funding recipient in the same proportion as funding calculated and allocated under subsection (4).

(15) From the amount appropriated in subsection (1), an amount not to exceed \$4,000,000.00 is allocated for ~~2021-2022~~ **2022-2023** for grants to adult education or state-approved career technical center programs that connect adult education participants with employers as provided under this subsection. The department shall determine the amount of the grant to each program under this subsection, not to exceed \$350,000.00. To be eligible for funding under this subsection, a program must provide a collaboration linking adult education programs within the county, the area career technical center, and local employers. To receive funding under this subsection, an eligible program must satisfy all of the following:

(a) Connect adult education participants directly with employers by linking adult education, career and technical skills, and workforce development.

(b) Require adult education staff to work with Michigan Works! agency to identify a cohort of participants who are most prepared to successfully enter the workforce. Except as otherwise provided under this subdivision, participants identified under this subsection must be dually enrolled in adult education programming and in at least 1 state-approved technical course at the area career and technical center. A program that links participants identified under this subsection with adult education programming and commercial driver license courses does not need to enroll the participants in at least 1 state-approved technical course at the area career and technical center to be considered an eligible program under this subsection.

(c) Employ an individual staffed as an adult education navigator who will serve as a caseworker for each participant identified under subdivision (b). The navigator shall work with adult education staff and potential employers to design an educational program best suited to the personal and employment needs of the participant and shall work with human service agencies or other entities to address any barrier in the way of participant access.

(16) Each program funded under subsection (15) will receive funding for 3 years. After 3 years of operations and funding, a program must reapply for funding.

(17) Not later than December 1 of each year, a program funded under subsection (15) shall provide a report to the senate and house appropriations subcommittees on school aid, to the senate and house fiscal agencies, and to the state budget director identifying the number of participants, graduation rates, and a measure of transition to employment.

(18) Except as otherwise provided in this subsection, participants under subsection (15) must be concurrently enrolled and actively working toward obtaining a high school diploma or a high school equivalency certificate. Concurrent enrollment is not required under this subsection for a participant that was enrolled in adult education during the same program year and obtained a high school diploma or a high school equivalency certificate prior to enrollment in an eligible career and technical skills program under subsection (15). Up to ~~25%~~**15%** of adult education participants served under subsection (15) may already have a high school diploma or a high school equivalency certificate at the time of enrollment in an eligible career and technical skills program under subsection (15) and receive remediation services. It is intended that the cap described in the immediately preceding sentence is continually lowered on an annual basis until it eventually is 0%.

(19) The department shall approve at least 3 high school equivalency tests and determine whether a high school equivalency certificate meets the requisite standards for high school equivalency in this state.

(20) As used in this section:

(a) “Career and educational advisory council” means an advisory council to the local workforce development boards located in a prosperity region consisting of educational, employer, labor, and parent representatives.

(b) “Career pathway” means a combination of rigorous and high-quality education, training, and other services that comply with all of the following:

(i) Aligns with the skill needs of industries in the economy of this state or in the regional economy involved.

(ii) Prepares an individual to be successful in any of a full range of secondary or postsecondary education options, including apprenticeships registered under the act of August 16, 1937, commonly referred to as the national apprenticeship act, 29 USC 50 et seq.

(iii) Includes counseling to support an individual in achieving the individual’s education and career goals.

(iv) Includes, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster.

(v) Organizes education, training, and other services to meet the particular needs of an individual in a manner that accelerates the educational and career advancement of the individual to the extent practicable.

(vi) Enables an individual to attain a secondary school diploma or its recognized equivalent, and at least 1 recognized postsecondary credential.

(vii) Helps an individual enter or advance within a specific occupation or occupational cluster.

(c) “Department” means the department of labor and economic opportunity.

(d) “Eligible adult education provider” means a district, intermediate district, a consortium of districts, a consortium of intermediate districts, or a consortium of districts and intermediate districts that is identified as part of the local process described in subsection (5)(c) and approved by the department.

Sec. 147. (1) The allocation for ~~2021–2022~~**2022–2023** for the public school employees’ retirement system pursuant to the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, is made using the individual projected benefit entry age normal cost method of valuation and risk assumptions adopted by the public school employees retirement board and the department of technology, management, and budget.

(2) The annual level percentage of payroll contribution rates for the ~~2021–2022~~**2022–2023** fiscal year, as determined by the retirement system, are estimated as follows:

(a) ~~Except as otherwise provided in this subdivision, for~~**For** public school employees who first worked for a public school reporting unit before July 1, 2010 and who are enrolled in the health premium subsidy, the annual level percentage of payroll contribution rate is estimated at ~~43.28%~~**44.88%** with 28.23% paid directly by the employer. ~~For 2021–2022, if the retirement system determines that the annual level percentage of payroll contribution rate estimated in the immediately preceding sentence needs to be adjusted, the annual level percentage of payroll contribution rate estimations under this subdivision are the estimations determined by the retirement system. If the retirement system makes a determination as described in the immediately preceding sentence, it shall issue its estimations publicly and describe the need for the adjustment described in the immediately preceding sentence.~~

(b) ~~Except as otherwise provided in this subdivision, for~~**For** public school employees who first worked for a public school reporting unit on or after July 1, 2010 and who are enrolled in the health premium subsidy, the annual level percentage of payroll contribution rate is estimated at ~~40.36%~~**41.96%** with 25.31% paid directly by the employer. ~~For 2021–2022, if the retirement system determines that the annual level percentage of payroll contribution rate estimated in the immediately preceding sentence needs to be adjusted, the annual level percentage of payroll contribution rate estimations under this subdivision are the estimations determined by the retirement system. If the retirement system makes a determination as described in the immediately preceding sentence, it shall issue its estimations publicly and describe the need for the adjustment described in the immediately preceding sentence.~~

(c) Except as otherwise provided in this subdivision, for ~~For~~ public school employees who first worked for a public school reporting unit on or after July 1, 2010 and who participate in the personal healthcare fund, the annual level percentage of payroll contribution rate is estimated at 39.50% **41.10%** with 24.45% paid directly by the employer. For 2021-2022, if the retirement system determines that the annual level percentage of payroll contribution rate estimated in the immediately preceding sentence needs to be adjusted, the annual level percentage of payroll contribution rate estimations under this subdivision are the estimations determined by the retirement system. If the retirement system makes a determination as described in the immediately preceding sentence, it shall issue its estimations publicly and describe the need for the adjustment described in the immediately preceding sentence.

(d) Except as otherwise provided in this subdivision, for ~~For~~ public school employees who first worked for a public school reporting unit on or after September 4, 2012, who elect defined contribution, and who participate in the personal healthcare fund, the annual level percentage of payroll contribution rate is estimated at 36.01% **37.61%** with 20.96% paid directly by the employer. For 2021-2022, if the retirement system determines that the annual level percentage of payroll contribution rate estimated in the immediately preceding sentence needs to be adjusted, the annual level percentage of payroll contribution rate estimations under this subdivision are the estimations determined by the retirement system. If the retirement system makes a determination as described in the immediately preceding sentence, it shall issue its estimations publicly and describe the need for the adjustment described in the immediately preceding sentence.

(e) Except as otherwise provided in this subdivision, for ~~For~~ public school employees who first worked for a public school reporting unit before July 1, 2010, who elect defined contribution, and who are enrolled in the health premium subsidy, the annual level percentage of payroll contribution rate is estimated at 36.87% **38.47%** with 21.82% paid directly by the employer. For 2021-2022, if the retirement system determines that the annual level percentage of payroll contribution rate estimated in the immediately preceding sentence needs to be adjusted, the annual level percentage of payroll contribution rate estimations under this subdivision are the estimations determined by the retirement system. If the retirement system makes a determination as described in the immediately preceding sentence, it shall issue its estimations publicly and describe the need for the adjustment described in the immediately preceding sentence.

(f) Except as otherwise provided in this subdivision, for ~~For~~ public school employees who first worked for a public school reporting unit before July 1, 2010, who elect defined contribution, and who participate in the personal healthcare fund, the annual level percentage of payroll contribution rate is estimated at 36.01% **37.61%** with 20.96% paid directly by the employer. For 2021-2022, if the retirement system determines that the annual level percentage of payroll contribution rate estimated in the immediately preceding sentence needs to be adjusted, the annual level percentage of payroll contribution rate estimations under this subdivision are the estimations determined by the retirement system. If the retirement system makes a determination as described in the immediately preceding sentence, it shall issue its estimations publicly and describe the need for the adjustment described in the immediately preceding sentence.

(g) Except as otherwise provided in this subdivision, for ~~For~~ public school employees who first worked for a public school reporting unit before July 1, 2010 and who participate in the personal healthcare fund, the annual level percentage of payroll contribution rate is estimated at 42.42% **44.02%** with 27.37% paid directly by the employer. For 2021-2022, if the retirement system determines that the annual level percentage of payroll contribution rate estimated in the immediately preceding sentence needs to be adjusted, the annual level percentage of payroll contribution rate estimations under this subdivision are the estimations determined by the retirement system. If the retirement system makes a determination as described in the immediately preceding sentence, it shall issue its estimations publicly and describe the need for the adjustment described in the immediately preceding sentence.

(h) Except as otherwise provided in this subdivision, for ~~For~~ public school employees who first worked for a public school reporting unit after January 31, 2018 and who elect to become members of the MPSERS plan, the annual level percentage of payroll contribution rate is estimated at 42.21% **43.81%** with 27.16% paid directly by the employer. For 2021-2022, if the retirement system determines that the annual level percentage of payroll contribution rate estimated in the immediately preceding sentence needs to be adjusted, the annual level percentage of payroll contribution rate estimations under this subdivision are the estimations determined by the retirement system. If the retirement system makes a determination as described in the immediately preceding sentence, it shall issue its estimations publicly and describe the need for the adjustment described in the immediately preceding sentence.

(3) In addition to the employer payments described in subsection (2), the employer shall pay the applicable contributions to the Tier 2 plan, as determined by the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

(4) The contribution rates in subsection (2) reflect an amortization period of 17-16 years for 2021-2022; 2022-2023. The public school employees' retirement system board shall notify each district and intermediate district by February 28 of each fiscal year of the estimated contribution rate for the next fiscal year.

Sec. 147a. (1) From the ~~appropriation state school aid fund money appropriated~~ in section 11, there is allocated for ~~2020-2021-2021-2022~~ an amount not to exceed \$100,000,000.00 and for ~~2021-2022-2022-2023~~ an amount not to exceed \$100,000,000.00 for payments to participating districts. A participating district that receives money under this subsection shall use that money solely for the purpose of offsetting a portion of the retirement contributions owed by the district for the fiscal year in which it is received. The amount allocated to each participating district under this subsection is based on each participating district's percentage of the total statewide payroll for all participating districts for the immediately preceding fiscal year. As used in this subsection, "participating district" means a district that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

(2) In addition to the allocation under subsection (1), from the state school aid fund money appropriated under section 11, there is allocated an amount not to exceed ~~\$190,430,000.00~~ **\$197,000,000.00** for ~~2020-2021-2021-2022~~ and an amount not to exceed ~~\$177,400,000.00~~ **\$191,700,000.00** for ~~2021-2022-2022-2023~~ for payments to participating districts and intermediate districts and from the general fund money appropriated under section 11, there is allocated an amount not to exceed ~~\$70,000.00~~ **\$60,000.00** for ~~2020-2021-2021-2022~~ and an amount not to exceed ~~\$60,000.00~~ **\$50,000.00** for ~~2021-2022-2022-2023~~ for payments to participating district libraries. The amount allocated to each participating entity under this subsection is based on each participating entity's reported quarterly payroll for members that became tier 1 prior to February 1, 2018 for the current fiscal year. A participating entity that receives money under this subsection shall use that money solely for the purpose of offsetting a portion of the normal cost contribution rate. As used in this subsection:

(a) "District library" means a district library established under the district library establishment act, 1989 PA 24, MCL 397.171 to 397.196.

(b) "Participating entity" means a district, intermediate district, or district library that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

Sec. 147b. (1) The MPSERS retirement obligation reform reserve fund is created as a separate account within the state school aid fund.

(2) The state treasurer may receive money or other assets from any source for deposit into the MPSERS retirement obligation reform reserve fund. The state treasurer shall direct the investment of the MPSERS retirement obligation reform reserve fund. The state treasurer shall credit to the MPSERS retirement obligation reform reserve fund interest and earnings from the MPSERS retirement obligation reform reserve fund.

(3) Money available in the MPSERS retirement obligation reform reserve fund must not be expended without a specific appropriation.

(4) Money in the MPSERS retirement obligation reform reserve fund at the close of the fiscal year remains in the MPSERS retirement obligation reform reserve fund and does not lapse to the state school aid fund or to the general fund. The department of treasury is the administrator of the MPSERS retirement obligation reform reserve fund for auditing purposes.

(5) For 2022-2023, \$425,000,000.00 from the state school aid fund is deposited into the MPSERS retirement obligation reform reserve fund. It is the intent of the legislature that funds deposited under this subsection are used to offset costs associated with accelerating the reduction of the payroll growth assumption for reporting units that are not university reporting units until that rate is zero by October 1, 2026.

Sec. 147c. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2021-2022-2022-2023~~ an amount not to exceed ~~\$1,468,500,000.00~~ **\$1,478,000,000.00**, and from the MPSERS retirement obligation reform reserve fund money appropriated in section 11, there is allocated for ~~2022-2023~~ **only an amount needed, estimated at \$140,400,000.00**, for payments to districts and intermediate districts that are participating entities of the Michigan public school employees' retirement system. In addition, from the general fund money appropriated in section 11, there is allocated for ~~2021-2022-2022-2023~~ an amount not to exceed \$500,000.00 for payments to district libraries that are participating entities of the Michigan public school employees' retirement system. **It is the intent of the legislature that money allocated from the MPSERS retirement obligation reform reserve fund under this section for 2022-2023 represents the amount necessary to reduce the payroll growth assumption to 1.75%.** All of the following apply to funding under this section:

(a) Except as otherwise provided in this subdivision, for ~~2021-2022-2022-2023~~, the amounts allocated under this section are estimated to provide an average MPSERS rate cap per pupil amount of ~~\$944.00~~ **\$1,042.00** and are estimated to provide a rate cap per pupil for districts ranging between \$5.00 and ~~\$4,200.00~~ **\$3,700.00**. For

~~2021-2022, 2022-2023~~, if the retirement system determines the average MPSERS rate cap per pupil amount and rate cap per pupil for districts estimated in the immediately preceding sentence need to be adjusted, the estimated average MPSERS rate cap per pupil amount and estimated rate cap per pupil for districts under this subdivision are the estimations determined by the retirement system. If the retirement system makes a determination as described in the immediately preceding sentence, it shall issue its estimations publicly and describe the need for the adjustment described in the immediately preceding sentence.

(b) Payments made under this section are equal to the difference between the unfunded actuarial accrued liability contribution rate as calculated pursuant to section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, as calculated without taking into account the maximum employer rate of 20.96% included in section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum employer rate of 20.96% included in section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

(c) The amount allocated to each participating entity under this section is based on each participating entity's proportion of the total covered payroll for the immediately preceding fiscal year for the same type of participating entities. A participating entity that receives funds under this section shall use the funds solely for the purpose of retirement contributions as specified in subdivision (d).

(d) Each participating entity receiving funds under this section shall forward an amount equal to the amount allocated under subdivision (c) to the retirement system in a form, manner, and time frame determined by the retirement system.

(e) Funds allocated under this section should be considered when comparing a district's growth in total state aid funding from 1 fiscal year to the next.

(f) ~~Not later than December 20 ,2021,~~**of each fiscal year for which funding is allocated under this section,** the department shall publish and post on its website an estimated MPSERS rate cap per pupil for each district.

(g) The office of retirement services shall first apply funds allocated under this section to pension contributions and, if any funds remain after that payment, shall apply those remaining funds to other postemployment benefit contributions.

(2) In addition to the funds allocated under subsection (1), from the state school aid fund money appropriated in section 11, there is allocated for 2022-2023 only \$1,000,000,000.00 for payments to districts and intermediate districts that are participating entities of the Michigan public school employees' retirement system. The amount allocated to each participating entity under this subsection must be based on each participating entity's proportion of the total covered payroll for the immediately preceding fiscal year. A participating entity that receives funds under this subsection shall use the funds solely for purposes of this subsection. Each participating entity receiving funds under this subsection shall forward an amount equal to the amount allocated under this subsection to the retirement system in a form, manner, and time frame determined by the retirement system. The retirement system shall recognize funds received under this subsection as additional assets being contributed to the system and shall not categorize them as unfunded actuarial liability contributions or normal cost contributions.

(3) ~~(b)~~-As used in this section:

(a) ~~(i)~~-“District library” means a district library established under the district library establishment act, 1989 PA 24, MCL 397.171 to 397.196.

(b) ~~(ii)~~-“MPSERS rate cap per pupil” means an amount equal to the quotient of the district's payment under this section divided by the district's pupils in membership.

(c) ~~(iii)~~-“Participating entity” means a district, intermediate district, or district library that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

(d) ~~(iv)~~-“Retirement board” means the board that administers the retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

(e) ~~(v)~~-“Retirement system” means the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

Sec. 147e. (1) From the state school aid fund money appropriated in section 11, there is allocated for ~~2020-2021-2021-2022~~ an amount not to exceed ~~\$33,800,000.00~~ **\$50,000,000.00** and there is allocated for ~~2021-2022~~ **2022-2023** an amount not to exceed ~~\$65,300,000.00~~ **\$54,000,000.00** for payments to participating entities.

(2) The payment to each participating entity under this section is the sum of the amounts under this subsection as follows:

(a) An amount equal to the contributions made by a participating entity for the additional contribution made to a qualified participant's Tier 2 account in an amount equal to the contribution made by the qualified participant not to exceed 3% of the qualified participant's compensation as provided for under section 131(6) of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1431.

(b) Beginning October 1, 2017, an amount equal to the contributions made by a participating entity for a qualified participant who is only a Tier 2 qualified participant under section 81d of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1381d, not to exceed 4%, and, beginning February 1, 2018, not to exceed 1%, of the qualified participant's compensation.

(c) An amount equal to the increase in employer normal cost contributions under section 41b(2) of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341b, for a member that was hired after February 1, 2018 and chose to participate in Tier 1, compared to the employer normal cost contribution for a member under section 41b(1) of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341b.

(3) As used in this section:

(a) "Member" means that term as defined under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

(b) "Participating entity" means a district, intermediate district, or community college that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

(c) "Qualified participant" means that term as defined under section 124 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1424.

Sec. 152a. (1) As required by the court in the consolidated cases known as *Adair v State of Michigan*, 486 Mich 468 (2010), from the state school aid fund money appropriated in section 11, there is allocated for ~~2021-2022~~ **2022-2023** an amount not to exceed \$38,000,500.00 to be used solely for the purpose of paying necessary costs related to the state-mandated collection, maintenance, and reporting of data to this state.

(2) From the allocation in subsection (1), the department shall make payments to districts and intermediate districts in an equal amount per pupil based on the total number of pupils in membership in each district and intermediate district. The department shall not make any adjustment to these payments after the final installment payment under section 17b is made.

Sec. 152b. (1) From the general fund money appropriated under section 11, there is allocated an amount not to exceed \$1,000,000.00 for ~~2021-2022~~ **2022-2023** to reimburse actual costs incurred by nonpublic schools in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state.

(2) By January 1 of each applicable fiscal year, the department shall publish a form for reporting actual costs incurred by a nonpublic school in complying with a health, safety, or welfare requirement mandated under state law containing each health, safety, or welfare requirement mandated by a law or administrative rule of this state applicable to a nonpublic school and with a reference to each relevant provision of law or administrative rule for the requirement. The form ~~shall~~ **must** be posted on the department's website in electronic form.

(3) By June 30 of each applicable fiscal year, a nonpublic school seeking reimbursement for actual costs incurred in complying with a health, safety, or welfare requirement under a law or administrative rule of this state during each applicable school year ~~shall~~ **must** submit a completed form described in subsection (2) to the department. This section does not require a nonpublic school to submit a form described in subsection (2). A nonpublic school is not eligible for reimbursement under this section if the nonpublic school does not submit the form described in subsection (2) in a timely manner.

(4) By August 15 of each applicable fiscal year, the department shall distribute funds to each nonpublic school that submits a completed form described under subsection (2) in a timely manner. The superintendent shall determine the amount of funds to be paid to each nonpublic school in an amount that does not exceed the nonpublic school's actual costs in complying with a health, safety, or welfare requirement under a law or administrative rule of this state. The superintendent shall calculate a nonpublic school's actual cost in accordance with this section.

(5) If the funds allocated under this section are insufficient to fully fund payments as otherwise calculated under this section, the department shall distribute funds under this section on a prorated or other equitable basis as determined by the superintendent.

(6) The department may review the records of a nonpublic school submitting a form described in subsection (2) only for the limited purpose of verifying the nonpublic school's compliance with this section. If a nonpublic school does not allow the department to review records under this subsection, the nonpublic school is not eligible for reimbursement under this section.

(7) The funds appropriated under this section ~~are for purposes related to education, are considered to be incidental to the operation of a nonpublic school, are noninstructional in character, are for purposes that are incidental to teaching and the provision of educational services to nonpublic school students; that are noninstructional in nature; that do not constitute a primary function or element necessary for a nonpublic~~

school's existence, operation, and survival; that do not involve or result in excessive religious entanglement; and that are intended for the public purpose of ensuring the health, safety, and welfare of the children in nonpublic schools and to reimburse nonpublic schools for costs described in this section.

(8) Funds allocated under this section are not intended to aid or maintain any nonpublic school, support the attendance of any student at a nonpublic school, employ any person at a nonpublic school, support the attendance of any student at any location where instruction is offered to a nonpublic school student, or support the employment of any person at any location where instruction is offered to a nonpublic school student.

(9) For purposes of this section, "actual cost" means the hourly wage for the employee or employees performing a task or tasks required to comply with a health, safety, or welfare requirement under a law or administrative rule of this state identified by the department under subsection (2) and is to be calculated in accordance with the form published by the department under subsection (2), which ~~shall~~**must** include a detailed itemization of costs. The nonpublic school shall not charge more than the hourly wage of its lowest-paid employee capable of performing a specific task regardless of whether that individual is available and regardless of who actually performs a specific task. Labor costs under this subsection ~~shall~~**must** be estimated and charged in increments of 15 minutes or more, with all partial time increments rounded down. When calculating costs under subsection (4), fee components ~~shall~~**must** be itemized in a manner that expresses both the hourly wage and the number of hours charged. The nonpublic school may not charge any applicable labor charge amount to cover or partially cover the cost of health or fringe benefits. A nonpublic school shall not charge any overtime wages in the calculation of labor costs.

(10) ~~For the purposes of this section, the actual cost incurred by a nonpublic school for taking daily student attendance shall be considered an actual cost in complying with a health, safety, or welfare requirement under a law or administrative rule of this state. Training fees, inspection fees, and criminal background check fees are considered actual costs in complying with a health, safety, or welfare requirement under a law or administrative rule of this state.~~

~~(11) The funds allocated under this section for 2017-2018 are a work project appropriation, and any unexpended funds for 2017-2018 are carried forward into 2018-2019. The purpose of the work project is to continue to reimburse nonpublic schools for actual costs incurred in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state. The estimated completion date of the work project is September 30, 2022.~~

~~(12) The funds allocated under this section for 2018-2019 are a work project appropriation, and any unexpended funds for 2018-2019 are carried forward into 2019-2020. The purpose of the work project is to continue to reimburse nonpublic schools for actual costs incurred in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state. The estimated completion date of the work project is September 30, 2022.~~

~~(11) (13) The funds allocated under this section for 2021-2022 are a work project appropriation, and any unexpended funds for 2021-2022 are carried forward into 2022-2023. The purpose of the work project is to continue to reimburse nonpublic schools for actual costs incurred in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state. The estimated completion date of the work project is September 30, 2023.~~

(12) The funds allocated under this section for 2022-2023 are a work project appropriation, and any unexpended funds for 2022-2023 are carried forward into 2023-2024. The purpose of the work project is to continue to reimburse nonpublic schools for actual costs incurred in complying with a health, safety, or welfare requirement mandated by a law or administrative rule of this state. The estimated completion date of the work project is September 30, 2024.

~~(13) (14) The department shall reimburse nonpublic schools for actual costs incurred in complying with health, safety, or welfare requirements under a law or administrative rule of this state from 2018-2019-2017-2018 through 2020-2021-2021-2022 using work project funds or, if those funds are insufficient to fund reimbursements under this subsection, from the allocation under subsection (1).~~

Sec. 201. (1) Subject to the conditions set forth in this article, the amounts listed in this section are appropriated for community colleges for the fiscal year ending September 30, 2022-2023, from the funds indicated in this section. The following is a summary of the appropriations in this section:

(a) The gross appropriation is ~~\$431,917,000.00.~~**\$530,258,000.00.** After deducting total interdepartmental grants and intradepartmental transfers in the amount of \$0.00, the adjusted gross appropriation is ~~\$431,917,000.00.~~**\$530,258,000.00.**

(b) The sources of the adjusted gross appropriation described in subdivision (a) are as follows:

(i) Total federal revenues, ~~\$0.00.~~**\$81,200,000.00.**

(ii) Total local revenues, \$0.00.

(iii) Total private revenues, \$0.00.

(iv) Total other state restricted revenues, ~~\$431,917,000.00.~~**\$449,058,000.00.**

(v) State general fund/general purpose money, \$0.00.

(2) Subject to subsection (3), the amount appropriated for community college operations is ~~\$328,583,400.00~~, **\$341,224,400.00**, allocated as follows:

(a) The appropriation for Alpena Community College is ~~\$5,830,600.00~~, ~~\$5,753,300.00~~ for operations, ~~\$53,400.00~~ for 1-time performance funding, and ~~\$23,900.00~~ for costs incurred under the North American Indian tuition waiver. ~~\$6,040,500.00~~, **\$5,753,300.00** for operations, **\$273,500.00** for performance funding, and **\$13,700.00** for costs incurred under the North American Indian tuition waiver.

(b) The appropriation for Bay de Noc Community College is ~~\$5,772,400.00~~, ~~\$5,602,800.00~~ for operations, ~~\$58,000.00~~ for 1-time performance funding, and ~~\$111,600.00~~ for costs incurred under the North American Indian tuition waiver. ~~\$5,986,700.00~~, **\$5,602,800.00** for operations, **\$274,200.00** for performance funding, and **\$109,700.00** for costs incurred under the North American Indian tuition waiver.

(c) The appropriation for Delta College is ~~\$15,364,000.00~~, ~~\$15,160,500.00~~ for operations, ~~\$143,400.00~~ for 1-time performance funding, and ~~\$60,100.00~~ for costs incurred under the North American Indian tuition waiver. ~~\$15,928,400.00~~, **\$15,160,500.00** for operations, **\$727,700.00** for performance funding, and **\$40,200.00** for costs incurred under the North American Indian tuition waiver.

(d) The appropriation for Glen Oaks Community College is ~~\$2,684,500.00~~, ~~\$2,651,200.00~~ for operations, ~~\$33,300.00~~ for 1-time performance funding, and ~~\$0.00~~ for costs incurred under the North American Indian tuition waiver. ~~\$2,802,100.00~~, **\$2,651,200.00** for operations, **\$150,900.00** for performance funding, and **\$0.00** for costs incurred under the North American Indian tuition waiver.

(e) The appropriation for Gogebic Community College is ~~\$4,968,100.00~~, ~~\$4,873,700.00~~ for operations, ~~\$42,400.00~~ for 1-time performance funding, and ~~\$52,000.00~~ for costs incurred under the North American Indian tuition waiver. ~~\$5,145,800.00~~, **\$4,873,700.00** for operations, **\$229,600.00** for performance funding, and **\$42,500.00** for costs incurred under the North American Indian tuition waiver.

(f) The appropriation for Grand Rapids Community College is ~~\$19,193,200.00~~, ~~\$18,773,100.00~~ for operations, ~~\$221,500.00~~ for 1-time performance funding, and ~~\$198,600.00~~ for costs incurred under the North American Indian tuition waiver. ~~\$19,950,600.00~~, **\$18,773,100.00** for operations, **\$993,100.00** for performance funding, and **\$184,400.00** for costs incurred under the North American Indian tuition waiver.

(g) The appropriation for Henry Ford College is ~~\$22,753,900.00~~, ~~\$22,533,100.00~~ for operations, ~~\$205,800.00~~ for 1-time performance funding, and ~~\$15,000.00~~ for costs incurred under the North American Indian tuition waiver. ~~\$23,731,400.00~~, **\$22,533,100.00** for operations, **\$1,167,000.00** for performance funding, and **\$31,300.00** for costs incurred under the North American Indian tuition waiver.

(h) The appropriation for Jackson College is ~~\$12,912,300.00~~, ~~\$12,756,200.00~~ for operations, ~~\$109,900.00~~ for 1-time performance funding, and ~~\$46,200.00~~ for costs incurred under the North American Indian tuition waiver. ~~\$13,337,700.00~~, **\$12,756,200.00** for operations, **\$538,900.00** for performance funding, and **\$42,600.00** for costs incurred under the North American Indian tuition waiver.

(i) The appropriation for Kalamazoo Valley Community College is ~~\$13,320,400.00~~, ~~\$13,099,900.00~~ for operations, ~~\$134,400.00~~ for 1-time performance funding, and ~~\$86,100.00~~ for costs incurred under the North American Indian tuition waiver. ~~\$13,832,700.00~~, **\$13,099,900.00** for operations, **\$676,200.00** for performance funding, and **\$56,600.00** for costs incurred under the North American Indian tuition waiver.

(j) The appropriation for Kellogg Community College is ~~\$10,419,200.00~~, ~~\$10,267,100.00~~ for operations, ~~\$100,800.00~~ for 1-time performance funding, and ~~\$51,300.00~~ for costs incurred under the North American Indian tuition waiver. ~~\$10,781,400.00~~, **\$10,267,100.00** for operations, **\$487,300.00** for performance funding, and **\$27,000.00** for costs incurred under the North American Indian tuition waiver.

(k) The appropriation for Kirtland Community College is ~~\$3,404,000.00~~, ~~\$3,358,400.00~~ for operations, ~~\$39,100.00~~ for 1-time performance funding, and ~~\$6,500.00~~ for costs incurred under the North American Indian tuition waiver. ~~\$3,601,000.00~~, **\$3,358,400.00** for operations, **\$219,500.00** for performance funding, and **\$23,100.00** for costs incurred under the North American Indian tuition waiver.

(l) The appropriation for Lake Michigan College is ~~\$5,768,200.00~~, ~~\$5,702,700.00~~ for operations, ~~\$52,400.00~~ for 1-time performance funding, and ~~\$13,100.00~~ for costs incurred under the North American Indian tuition waiver. ~~\$5,990,800.00~~, **\$5,702,700.00** for operations, **\$275,700.00** for performance funding, and **\$12,400.00** for costs incurred under the North American Indian tuition waiver.

(m) The appropriation for Lansing Community College is ~~\$33,255,300.00~~, ~~\$32,852,000.00~~ for operations, ~~\$280,600.00~~ for 1-time performance funding, and ~~\$122,700.00~~ for costs incurred under the North American Indian tuition waiver. ~~\$34,339,200.00~~, **\$32,852,000.00** for operations, **\$1,376,900.00** for performance funding, and **\$110,300.00** for costs incurred under the North American Indian tuition waiver.

(n) The appropriation for Macomb Community College is ~~\$34,629,700.00~~, ~~\$34,276,100.00~~ for operations, ~~\$330,300.00~~ for 1-time performance funding, and ~~\$23,300.00~~ for costs incurred under the North American Indian tuition waiver. ~~\$35,950,400.00~~, **\$34,276,100.00** for operations, **\$1,635,800.00** for performance funding, and **\$38,500.00** for costs incurred under the North American Indian tuition waiver.

(o) The appropriation for Mid Michigan Community College is ~~\$5,396,300.00, \$5,184,400.00 for operations, \$58,000.00 for 1-time performance funding, and \$153,900.00 for costs incurred under the North American Indian tuition waiver.~~**\$5,555,700.00, \$5,184,400.00 for operations, \$273,700.00 for performance funding, and \$97,600.00 for costs incurred under the North American Indian tuition waiver.**

(p) The appropriation for Monroe County Community College is ~~\$4,798,100.00, \$4,746,200.00 for operations, \$51,200.00 for 1-time performance funding, and \$700.00 for costs incurred under the North American Indian tuition waiver.~~**\$5,005,000.00, \$4,746,200.00 for operations, \$257,400.00 for performance funding, and \$1,400.00 for costs incurred under the North American Indian tuition waiver.**

(q) The appropriation for Montcalm Community College is ~~\$3,642,600.00, \$3,570,600.00 for operations, \$37,200.00 for 1-time performance funding, and \$4,800.00 for costs incurred under the North American Indian tuition waiver.~~**\$3,767,400.00, \$3,570,600.00 for operations, \$188,300.00 for performance funding, and \$8,500.00 for costs incurred under the North American Indian tuition waiver.**

(r) The appropriation for C.S. Mott Community College is ~~\$16,623,500.00, \$16,440,000.00 for operations, \$142,500.00 for 1-time performance funding, and \$41,000.00 for costs incurred under the North American Indian tuition waiver.~~**\$17,127,100.00, \$16,440,000.00 for operations, \$658,300.00 for performance funding, and \$28,800.00 for costs incurred under the North American Indian tuition waiver.**

(s) The appropriation for Muskegon Community College is ~~\$9,431,700.00, \$9,289,100.00 for operations, \$85,100.00 for 1-time performance funding, and \$57,500.00 for costs incurred under the North American Indian tuition waiver.~~**\$9,775,400.00, \$9,289,100.00 for operations, \$444,300.00 for performance funding, and \$42,000.00 for costs incurred under the North American Indian tuition waiver.**

(t) The appropriation for North Central Michigan College is ~~\$3,612,700.00, \$3,389,300.00 for operations, \$42,200.00 for 1-time performance funding, and \$181,200.00 for costs incurred under the North American Indian tuition waiver.~~**\$3,779,800.00, \$3,389,300.00 for operations, \$226,600.00 for performance funding, and \$163,900.00 for costs incurred under the North American Indian tuition waiver.**

(u) The appropriation for Northwestern Michigan College is ~~\$9,906,900.00, \$9,567,100.00 for operations, \$88,600.00 for 1-time performance funding, and \$251,200.00 for costs incurred under the North American Indian tuition waiver.~~**\$10,162,300.00, \$9,567,100.00 for operations, \$439,700.00 for performance funding, and \$155,500.00 for costs incurred under the North American Indian tuition waiver.**

(v) The appropriation for Oakland Community College is ~~\$22,485,200.00, \$22,211,700.00 for operations, \$240,000.00 for 1-time performance funding, and \$33,500.00 for costs incurred under the North American Indian tuition waiver.~~**\$23,505,300.00, \$22,211,700.00 for operations, \$1,257,800.00 for performance funding, and \$35,800.00 for costs incurred under the North American Indian tuition waiver.**

(w) The appropriation for Schoolcraft College is ~~\$13,386,700.00, \$13,196,200.00 for operations, \$151,700.00 for 1-time performance funding, and \$38,800.00 for costs incurred under the North American Indian tuition waiver.~~**\$13,960,700.00, \$13,196,200.00 for operations, \$743,300.00 for performance funding, and \$21,200.00 for costs incurred under the North American Indian tuition waiver.**

(x) The appropriation for Southwestern Michigan College is ~~\$7,081,900.00, \$6,979,400.00 for operations, \$68,400.00 for 1-time performance funding, and \$34,100.00 for costs incurred under the North American Indian tuition waiver.~~**\$7,359,900.00, \$6,979,400.00 for operations, \$353,400.00 for performance funding, and \$27,100.00 for costs incurred under the North American Indian tuition waiver.**

(y) The appropriation for St. Clair County Community College is ~~\$7,478,700.00, \$7,385,200.00 for operations, \$78,400.00 for 1-time performance funding, and \$15,100.00 for costs incurred under the North American Indian tuition waiver.~~**\$7,805,200.00, \$7,385,200.00 for operations, \$401,400.00 for performance funding, and \$18,600.00 for costs incurred under the North American Indian tuition waiver.**

(z) The appropriation for Washtenaw Community College is ~~\$14,080,600.00, \$13,855,900.00 for operations, \$189,400.00 for 1-time performance funding, and \$35,300.00 for costs incurred under the North American Indian tuition waiver.~~**\$14,875,000.00, \$13,855,900.00 for operations, \$995,400.00 for performance funding, and \$23,700.00 for costs incurred under the North American Indian tuition waiver.**

(aa) The appropriation for Wayne County Community College is ~~\$17,782,100.00, \$17,593,400.00 for operations, \$173,700.00 for 1-time performance funding, and \$15,000.00 for costs incurred under the North American Indian tuition waiver.~~**\$18,384,700.00, \$17,593,400.00 for operations, \$782,700.00 for performance funding, and \$8,600.00 for costs incurred under the North American Indian tuition waiver.**

(bb) The appropriation for West Shore Community College is ~~\$2,630,600.00, \$2,585,600.00 for operations, \$24,800.00 for 1-time performance funding, and \$20,200.00 for costs incurred under the North American Indian tuition waiver.~~**\$2,742,200.00, \$2,585,600.00 for operations, \$135,400.00 for performance funding, and \$21,200.00 for costs incurred under the North American Indian tuition waiver.**

(3) The amount appropriated in subsection (2) for community college operations is ~~\$328,583,400.00~~**\$341,224,400.00** and is appropriated from the state school aid fund.

(4) From the appropriations described in subsection (1), both of the following apply:

(a) Subject to section 207a, the amount appropriated for fiscal year ~~2021-2022-2022-2023~~ to offset certain fiscal year ~~2021-2022-2022-2023~~ retirement contributions is \$1,733,600.00, appropriated from the state school aid fund.

(b) For fiscal year ~~2021-2022-2022-2023~~, there is allocated an amount not to exceed \$11,700,000.00 ~~\$10,800,000.00~~ for payments to participating community colleges, appropriated from the state school aid fund. A community college that receives money under this subdivision shall use that money solely for the purpose of offsetting the normal cost contribution rate.

(5) From the appropriations described in subsection (1), subject to section 207b, the amount appropriated for payments to community colleges that are participating entities of the retirement system is ~~\$87,200,000.00~~ **\$92,600,000.00**, appropriated from the state school aid fund.

(6) From the appropriations described in subsection (1), subject to section 207c, the amount appropriated for renaissance zone tax reimbursements is \$2,200,000.00, appropriated from the state school aid fund. Each community college receiving funds in this subsection shall accrue these payments to its institutional fiscal year ending June 30, ~~2022-2023~~.

(7) From the appropriations described in subsection (1), subject to section 216, the amount appropriated for the Michigan reconnect grant program short-term training grants is \$6,000,000.00, appropriated from the coronavirus state fiscal recovery funds under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2.

(8) From the appropriations described in subsection (1), there is appropriated \$9,200,000.00 from the coronavirus state fiscal recovery funds under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, for fiscal year 2022-2023 only, to the nonprofit organization Talent 2025, for the creation and operation of the Michigan center for adult college success to focus on research, support models, and best practices on ensuring enrollment and completion of college degrees and certificates among adults returning to further their education due to being unemployed or underemployed, including, but not limited to, those whose employment opportunities have been adversely affected by the COVID-19 pandemic. The goal of the research is to identify barriers that prevent these individuals from completing degree and certificate programs, create greater support systems within colleges and universities for these students that address these barriers, and as a result increase the number of adults completing degree and certificate programs. This research is meant to serve the overarching aim of increasing the skills and training of Michiganders impacted by the COVID-19 pandemic. Talent 2025 shall provide information on request to the house and senate appropriations subcommittees on community colleges, the house and senate fiscal agencies, and the state budget director on the use of these funds until the project is completed.

(9) From the appropriations described in subsection (1), subject to section 216a, there is appropriated \$10,000,000.00, from the coronavirus state fiscal recovery funds under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, for fiscal year 2022-2023 only, to the Michigan Community College Association, for the community college academic catch-up program.

(10) The amount appropriated for pregnant and parenting student services is \$500,000.00, appropriated from the state school aid fund, and is subject to section 226f.

(11) From the appropriations described in subsection (1), subject to section 216b, the amount appropriated for the Michigan ADN to BSN completion grant program is \$56,000,000.00, appropriated from the coronavirus state fiscal recovery funds under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2.

Sec. 202a. As used in this article:

(a) “ADN” means an associate of science degree in nursing, an associate of applied science in nursing, or a similar 2-year degree in nursing.

(b) “BSN” means a bachelor of science degree in nursing.

(c) (a) “Center” means the center for educational performance and information created in section 94a.

(d) (b) “Michigan renaissance zone act” means the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696. “College level equivalent credit examination” means an examination that is administered by an independent testing service and that is used by colleges and universities generally to award postsecondary credit for achievement of a particular score, and includes, but is not limited to, advanced placement examinations, the DANTES Subject Standardized Test (DSST), and college-level examination program (CLEP) examinations.

(e) (c) “Participating college” means a community college that is a reporting unit of the retirement system and that reports employees to the retirement system for the state fiscal year.

(d) “Retirement board” means the board that administers the retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

(f) ~~(e)~~—“Retirement system” means the Michigan public school employees’ retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

Sec. 206. (1) Except for the funds appropriated in section 201(4)(b), the funds appropriated in section 201 are appropriated for community colleges with fiscal years ending June 30, ~~2022-2023~~ and ~~shall-must~~ be paid out of the state treasury and distributed by the state treasurer to the respective community colleges in 11 monthly installments on the sixteenth of each month, or the next succeeding business day, beginning with October 16, ~~2021-2022~~. Each community college shall accrue its July and August ~~2022-2023~~ payments to its institutional fiscal year ending June 30, ~~2022-2023~~.

(2) The funds appropriated in section 201(4)(b) are appropriated for community colleges with fiscal years ending June 30, ~~2022-2023~~ and ~~shall-must~~ be distributed to the respective community colleges in quarterly installments on the sixteenth of each November, February, May, and August. Each community college shall accrue its August ~~2022-2023~~ payments to its institutional fiscal year ending June 30, ~~2022-2023~~.

(3) If the state budget director determines that a community college failed to submit any of the following information in the form and manner specified by the center, the state treasurer shall, subject to subsection (4), withhold the monthly installments from that community college until those data are submitted:

(a) The Michigan community colleges verified data inventory data for the preceding academic year to the center by the first business day of November of each year as specified in section 217.

(b) The college credit opportunity data set as specified in section 209.

(c) The longitudinal data set for the preceding academic year to the center as specified in section 219.

(d) The annual independent audit as specified in section 222.

(e) Tuition and mandatory fees information for the current academic year as specified in section 225.

(f) The number and type of associate degrees and other certificates awarded during the previous academic year as specified in section 226.

(4) The state budget director shall notify the chairs of the house and senate appropriations subcommittees on community colleges at least 10 days before withholding funds from any community college under subsection (3).

Sec. 207a. The following apply to the allocation of the fiscal year ~~2021-2022-2022-2023~~ appropriations described in section 201(4):

(a) A community college that receives money under section 201(4) shall use that money solely for the purpose of offsetting a portion of the retirement contributions owed by the college for that fiscal year.

(b) The amount allocated to each participating community college under section 201(4)(a) ~~shall-must~~ be based on each college’s percentage of the total covered payroll for all community colleges that are participating colleges in the immediately preceding fiscal year.

(c) The amount allocated to each participating community college under section 201(4)(b) ~~shall-must~~ be based on each college’s reported quarterly payroll for members for the current fiscal year.

Sec. 207b. All of the following apply to the allocation of the fiscal year ~~2021-2022-2022-2023~~ appropriations described in section 201(5) for payments to community colleges that are participating entities of the retirement system:

(a) The amount of a payment under section 201(5) ~~shall-must~~ be the difference between the unfunded actuarial accrued liability contribution rate as calculated under section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, as calculated without taking into account the maximum employer rate of 20.96% included in section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum employer rate of 20.96% under section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

(b) The amount allocated to each community college under section 201(5) ~~shall-must~~ be based on each community college’s percentage of the total covered payroll for all community colleges that are participating colleges in the immediately preceding fiscal year. A community college that receives funds under this subdivision shall use the funds solely for the purpose of retirement contributions under section 201(5).

(c) Each participating college that receives funds under section 201(5) shall forward an amount equal to the amount allocated under subdivision (b) to the retirement system in a form and manner determined by the retirement system.

Sec. 207c. All of the following apply to the allocation of the appropriations described in section 201(6) to community colleges described in section 12(3) of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692:

(a) The amount allocated to each community college under section 201(6) for fiscal year ~~2021-2022~~ ~~shall~~ **2022-2023 must** be based on that community college’s proportion of total revenue lost by community colleges as a result of the exemption of property taxes levied in ~~2021-2022~~ under the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696.

(b) The appropriations described in section 201(6) ~~shall~~**must** be made to each eligible community college within 60 days after the department of treasury certifies to the state budget director that it has received all necessary information to properly determine the amounts payable to each eligible community college under section 12 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692.

Sec. 209. (1) Within 30 days after the board of a community college adopts its annual operating budget for the following fiscal year, or after the board adopts a subsequent revision to that budget, the community college shall make all of the following information available through a link on its website homepage, and shall also submit this information, and the information described in subsections (4) and (5), to the state budget director, who will compile the information it receives into a single report for all community colleges and will submit the report to the house and senate appropriations subcommittees on community colleges and the house and senate fiscal agencies:

- (a) The annual operating budget and subsequent budget revisions.
- (b) A link to the most recent "Michigan Community College Data Inventory Report".
- (c) General fund revenue and expenditure projections for the current fiscal year and the next fiscal year.
- (d) A listing of all debt service obligations, detailed by project, anticipated payment of each project, and total outstanding debt for the current fiscal year.
- (e) Links to all of the following for the community college:
 - (i) The current collective bargaining agreement for each bargaining unit.
 - (ii) Each health care benefits plan, including, but not limited to, medical, dental, vision, disability, long-term care, or any other type of benefits that would constitute health care services, offered to any bargaining unit or employee of the community college.
 - (iii) Audits and financial reports for the most recent fiscal year for which they are available.
 - (iv) A copy of the board of trustees resolution regarding compliance with best practices for the local strategic value component described in section 230(2).
- (f) A map that includes the boundaries of the community college district.

(2) For statewide consistency and public visibility, community colleges must use the icon badge provided by the department of technology, management, and budget consistent with the icon badge developed by the department of education for K-12 school districts. It must appear on the front of each community college's homepage. The size of the icon may be reduced to 150 x 150 pixels.

(3) The state budget director shall determine whether a community college has complied with this section. The state budget director may withhold a community college's monthly installments described in section 206 until the community college complies with this section. The state budget director shall notify the chairs of the house and senate appropriations subcommittee on community colleges at least 10 days before withholding funds from any community college.

(4) Each community college shall report the following information to the ~~senate and house~~ **and senate** appropriations subcommittees on community colleges, the ~~senate and house~~ **and senate** fiscal agencies, and the state budget office by November 15 and post that information on its website as required under subsection (1):

- (a) Budgeted current fiscal year general fund revenue from tuition and fees.
- (b) Budgeted current fiscal year general fund revenue from state appropriations.
- (c) Budgeted current fiscal year general fund revenue from property taxes.
- (d) Budgeted current fiscal year total general fund revenue.
- (e) Budgeted current fiscal year total general fund expenditures.
- (5) By the first business day of November of each year, a community college shall post the following information on its website under the budget transparency icon badge:
 - (a) Opportunities for earning college credit through the following programs:
 - (i) State approved career and technical education or a tech prep articulated program of study.
 - (ii) Direct college credit or concurrent enrollment.
 - (iii) Dual enrollment.
 - (iv) An early college/middle college program.
 - (b) For each program described in subdivision (a) that the community college offers, all of the following information:
 - (i) The number of high school students participating in the program.
 - (ii) The number of school districts that participate in the program with the community college.
 - (iii) Whether a college professor, qualified local school district employee, or other individual teaches the course or courses in the program.
 - (iv) The total cost to the community college to operate the program.
 - (v) The cost per credit hour for the course or courses in the program.
 - (vi) The location where the course or courses in the program are held.

(vii) Instructional resources offered to the program instructors.

(viii) Resources offered to the student in the program.

(ix) Transportation services provided to students in the program.

Sec. 209a. (1) A public community college shall develop, maintain, and update a “campus safety information and resources” link, prominently displayed on the homepage of its website, to a section of its website containing all of the information required under subsection (2).

(2) The “campus safety information and resources” section of a public community college’s website ~~shall~~ **must** include, but not be limited to, all of the following information:

(a) Emergency contact numbers for police, fire, health, and other services.

(b) Hours, locations, phone numbers, and ~~electronic mail~~ **email** contacts for campus public safety offices and title IX offices.

(c) A list of safety and security services provided by the community college, including transportation, escort services, building surveillance, anonymous tip lines, and other available security services.

(d) A public community college’s policies applicable to minors on community college property.

(e) A directory of resources available at the community college or surrounding community for students or employees who are survivors of sexual assault or sexual abuse.

(f) An electronic copy of “A Resource Handbook for Campus Sexual Assault Survivors, Friends and Family”, published in 2018.

(g) Campus security policies and crime statistics pursuant to the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381. Information ~~shall~~ **must** include all material prepared pursuant to the public information reporting requirements under the crime awareness and campus security act of 1990, title II of the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381.

(3) A community college shall certify to the state budget director by October 1, ~~2021~~ **2022** that it is in compliance with this section. The state budget director may withhold a public community college’s monthly installments described in section 206 until the public community college complies with this section.

Sec. 210h. (1) If a community college that receives an appropriation in section 201 establishes a mandatory COVID-19 vaccine policy, it shall provide exemptions to that policy to the following students **and employees**:

(a) Any student **or employee** for whom a physician certifies that a COVID-19 vaccine is or may be detrimental to the student’s **or employee’s** health or is not appropriate.

(b) Any student **or employee** who provides a written statement to the effect that the requirements of the COVID-19 vaccine policy cannot be met because of religious convictions or other consistently held objection to immunization.

(2) It must be presumed that a student **or employee** who requests an exemption under subsection (1) is entitled to that exemption. The community college shall grant that student’s **or employee’s** request unless it determines by clear and convincing evidence that the student **or employee** is not entitled to that exemption. **A community college shall not deny an exemption solely because the student or employee previously received another vaccine.**

(3) A community college shall not deny a student’s **or employee’s** request for an exemption until it has ~~exhausted~~ **explored** every reasonable accommodation. **An accommodation more burdensome or stringent than relevant state or federal guidelines is presumptively unreasonable.**

(4) If a community college denies a student’s **or employee’s** request for an exemption, the community college shall issue a **written** report fully explaining its reasons for the denial. That report must describe all reasonable accommodations the community college offered the student **or employee** and the student’s **or employee’s** response.

(5) Every community college shall submit a written report regarding its actions taken under this section no later than March 15 of each year to the ~~senate and house~~ **and senate** appropriations subcommittees on community colleges, the ~~senate and house~~ **and senate** fiscal agencies, and the state budget director. This annual report must include the following information, which may be obtained from any reliable source that complies with applicable laws regarding student privacy:

(a) The number of students **and employees** who have requested an exemption from the community college’s COVID-19 vaccine policy.

(b) The number of students **and employees** who have been granted an exemption.

(c) **The number of students and employees in noncompliance with the community college’s COVID-19 vaccine policy.**

(6) **No provision of this section is to be construed as requiring a community college to violate any federal law.**

Sec. 216. (1) **The funds appropriated in section 201(7) for the Michigan reconnect grant program short-term training grants must be used to expand the Michigan reconnect grant program short-term training grants to include eligible students who are at least 21 years old. The funds appropriated in section 201(7) must be expended to award grants, administer the program, and support the duties outlined in section 21 of the Michigan reconnect grant recipient act, 2020 PA 68, MCL 390.1721.**

(2) Federal funds appropriated in section 201(7) must be allocated and expended in a manner consistent with federal rules and regulations.

(3) The department of labor and economic opportunity must report on the status of funds appropriated in section 201(7), and all funds appropriated related to the coronavirus relief effort, to the house and senate appropriations subcommittees on community colleges, the house and senate fiscal agencies, and the state budget director on a quarterly basis until all funds are exhausted.

(4) Any unexpended and unencumbered funds remaining on September 30, 2023 from the amounts appropriated in section 201(7) for the Michigan reconnect grant program short-term training grants for fiscal year 2022-2023 do not lapse on September 30, 2023 but continue to be available for the purposes described in subsection (1) in the 2023-2024 and 2024-2025 fiscal years under a work project account. The use of these unexpended fiscal year 2022-2023 funds under this subsection terminates at the end of the 2024-2025 fiscal year.

Sec. 216a. (1) The funds appropriated in section 201(9) for the community college academic catch-up program must be placed in a fund administered by the Michigan Community College Association to support each community college's efforts to combat learning loss among recent high school graduates who experienced interruptions to in-person learning due to the COVID-19 pandemic. The grant to any given community college must not exceed \$1,000,000.00.

(2) The Michigan Community College Association shall do all of the following:

(a) Establish an application process for community colleges to receive academic catch-up program grant funding.

(b) Establish a group that reviews community college applications and determines award funding. This group must include the following members:

(i) The executive director of the Michigan Center for Student Success or his or her designee.

(ii) The executive director of the Michigan College Access Network or his or her designee.

(iii) One community college president representing a small community college.

(iv) One community college president representing a medium community college.

(v) One community college president representing a large community college.

(c) Require community colleges awarded program funding to submit a report on the use of program funds to the Michigan Community College Association.

(d) Submit a report to the house and senate appropriations subcommittees on community colleges, the house and senate fiscal agencies, and the state budget director on the community colleges awarded program funding and the amounts by September 30, 2023.

(e) Restrict the cost of program administration to no greater than 2% of the total funds appropriated.

(3) Community colleges must do all of the following to be considered eligible for the program:

(a) Submit an application to the group designated under subsection (2)(b).

(b) Offer a summer educational program that is focused on English and mathematics to any incoming college student enrolled in a public in-state community college or university that is free of charge to the student.

(c) Enroll students who complete the summer educational program in college-level English or mathematics or co-requisite courses in English or mathematics.

(d) Provide transportation support and classroom supplies to students enrolled in the program. Classroom supplies must include access to a laptop, wireless internet access, and technical support during the program.

(e) Provide both in-person and online instruction options.

(f) Provide individualized support for career exploration, admission, and financial aid.

(g) Provide support for student basic needs, including, but not limited to, food assistance, during the program.

Sec. 216b. (1) The funds appropriated in section 201(11) must be used for the creation of the Michigan ADN to BSN completion grant program. The grant program, administered by the department of labor and economic opportunity, will award each eligible community college in this state a minimum of \$2,000,000.00 to support the creation and execution of a program that allows individuals in this state who have attained an associate degree in nursing to complete a bachelor of science degree in nursing in partnership with a BSN-granting Michigan public university or Michigan not-for-profit independent 4-year college or university. This grant program will directly impact the health care field, which has been adversely affected by the COVID-19 pandemic, by increasing the training and skills of health care professionals in this state.

(2) For purposes of this section, an eligible community college must have both of the following:

(a) A signed agreement with a BSN-granting Michigan public university or Michigan not-for-profit independent 4-year college or university that provides for all of the following:

(i) A plan for the BSN-granting institution to design, deliver, and maintain an ADN to BSN completion program, including admissions, curriculum design, and accreditation, with strategic input from employers and community colleges.

(ii) The utilization of existing ADN to BSN completion programs, including 3+1 agreements, the Michigan Transfer Agreement, credit for prior learning policies, and credit for community college coursework, that meets BSN program requirements at the BSN-granting institution.

(iii) BSN completion courses to be taught at least partially in person on community college campuses with course delivery methods informed by the expressed needs of the learners in that community.

(iv) To the greatest extent possible, opportunities for joint faculty appointments for qualified community college faculty to teach BSN completion courses as adjunct or part-time faculty at the BSN-granting institution.

(v) A co-branding model to promote the BSN-granting institution and community college as partners to students, employers, and communities.

(vi) Adequate student supports, including academic advising, career services, financial aid support, mental health counseling, and other student basic needs services offered by the community college or the BSN-granting institution, or both, to ensure that students are likely to complete.

(vii) A minimum 5-year agreement duration, with adequate data and evidence to support discontinuing the agreement before 5 years have elapsed.

(b) Strategic input and engagement from local health care employers and the local workforce development agency.

(3) Grant funding may be used to pay program expenses, including, but not limited to, all of the following:

(a) Personnel costs associated with delivering BSN programs on community college campuses.

(b) Investments in community college facilities to support delivery of BSN programming.

(c) Outreach and recruitment of potential students.

(d) Student financial aid or financial assistance to reduce the overall cost of completing a BSN program.

(e) Assessment of program success and the ability to recruit, retain, train, and graduate more BSN-prepared nurses in this state.

(4) The Michigan ADN to BSN completion grant program must be assessed annually for improvements in accessibility, affordability, and growth of total BSN-prepared nurses in this state. The Michigan Community College Association, Michigan Association of State Universities, and Michigan Independent Colleges & Universities Association shall submit this assessment to the house and senate appropriations subcommittees on higher education and community colleges, the house and senate fiscal agencies, and the state budget director annually no later than September 30. The assessment is to be completed with coordination among eligible community colleges and BSN-granting institutions that receive funding to support programs and the Michigan Health and Hospital Association through the Healthcare Workforce Information Collaborative.

(5) Unencumbered funds in section 201(11) appropriated for the Michigan ADN to BSN completion grant program are designated as a work project appropriation and must not lapse at the end of the fiscal year. Unencumbered and unallotted funds must be available for expenditures for grants under this section. The purpose of the work project is to increase access to BSN programs on community college campuses through collaborative partnership. The estimated completion date of this work project is September 30, 2026.

Sec. 226b. By September 30, ~~2022~~, **2023**, each community college receiving an appropriation in section 201 shall do both of the following:

(a) Submit a report to the ~~senate and house~~ **and senate** appropriations subcommittees on community colleges, the ~~senate and house~~ **and senate** fiscal agencies, and the state budget director describing all federal funds the community college received, including the amounts, related to the COVID-19 pandemic, including, but not limited to, any federal funds received from the coronavirus relief fund under the coronavirus aid, relief, and economic security act, Public Law 116-136, **response and relief supplemental appropriations act, the American rescue plan act of 2021**, and similar federal relief packages.

(b) Post the information contained in the report described in subdivision (a) on the public transparency website described in section 209.

Sec. 226d. It is the intent of the legislature that by February 1, ~~2022~~, **2023**, each community college ~~shall~~ **will** submit to the ~~senate and house~~ **and senate** appropriations subcommittees on community colleges, the ~~senate and house~~ **and senate** fiscal agencies, and the state budget director a report on activities related to strategic planning and internal assessment or reassessment to best provide for open and free expression and speech, while protecting students from hate-speech, violence, and discrimination.

Sec. 226e. It is the goal of the governor and legislature to ensure that 60% of Michigan's residents achieve a postsecondary credential, high-quality industry certification, associate degree, or bachelor's degree by 2030.

Sec. 226f. (1) From the funds appropriated in section 201(10), a community college may establish and operate a pregnant and parenting student services office. If established, an office shall meet all of the following:

- (a) Be located on the campus of the community college.
- (b) Annually assess the performance of the community college and the office in meeting all of the following needs of students on campus who are pregnant or who are custodial parents or legal guardians of minors:
 - (i) Comprehensive student health care.
 - (ii) Family housing.
 - (iii) Child care.
 - (iv) Flexible or alternative academic scheduling.
 - (v) Education concerning responsible parenting for mothers and fathers.
- (c) Identify public and private service providers qualified to meet the needs described in subdivision (b), both on campus and within the local community, and establish programs with qualified providers it selects to meet those needs.
- (d) Assist students in locating and obtaining services that meet 1 or more of the needs described in subdivision (b).
- (e) If appropriate, provide referrals on prenatal care and delivery, infant, or foster care, adoption, and family planning to individual students who request that information. An office shall not provide referrals for abortion services.
- (2) By December 1, 2022, a community college that establishes a pregnant and parenting student services office shall report to the house and senate appropriations subcommittees on community colleges, the house and senate fiscal agencies, and the state budget director all of the following:
 - (a) An itemized list of office expenditures during the preceding fiscal year.
 - (b) A review and evaluation of the performance of the office in fulfilling its obligations under this section.
 - (c) The number of students served by the office.

Sec. 226g. (1) It is the intent of the legislature that each community college adopt an advocacy policy applicable to faculty, staff, students, student employees, visitors, and contractors by January 1, ~~2022~~ 2023 and comply with all other requirements of this section.

(2) An advocacy policy established under subsection (1) should include, but is not limited to, policies for distribution and self-distribution of printed political or advocacy materials related to First Amendment activities and political demonstrating. The policy should include a process for filing a complaint or reporting a violation of the advocacy policy and identify the community college staff responsible for investigating complaints and violations. The advocacy policy should include the effective date and be posted on the community college's website.

Sec. 227. (1) Each community college that receives an appropriation in section 201 shall demonstrate the acceptance of nationally recognized college level equivalent credit examination opportunities by developing and implementing policies and procedures for the awarding of academic credit through college level equivalent credit examinations.

(2) A community college shall not create policies or procedures that prevent students from earning college credits through college level equivalent credit examinations once enrolled in the community college.

(3) Each community college shall make its credit policies and opportunities for college level equivalent credit examinations publicly available on the community college's website.

(4) If a community college requires scores above those recommended by the American Council on Education to earn college credit through college level equivalent credit examinations, that community college shall submit to the house and senate appropriations subcommittees on community colleges, the house and senate fiscal agencies, and the state budget director a report on the data and justifications for that decision by February 1, 2023.

Sec. 227a. (1) Each community college that receives an appropriation in section 201 shall provide all enrolled students information on accelerated degree completion pathways and options within the first semester of enrollment, and shall publicly post this information on the community college's website by October 1, 2022.

(2) Each community college shall work to create accelerated degree completion pathways for enrolled students if such options do not already exist.

Sec. 229. (1) Each community college that receives an appropriation in section 201 is expected to include in its admission application process a specific question as to whether an applicant for admission has ever served or is currently serving in the United States Armed Forces or is the spouse or dependent of an individual who has served or is currently serving in the United States Armed Forces, in order to more quickly identify potential educational assistance available to that applicant.

(2) It is expected that each community college that receives an appropriation in section 201 ~~shall~~ **will** work with the house and senate **appropriations subcommittees on community college subcommittees, colleges,** the Michigan Community College Association, and veterans groups to review the issue of in-district tuition for veterans of this state when determining tuition rates and fees.

(3) Each community college that receives an appropriation in section 201 is expected to provide reasonable programming and scheduling accommodations necessary to facilitate a student's military, ~~national guard,~~ **National Guard,** or military reserves duties and training obligations.

(4) **Each community college that receives an appropriation in section 201 is expected to provide college level equivalent credit examination opportunities for veterans and active members of the military, National Guard, or military reserves within the first semester of enrollment.**

(5) **Each community college that receives an appropriation in section 201 is expected to do all of the following in its admission application process if it knows that an applicant for admission is currently serving, or has ever served, as a member of the military, the National Guard, or the military reserves:**

(a) **Inform the applicant that he or she may receive academic credit for college-level training and education he or she received while serving in the military.**

(b) **Inform the applicant that he or she may submit a transcript of his or her college-level military training and education to the community college.**

(c) **If the applicant submits a transcript described in subdivision (b), evaluate that transcript and notify the applicant of what transfer credits are available to the applicant from the community college for his or her college-level military training and education.**

(6) ~~(4)-~~As used in this section: ~~-"veteran"~~

(a) **"Transcript" includes a joint services transcript prepared for the applicant under the American Council on Education registry of credit recommendations.**

(b) **"Veteran" means an honorably discharged veteran entitled to educational assistance under section 5003 of the post-911 veterans educational assistance act of 2008, 38 USC 3301 to 3327.**

Sec. 229a. Included in the fiscal year ~~2021-2022-2022-2023~~ appropriations for the department of technology, management, and budget are appropriations totaling ~~\$32,681,600.00~~ **\$32,981,600.00** to provide funding for the state share of costs for previously constructed capital projects for community colleges. Those appropriations for state building authority rent represent additional state general fund support for community colleges, and the following is an estimate of the amount of that support to each community college:

- (a) Alpena Community College, ~~\$933,000.00~~ **\$902,600.00.**
- (b) Bay de Noc Community College, ~~\$538,000.00~~ **\$520,600.00.**
- (c) Delta College, ~~\$2,706,700.00~~ **\$2,732,600.00.**
- (d) Glen Oaks Community College, ~~\$128,500.00~~ **\$194,600.00.**
- (e) Gogebic Community College, ~~\$58,500.00~~ **\$56,600.00.**
- (f) Grand Rapids Community College, ~~\$1,210,000.00~~ **\$1,097,700.00.**
- (g) Henry Ford College, ~~\$1,073,900.00~~ **\$1,174,500.00.**
- (h) Jackson College, ~~\$2,260,600.00~~ **\$2,187,400.00.**
- (i) Kalamazoo Valley Community College, ~~\$2,028,700.00~~ **\$1,963,000.00.**
- (j) Kellogg Community College, ~~\$709,300.00~~ **\$686,300.00.**
- (k) Kirtland Community College, ~~\$235,000.00~~ **\$227,400.00.**
- (l) Lake Michigan College, ~~\$1,009,100.00~~ **\$976,400.00.**
- (m) Lansing Community College, ~~\$1,191,900.00~~ **\$1,153,300.00.**
- (n) Macomb Community College, ~~\$1,722,600.00~~ **\$1,966,900.00.**
- (o) Mid Michigan Community College, ~~\$1,687,100.00~~ **\$1,632,400.00.**
- (p) Monroe County Community College, ~~\$1,608,700.00~~ **\$1,556,600.00.**
- (q) Montcalm Community College, ~~\$465,900.00~~ **\$450,800.00.**
- (r) C.S. Mott Community College, ~~\$2,196,900.00~~ **\$2,125,700.00.**
- (s) Muskegon Community College, ~~\$1,025,800.00~~ **\$992,600.00.**
- (t) North Central Michigan College, ~~\$502,500.00~~ **\$692,400.00.**
- (u) Northwestern Michigan College, ~~\$1,866,800.00~~ **\$1,806,300.00.**
- (v) Oakland Community College, ~~\$0.00~~ **\$0.00.**
- (w) Schoolcraft College, ~~\$1,824,000.00~~ **\$2,371,300.00.**
- (x) Southwestern Michigan College, ~~\$859,200.00~~ **\$831,400.00.**
- (y) St. Clair County Community College, ~~\$750,100.00~~ **\$725,800.00.**
- (z) Washtenaw Community College, ~~\$1,792,600.00~~ **\$1,734,600.00.**
- (aa) Wayne County Community College, ~~\$1,527,300.00~~ **\$1,477,900.00.**
- (bb) West Shore Community College, ~~\$768,900.00~~ **\$743,900.00.**

Sec. 230. (1) ~~With the exception of fiscal year 2020-2021, and subject~~ **Subject** to subsection (4), money included in the appropriations for community college operations under section 201(2) for performance funding is distributed based on the following formula:

- (a) Allocated proportionate to fiscal year ~~2020-2021~~ **2021-2022** base appropriations, 30%.
- (b) Based on a weighted student contact hour formula as provided for in the 2016 recommendations of the performance indicators task force, 30%.
- (c) Based on the performance improvement as provided for in the 2016 recommendations of the performance indicators task force and based on data provided by the center, 10%.
- (d) Based on the performance completion number as provided for in the 2016 recommendations of the performance indicators task force, 10%.
- (e) Based on the performance completion rate as provided for in the 2016 recommendations of the performance indicators task force and based on data provided by the center, 10%.
- (f) Based on administrative costs, 5%.
- (g) Based on the local strategic value component, as developed in cooperation with the Michigan Community College Association and described in subsection (2), 5%.

(2) Money included in the appropriations for community college operations under section 201(2) for local strategic value ~~shall be~~ **is** allocated **only** to each community college that certifies to the state budget director, through a board of trustees resolution on or before October 15, ~~2021~~, **2022**, that the college has met 4 out of 5 best practices listed in each category described in subsection (3). The resolution ~~shall~~ **must** provide specifics as to how the community college meets each best practice measure within each category. One-third of funding available under the strategic value component ~~shall be~~ **is** allocated to each category described in subsection (3). Amounts distributed under local strategic value ~~shall~~ **must** be on a proportionate basis to each college's fiscal year ~~2020-2021~~ **2021-2022** operations funding. Payments to community colleges that qualify for local strategic value funding ~~shall~~ **must** be distributed with the November installment payment described in section 206.

(3) For purposes of subsection (2), the following categories of best practices reflect functional activities of community colleges that have strategic value to the local communities and regional economies:

- (a) For Category A, economic development and business or industry partnerships, the following:
 - (i) The community college has active partnerships with local employers including hospitals and health care providers.
 - (ii) The community college provides customized on-site training for area companies, employees, or both.
 - (iii) The community college supports entrepreneurship through a small business assistance center or other training or consulting activities targeted toward small businesses.
 - (iv) The community college supports technological advancement through industry partnerships, incubation activities, or operation of a Michigan technical education center or other advanced technology center.
 - (v) The community college has active partnerships with local or regional workforce and economic development agencies.
- (b) For Category B, educational partnerships, the following:
 - (i) The community college has active partnerships with regional high schools, intermediate school districts, and career-tech centers to provide instruction through dual enrollment, concurrent enrollment, direct credit, middle college, or academy programs.
 - (ii) The community college hosts, sponsors, or participates in enrichment programs for area K-12 students, such as college days, summer or after-school programming, or Science Olympiad.
 - (iii) The community college provides, supports, or participates in programming to promote successful transitions to college for traditional age students, including grant programs such as talent search, upward bound, or other activities to promote college readiness in area high schools and community centers.
 - (iv) The community college provides, supports, or participates in programming to promote successful transitions to college for new or reentering adult students, such as adult basic education, a high school equivalency test preparation program and testing, or recruiting, advising, or orientation activities specific to adults. As used in this subparagraph, "high school equivalency test preparation program" means that term as defined in section 4.
 - (v) The community college has active partnerships with regional 4-year colleges and universities to promote successful transfer, such as articulation, 2+2, or reverse transfer agreements or operation of a university center.
- (c) For Category C, community services, the following:
 - (i) The community college provides continuing education programming for leisure, wellness, personal enrichment, or professional development.
 - (ii) The community college operates or sponsors opportunities for community members to engage in activities that promote leisure, wellness, cultural or personal enrichment such as community sports teams, theater or musical ensembles, or artist guilds.

(iii) The community college operates public facilities to promote cultural, educational, or personal enrichment for community members, such as libraries, computer labs, performing arts centers, museums, art galleries, or television or radio stations.

(iv) The community college operates public facilities to promote leisure or wellness activities for community members, including gymnasiums, athletic fields, tennis courts, fitness centers, hiking or biking trails, or natural areas.

(v) The community college promotes, sponsors, or hosts community service activities for students, staff, or community members.

(4) Payments for performance funding under section 201(2) ~~shall~~ **must** be made to a community college only if that community college actively participates in the Michigan Transfer Network sponsored by the Michigan Association of Collegiate Registrars and Admissions Officers and submits timely updates, including updated course equivalencies at least every 6 months, to the Michigan transfer network. The state budget director shall determine if a community college has not satisfied this requirement. The state budget director may withhold payments for performance funding until a community college is in compliance with this subsection.

(5) **Payments under section 201 for performance funding for fiscal year 2022-2023 must be made only to a public community college that certifies to the state budget director by the last business day of August that its board will not adopt an increase in tuition and fee rates for in-district students for the 2022-2023 academic year that is greater than 5.0% or \$226.00, whichever is greater. As used in this subsection:**

(a) **"Fee" means any board-authorized fee that will be paid by more than 1/2 of all in-district students at least once during their enrollment at a community college. A community college increasing a fee that applies to a specific subset of students or courses shall provide sufficient information to prove that the increase applied to that subset will not cause the increase in the average amount of board-authorized total tuition and fees paid by in-district students in the 2022-2023 academic year to exceed the limit established in this section.**

(b) **"Tuition and fee rate" means the average of full-time rates paid by a majority of students in each class, based on an unweighted average of the rates authorized by the community college board and actually charged to students, deducting any uniformly rebated or refunded amounts, for the 2 semesters with the highest levels of full-time equated in-district enrollment during the academic year.**

(6) **Community colleges that exceed the tuition and fee rate cap described in subsection (5) must not receive a planning or construction authorization for a state-funded capital outlay project in fiscal year 2022-2023 or 2023-2024.**

(7) **Notwithstanding any other provision of this act, the legislature may at any time adjust appropriations for a community college that adopts an increase in tuition and fee rates for in-district students that exceeds the rate cap established in subsection (5).**

(8) **A task force must be formed by September 15, 2022 to review, evaluate, discuss, and make recommendations regarding community college operations funding, with a focus on addressing disparities and ensuring that funding levels are equitable across tuition, state support, and local tax revenue. All of the following apply to this task force:**

(a) **The task force must consist of the following members:**

(i) **The chairs and minority vice chairs of the house and senate appropriations subcommittees on higher education and community colleges.**

(ii) **The state budget director or designee.**

(iii) **The director of the Michigan Community Colleges Association.**

(iv) **Three members from Michigan public community colleges, designated by the Michigan Community College Association, that represent various-sized colleges and geographical distribution.**

(b) **The task force may engage legislative staff, the house and senate fiscal agencies, the state budget office, the department of treasury, former state officials, and other stakeholders with relevant technical expertise to support its work.**

(c) **The task force shall review whether the current performance metrics used for the performance funding formula are the most appropriate and reliable performance indicators available and determine the most efficient methodology for connecting state funding to those indicators. The task force shall also review, examine, and suggest methodology concerning equitable and appropriate funding levels to community colleges.**

(d) **The task force shall publish a report containing its findings and recommendations by December 15, 2022.**

Sec. 236. (1) Subject to the conditions set forth in this article, the amounts listed in this section are appropriated for higher education for the fiscal year ending September 30, ~~2022~~, **2023**, from the funds indicated in this section. The following is a summary of the appropriations in this section: ~~and section 236h:~~

(a) The gross appropriation is ~~\$1,808,251,200.00~~—**\$2,022,135,700.00**. After deducting total interdepartmental grants and intradepartmental transfers in the amount of \$0.00, the adjusted gross appropriation is ~~\$1,808,251,200.00~~ **\$2,022,135,700.00**.

(b) The sources of the adjusted gross appropriation described in subdivision (a) are as follows:

(i) Total federal revenues, \$128,526,400.00.

(ii) Total local revenues, \$0.00.

(iii) Total private revenues, \$0.00.

(iv) Total other state restricted revenues, ~~\$361,403,300.00~~ **\$347,888,300.00**.

(v) State general fund/general purpose money, ~~\$1,318,321,500.00~~ **\$1,545,721,000.00**.

(2) Amounts appropriated for public universities are as follows:

(a) The appropriation for Central Michigan University is ~~\$90,440,500.00~~, ~~\$87,600,000.00~~ for operations, ~~\$876,000.00~~ for 1-time supplemental funding, and ~~\$1,964,500.00~~ for costs incurred under the North American Indian tuition waiver. **\$91,145,100.00**, **\$87,600,000.00** for operations, **\$0.00** for per-student floor funding, **\$1,752,000.00** for operations increase, and **\$1,793,100.00** for costs incurred under the North American Indian tuition waiver.

(b) The appropriation for Eastern Michigan University is ~~\$78,305,900.00~~, ~~\$77,253,700.00~~ for operations, ~~\$772,500.00~~ for 1-time supplemental funding, and ~~\$279,700.00~~ for costs incurred under the North American Indian tuition waiver. **\$79,152,400.00**, **\$77,253,700.00** for operations, **\$0.00** for per-student floor funding, **\$1,545,100.00** for operations increase, and **\$353,600.00** for costs incurred under the North American Indian tuition waiver.

(c) The appropriation for Ferris State University is ~~\$56,541,600.00~~, ~~\$55,025,500.00~~ for operations, ~~\$550,300.00~~ for 1-time supplemental funding, and ~~\$965,800.00~~ for costs incurred under the North American Indian tuition waiver. **\$56,952,900.00**, **\$55,025,500.00** for operations, **\$0.00** for per-student floor funding, **\$1,100,500.00** for operations increase, and **\$826,900.00** for costs incurred under the North American Indian tuition waiver.

(d) The appropriation for Grand Valley State University is ~~\$74,213,800.00~~, ~~\$72,313,500.00~~ for operations, ~~\$723,100.00~~ for 1-time supplemental funding, and ~~\$1,177,200.00~~ for costs incurred under the North American Indian tuition waiver. **\$81,253,800.00**, **\$72,313,500.00** for operations, **\$7,661,000.00** for per-student floor funding, **\$0.00** for operations increase, and **\$1,279,300.00** for costs incurred under the North American Indian tuition waiver.

(e) The appropriation for Lake Superior State University is ~~\$14,366,600.00~~, ~~\$13,307,000.00~~ for operations, ~~\$133,100.00~~ for 1-time supplemental funding, and ~~\$926,500.00~~ for costs incurred under the North American Indian tuition waiver. **\$14,361,900.00**, **\$13,307,000.00** for operations, **\$0.00** for per-student floor funding, **\$266,100.00** for operations increase, and **\$788,800.00** for costs incurred under the North American Indian tuition waiver.

(f) The appropriation for Michigan State University is ~~\$357,862,000.00~~, ~~\$287,331,700.00~~ for operations, ~~\$2,873,300.00~~ for 1-time supplemental funding, ~~\$1,932,800.00~~ for costs incurred under the North American Indian tuition waiver, ~~\$35,286,700.00~~ for MSU AgBioResearch, and ~~\$30,437,500.00~~ for MSU Extension. **\$372,054,800.00**, **\$287,331,700.00** for operations, **\$0.00** for per-student floor funding, **\$14,349,600.00** for operations increase, **\$2,046,400.00** for costs incurred under the North American Indian tuition waiver, **\$36,684,200.00** for MSU AgBioResearch, and **\$31,642,900.00** for MSU Extension.

(g) The appropriation for Michigan Technological University is ~~\$51,371,900.00~~, ~~\$50,101,600.00~~ for operations, ~~\$501,000.00~~ for 1-time supplemental funding, and ~~\$769,300.00~~ for costs incurred under the North American Indian tuition waiver. **\$51,951,000.00**, **\$50,101,600.00** for operations, **\$0.00** for per-student floor funding, **\$1,002,000.00** for operations increase, and **\$847,400.00** for costs incurred under the North American Indian tuition waiver.

(h) The appropriation for Northern Michigan University is ~~\$49,338,700.00~~, ~~\$47,809,100.00~~ for operations, ~~\$478,100.00~~ for 1-time supplemental funding, and ~~\$1,051,500.00~~ for costs incurred under the North American Indian tuition waiver. **\$50,751,100.00**, **\$47,809,100.00** for operations, **\$0.00** for per-student floor funding, **\$1,780,700.00** for operations increase, and **\$1,161,300.00** for costs incurred under the North American Indian tuition waiver.

(i) The appropriation for Oakland University is ~~\$54,012,900.00~~, ~~\$53,147,400.00~~ for operations, ~~\$531,500.00~~ for 1-time supplemental funding, and ~~\$334,000.00~~ for costs incurred under the North American Indian tuition waiver. **\$60,761,900.00**, **\$53,147,400.00** for operations, **\$7,259,200.00** for per-student floor funding, **\$0.00** for operations increase, and **\$355,300.00** for costs incurred under the North American Indian tuition waiver.

(j) The appropriation for Saginaw Valley State University is ~~\$31,043,500.00, \$30,583,800.00 for operations, \$305,800.00 for 1-time supplemental funding, and \$153,900.00 for costs incurred under the North American Indian tuition waiver.~~**\$32,274,600.00, \$30,583,800.00 for operations, \$132,900.00 for per-student floor funding, \$1,369,600.00 for operations increase, and \$188,300.00 for costs incurred under the North American Indian tuition waiver.**

(k) The appropriation for University of Michigan – Ann Arbor is ~~\$326,265,400.00, \$321,970,100.00 for operations, \$3,219,700.00 for 1-time supplemental funding, and \$1,075,600.00 for costs incurred under the North American Indian tuition waiver.~~**\$339,198,000.00, \$321,970,100.00 for operations, \$0.00 for per-student floor funding, \$16,390,200.00 for operations increase, and \$837,700.00 for costs incurred under the North American Indian tuition waiver.**

(l) The appropriation for University of Michigan – Dearborn is ~~\$26,593,700.00, \$26,167,000.00 for operations, \$261,700.00 for 1-time supplemental funding, and \$165,000.00 for costs incurred under the North American Indian tuition waiver.~~**\$28,115,900.00, \$26,167,000.00 for operations, \$1,702,700.00 for per-student floor funding, \$0.00 for operations increase, and \$246,200.00 for costs incurred under the North American Indian tuition waiver.**

(m) The appropriation for University of Michigan – Flint is ~~\$24,197,400.00, \$23,616,200.00 for operations, \$236,200.00 for 1-time supplemental funding, and \$345,000.00 for costs incurred under the North American Indian tuition waiver.~~**\$25,159,200.00, \$23,616,200.00 for operations, \$953,900.00 for per-student floor funding, \$204,700.00 for operations increase, and \$384,400.00 for costs incurred under the North American Indian tuition waiver.**

(n) The appropriation for Wayne State University is ~~\$205,496,400.00, \$202,996,700.00 for operations, \$2,030,000.00 for 1-time supplemental funding, and \$469,700.00 for costs incurred under the North American Indian tuition waiver.~~**\$213,639,700.00, \$202,996,700.00 for operations, \$0.00 for per-student floor funding, \$10,289,900.00 for operations increase, and \$353,100.00 for costs incurred under the North American Indian tuition waiver.**

(o) The appropriation for Western Michigan University is ~~\$113,432,700.00, \$111,522,200.00 for operations, \$1,115,200.00 for 1-time supplemental funding, and \$795,300.00 for costs incurred under the North American Indian tuition waiver.~~**\$114,351,900.00, \$111,522,200.00 for operations, \$0.00 for per-student floor funding, \$2,230,400.00 for operations increase, and \$599,300.00 for costs incurred under the North American Indian tuition waiver.**

(3) The amount appropriated in subsection (2) for public universities is ~~\$1,553,483,000.00,~~**\$1,611,124,200.00**, appropriated from the following:

(a) State school aid fund, \$343,168,300.00.

(b) State general fund/general purpose money, ~~\$1,240,314,700.00~~**\$1,297,955,900.00.**

(4) The amount appropriated for Michigan public school employees' retirement system reimbursement is ~~\$13,495,000.00,~~**\$70,000.00**, appropriated from the state school aid fund.

(5) The amount appropriated for state and regional programs is \$316,800.00, appropriated from general fund/general purpose money and allocated as follows:

(a) Higher education database modernization and conversion, \$200,000.00.

(b) Midwestern Higher Education Compact, \$116,800.00.

(6) The amount appropriated for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks program is \$2,691,500.00, appropriated from general fund/general purpose money and allocated as follows:

(a) Select student support services, \$1,956,100.00.

(b) Michigan college/university partnership program, \$586,800.00.

(c) Morris Hood, Jr. educator development program, \$148,600.00.

(7) Subject to subsection (8), the amount appropriated for grants and financial aid is \$147,783,200.00, allocated as follows:

(a) State competitive scholarships, \$29,861,700.00.

(b) Tuition grants, \$42,021,500.00.

(c) Tuition incentive program, \$71,300,000.00.

(d) Children of veterans and officer's survivor tuition grant programs, \$1,400,000.00.

(e) Project GEAR-UP, \$3,200,000.00.

(8) The money appropriated in subsection (7) for grants and financial aid is appropriated from the following:

(a) Federal revenues under the United States Department of Education, Office of Elementary and Secondary Education, GEAR-UP program, \$3,200,000.00.

(b) Federal revenues under the social security act, temporary assistance for needy families, \$125,326,400.00.

(c) State general fund/general purpose money, \$19,256,800.00.

(9) For fiscal year ~~2021-2022-2022-2023~~ only, in addition to the allocation under subsection (4), from the appropriations described in subsection (1), there is allocated an amount not to exceed ~~\$4,740,000.00~~ **\$4,650,000.00** for payments to participating public universities, appropriated from the state school aid fund. A university that receives money under this subsection shall use that money solely for the purpose of offsetting the normal cost contribution rate. As used in this subsection, “participating public universities” means public universities that are a reporting unit of the Michigan public school employees’ retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that pay contributions to the Michigan public school employees’ retirement system for the state fiscal year.

~~(11) The amount of one-time funding appropriated for the Japan Center for Michigan Universities is \$500,000.00, appropriated from the state general fund/general purpose money and allocated to support the operations of the Japan Center.~~

(10) From the appropriations described in subsection (1), subject to section 274a, the amount appropriated for ethical stem cell/fetal tissue research is \$5,000,000.00, appropriated from the state general fund/general purpose money.

(11) The amount appropriated for pregnant and parenting student support services is \$500,000.00, appropriated from the state general fund/general purpose money, and is subject to section 275k.

Sec. 236b. In addition to the funds appropriated in section 236, there is appropriated for grants and financial aid in fiscal year ~~2021-2022-2022-2023~~ an amount not to exceed \$6,000,000.00 for federal contingency authorization. These funds are not available for expenditure until they have been transferred under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393, for another purpose under this article.

Sec. 236c. In addition to the funds appropriated for fiscal year ~~2021-2022-2022-2023~~ in section 236, appropriations to the department of technology, management, and budget in the act providing general appropriations for fiscal year ~~2021-2022-2022-2023~~ for state building authority rent, totaling an estimated ~~\$130,595,300.00~~ **\$132,295,300.00**, provide funding for the state share of costs for previously constructed capital projects for state universities. These appropriations for state building authority rent represent additional state general fund support provided to public universities, and the following is an estimate of the amount of that support to each university:

- (a) Central Michigan University, ~~\$13,227,700.00~~ **\$12,973,000.00.**
- (b) Eastern Michigan University, ~~\$6,168,300.00~~ **\$6,049,500.00.**
- (c) Ferris State University, ~~\$8,104,200.00~~ **\$8,392,700.00.**
- (d) Grand Valley State University, ~~\$7,380,000.00~~ **\$8,653,400.00.**
- (e) Lake Superior State University, ~~\$1,842,700.00~~ **\$2,340,600.00.**
- (f) Michigan State University, ~~\$17,351,100.00~~ **\$16,673,800.00.**
- (g) Michigan Technological University, ~~\$3,488,700.00~~ **\$3,421,600.00.**
- (h) Northern Michigan University, ~~\$7,486,500.00~~ **\$7,342,400.00.**
- (i) Oakland University, ~~\$9,059,800.00~~ **\$9,488,200.00.**
- (j) Saginaw Valley State University, ~~\$8,009,900.00~~ **\$7,855,700.00.**
- (k) University of Michigan - Ann Arbor, ~~\$10,459,000.00~~ **\$12,065,900.00.**
- (l) University of Michigan - Dearborn, ~~\$11,336,800.00~~ **\$10,774,000.00.**
- (m) University of Michigan - Flint, ~~\$6,546,200.00~~ **\$6,084,700.00.**
- (n) Wayne State University, ~~\$10,489,800.00~~ **\$10,118,000.00.**
- (o) Western Michigan University, ~~\$9,644,600.00~~ **\$10,061,800.00.**

Sec. 236h. (1) For fiscal year ~~2021-2022~~ only, in addition to the allocations under section 236(4) and (9), there is allocated an amount not to exceed ~~\$84,741,700.00~~ **\$384,741,700.00** for payments to participating public universities, **\$84,741,700.00** appropriated from the state general fund/general purpose money **and \$300,000,000.00 appropriated from the state school aid fund.** A university that receives money under this subsection shall use that money solely for the purpose of payments toward the pension and other postemployment benefit unfunded actuarial accrued liabilities associated with members and pension recipients of those participating public universities. As used in this section, “participating public universities” means public universities that are reporting units of the Michigan public school employees’ retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that pay contributions to the Michigan public school employees’ retirement system for the state fiscal year.

(2) The amount allocated in subsection (1) ~~shall~~ **must** be allocated to each participating public university based on each participating public university’s percentage of the total combined payrolls of the universities’ employees who are members of the retirement system and who were hired before January 1, 1996 and the universities’ employees who would have been members of the retirement system on or after January 1, 1996, but for the enactment of 1995 PA 272 for all public universities that are participating public universities for the immediately preceding state fiscal year.

(3) Participating public universities receiving funds under this section shall forward an amount equal to the amount allocated under subsection (1) to the retirement system in a form, manner, and time frame determined by the retirement system.

(4) Amounts allocated in subsection (1) ~~shall must~~ be paid to participating public universities in 1 ~~lump sum~~ ~~lump-sum~~ installment no later than ~~December 31, 2021~~. **September 30, 2022.**

Sec. 236j. (1) The postsecondary scholarship fund is created in the department of treasury for the purpose of providing scholarship awards to eligible students who attend eligible postsecondary educational institutions in this state, as provided in subsection (5).

(2) The state treasurer may receive money or other assets from any source for deposit into the postsecondary scholarship fund. The state treasurer shall direct the investment of the postsecondary scholarship fund. The state treasurer shall credit to the postsecondary scholarship fund interest and earnings from postsecondary scholarship fund investments.

(3) Except as otherwise provided in subsection (5)(c), money in the postsecondary scholarship fund at the close of the fiscal year must remain in the postsecondary scholarship fund and not lapse to the general fund.

(4) The department of treasury shall be the administrator of the postsecondary scholarship fund for auditing purposes.

(5) The expenditure of money from the postsecondary scholarship fund is subject to all of the following:

(a) Money must be expended from the postsecondary scholarship fund only for the purpose of providing scholarship awards to eligible students who attend eligible postsecondary educational institutions in this state.

(b) Criteria for student and institutional eligibility under subdivision (a), along with all other program requirements, must be established pursuant to a postsecondary scholarship program enacted into the law of this state that is effective by not later than **September 30, 2023.**

(c) If a postsecondary scholarship program is not enacted into law with an effective date as described in subdivision (b), money in the postsecondary scholarship fund must remain in the postsecondary scholarship fund and not lapse to the general fund.

(6) For the fiscal year ending September 30, 2023, \$250,000,000.00 is deposited into the postsecondary scholarship fund from the state general fund/general purpose money.

Sec. 236k. (1) The amounts appropriated in section 236 for per-student floor funding are distributed to those public universities whose annual state appropriations per fiscal year equated student is less than \$4,500.00 and are to be allocated each year over 3 years until a funding floor of \$4,500.00 is met.

(2) The per-student floor funding allocation for fiscal year 2022-2023 is an amount equal to (the difference between \$4,500.00 and the amount calculated by dividing the annual state appropriations for fiscal year 2020-2021 by total fiscal year equated students for all public universities for fiscal year 2020-2021) divided by 3. The amount paid to an eligible public university is the amount calculated in the immediately preceding sentence multiplied by that university's fiscal year equated students for fiscal year 2020-2021. If a calculation under this section results in an amount less than \$0.00, the payment under this section is equal to \$0.00. It is intended that each university will reach a minimum funding level of at least \$4,500.00 over 3 years.

(3) As used in this section:

(a) "Annual state appropriations" means the total of those amounts allocated in section 236(2) with the exception of MSU AgBioResearch and MSU Extension for the fiscal year ending September 30, 2021.

(b) "Fiscal year equated students" means that term as used in the higher education institutional data inventory for the fiscal year ending September 30, 2021.

Sec. 237b. As used in this article: ; "center"

(a) "Center" means the center for educational performance and information created in section 94a.

(b) "College level equivalent credit examination" means an examination that is administered by an independent testing service and that is used by colleges and universities generally to award postsecondary credit for achievement of a particular score, and includes, but is not limited to, advanced placement examinations, the DANTES Subject Standardized Test (DSST), and college-level examination program (CLEP) examinations.

Sec. 241. (1) Subject to sections 244 and 265a, the funds appropriated in section 236 to public universities shall must be paid out of the state treasury and distributed by the state treasurer to the respective institutions in 11 equal monthly installments on the sixteenth of each month, or the next succeeding business day, beginning with October 16, 2021-2022. Except for Wayne State University, each institution shall accrue its July and August 2022 payments to its institutional fiscal year ending June 30, 2022-2023.

(2) All public universities shall submit higher education institutional data inventory (HEIDI) data and associated financial ~~and aid~~ program information requested by and in a manner prescribed by the state budget director. For public universities with fiscal years ending June 30, these data ~~shall~~ **must** be submitted to the state budget director by October 15 of each fiscal year. Public universities with a fiscal year ending September 30, ~~2021-2022~~ shall submit preliminary HEIDI data by November 15, ~~2021-2022~~ and final data by December 15, ~~2021-2022~~. If a public university fails to submit HEIDI data and associated financial aid program information in accordance with this reporting schedule, the state treasurer may withhold the monthly installments under subsection (1) to the public university until those data are submitted.

Sec. 245a. (1) A public university shall develop, maintain, and update a “campus safety information and resources” link, prominently displayed on the homepage of its website, to a section of its website containing all of the information required under subsection (2).

(2) The “campus safety information and resources” section of a public university’s website ~~shall~~ **must** include, but not be limited to, all of the following information:

(a) Emergency contact numbers for police, fire, health, and other services.

(b) Hours, locations, ~~phone~~ **telephone** numbers, and email contacts for campus public safety offices and title IX offices.

(c) A listing of safety and security services provided by the university, including transportation, escort services, building surveillance, anonymous tip lines, and other available security services.

(d) ~~A public~~ **The** university’s policies applicable to minors on university property.

(e) A directory of resources available at the university or surrounding community for students or employees who are survivors of sexual assault or sexual abuse.

(f) An electronic copy of “A Resource Handbook for Campus Sexual Assault Survivors, Friends and Family”, published in 2018.

(g) Campus security policies and crime statistics pursuant to the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381. Information ~~shall~~ **must** include all material prepared pursuant to the public information reporting requirements under the crime awareness and campus security act of 1990, title II of the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381.

(3) A public university shall certify to the state budget director by October 1, ~~2021-2022~~ that it is in compliance with this section. The state budget director may withhold a public university’s monthly installments described in section 241 until the public university complies with this section.

Sec. 251. (1) Payments of the amounts included in section 236 for the state competitive scholarship program ~~shall~~ **must** be distributed pursuant to 1964 PA 208, MCL 390.971 to 390.981.

(2) Pursuant to section 6 of 1964 PA 208, MCL 390.976, the department of treasury shall determine an actual state competitive scholarship award per student, which ~~shall~~ **must** be ~~\$1,000.00, \$1,500.00~~, that ensures that the aggregate payments for the state competitive scholarship program do not exceed the appropriation contained in section 236 for the state competitive scholarship program. If the department determines that insufficient funds are available to establish an award amount equal to ~~\$1,000.00, \$1,500.00~~, the department shall immediately report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding the estimated amount of additional funds necessary to establish a ~~\$1,000.00, \$1,500.00~~ award amount.

(3) The department of treasury shall implement a proportional competitive scholarship award level for recipients enrolled less than full-time in a given semester or term.

(4) If a student who receives an award under this section has his or her tuition and fees paid under the Michigan educational trust program, pursuant to the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1442, and still has financial need, the funds awarded under this section may be used for educational expenses other than tuition and fees.

(5) If the department of treasury increases the award per eligible student from that provided in the previous fiscal year, it ~~shall~~ **must** not have the effect of reducing the number of eligible students receiving awards in relation to the total number of eligible applicants. Any increase in the ~~grant~~ **award** **must** be proportional for all eligible students receiving awards.

(6) Veterans Administration benefits ~~shall~~ **must** not be considered in determining eligibility for the award of scholarships under 1964 PA 208, MCL 390.971 to 390.981.

Sec. 252. (1) The amounts appropriated in section 236 for the state tuition grant program ~~shall~~ **must** be distributed pursuant to 1966 PA 313, MCL 390.991 to 390.997a.

(2) Tuition grant awards ~~shall~~ **must** be made to all eligible Michigan residents enrolled in undergraduate degree programs who are qualified and who apply by March 1 of each year for the next academic year.

(3) Pursuant to section 5 of 1966 PA 313, MCL 390.995, and subject to subsections (6) and (7), the department of treasury shall determine an actual tuition grant award per student, which ~~shall~~ **must** be ~~\$2,800.00, \$3,000.00~~, that ensures that the aggregate payments for the tuition grant program do not exceed

the appropriation contained in section 236 for the state tuition grant program. If the department determines that insufficient funds are available to establish an award amount equal to ~~\$2,800.00~~, **\$3,000.00**, the department shall immediately report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding the estimated amount of additional funds necessary to establish a ~~\$2,800.00~~ **\$3,000.00** award amount. If the department determines that sufficient funds are available to establish an award amount equal to ~~\$2,800.00~~, **\$3,000.00**, the department shall immediately report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding the award amount established and the projected amount of any projected year-end appropriation balance based on that award amount. By February 18 of each fiscal year, the department shall analyze the status of award commitments, shall make any necessary adjustments, and shall confirm that those award commitments will not exceed the appropriation contained in section 236 for the tuition grant program. The determination and actions ~~shall~~ **must** be reported to the state budget director and the house and senate fiscal agencies no later than the final day of February of each year. If award adjustments are necessary, the students ~~shall~~ **must** be notified of the adjustment by March 4 of each year.

(4) The department of treasury shall continue a proportional tuition grant award level for recipients enrolled less than full-time in a given semester or term.

(5) If the department of treasury increases the award per eligible student from that provided in the previous fiscal year, it ~~shall~~ **must** not have the effect of reducing the number of eligible students receiving awards in relation to the total number of eligible applicants. Any increase in the grant ~~shall~~ **must** be proportional for all eligible students receiving awards for that fiscal year.

(6) The department of treasury shall not award more than ~~\$4,800,000.00~~ **\$5,000,000.00** in tuition grants to eligible students enrolled in the same independent nonprofit college or university in this state. Any decrease in the grant ~~shall~~ **must** be proportional for all eligible students enrolled in that college or university, as determined by the department. The limit described in this subsection does not apply to any other student financial aid program or in combination with any other student financial aid program.

(7) The department of treasury shall not award tuition grants to otherwise eligible students enrolled in an independent college or university that does not report, in a form and manner directed by and satisfactory to the department of treasury, by October 31 of each year, all of the following:

(a) The number of students in the most recently completed academic year who in any academic year received a state tuition grant at the reporting institution and successfully completed a program or graduated.

(b) The number of students in the most recently completed academic year who in any academic year received a state tuition grant at the reporting institution and took a remedial education class.

(c) The number of students in the most recently completed academic year who in any academic year received a Pell grant at the reporting institution and successfully completed a program or graduated.

(8) By February 1 of each year, each independent college and university participating in the tuition grant program shall report to the ~~senate and house~~ **and senate** appropriations subcommittees on higher education, the ~~senate and house~~ **and senate** fiscal agencies, and the state budget director on its efforts to develop and implement sexual assault response training for the institution's title IX coordinator, campus law enforcement personnel, campus public safety personnel, and any other campus personnel charged with responding to on-campus incidents, including information on sexual assault response training materials and the status of implementing sexual assault response training for institutional personnel.

Sec. 256. (1) The funds appropriated in section 236 for the tuition incentive program must be distributed as provided in this section and pursuant to the administrative procedures for the tuition incentive program of the department of treasury.

(2) As used in this section:

(a) "Phase I" means the first part of the tuition incentive program defined as the academic period of 80 semester or 120 term credits, or less, leading to an associate degree or certificate. Students must be enrolled in a certificate or associate degree program and taking classes within the program of study for a certificate or associate degree. Tuition will not be covered for courses outside of a certificate or associate degree program.

(b) "Phase II" means the second part of the tuition incentive program that provides assistance in the third and fourth year of 4-year degree programs.

(c) "Department" means the department of treasury.

(d) "High school equivalency certificate" means that term as defined in section 4.

(3) An individual must meet the following basic criteria and financial thresholds to be eligible for tuition incentive program benefits:

(a) To be eligible for phase I, an individual must meet all of the following criteria:

(i) Be less than 20 years of age at the time he or she graduates from high school with a diploma or certificate of completion or achieves a high school equivalency certificate or, for students attending a 5-year middle

college approved by the Michigan department of education, be less than 21 years of age when he or she graduates from high school.

(ii) Be a United States citizen and a resident of this state according to institutional criteria.

(iii) Be at least a half-time student, earning less than 80 semester or 120 term credits at a participating educational institution within 4 years of high school graduation or achievement of a high school equivalency certificate. All program eligibility expires 10 years after initial enrollment at a participating educational institution.

(iv) Meet the satisfactory academic progress policy of the educational institution he or she attends.

(b) To be eligible for phase II, an individual must meet either of the following criteria in addition to the criteria in subdivision (a):

(i) Complete at least 56 transferable semester or 84 transferable term credits.

(ii) Obtain an associate degree or certificate at a participating institution.

(c) To be eligible for phase I or phase II, an individual must be financially eligible as determined by the department. An individual is financially eligible for the tuition incentive program if he or she was eligible for Medicaid from this state for 24 months within the 36 months before application **prior to completion of high school or achievement of a high school equivalency certificate**. The department shall accept certification of Medicaid eligibility only from the department of health and human services for the purposes of verifying if a person is Medicaid eligible for 24 months within the 36 months before application **prior to completion of high school or achievement of a high school equivalency certificate**. Certification of eligibility may begin in the sixth grade.

(4) For phase I, the department shall provide payment on behalf of a person eligible under subsection (3). The department shall only accept standard per-credit hour tuition billings and shall reject billings that are excessive or outside the guidelines for the type of educational institution.

(5) For phase I, all of the following apply:

(a) Payments for associate degree or certificate programs must not be made for more than 80 semester or 120 term credits for any individual student at any participating institution. **The department shall not do either of the following:**

(i) **Adopt or apply any total semester-credit or term-credit maximum that is less than the 80 semester-credit or 120 term-credit maximum provided in this subdivision.**

(ii) **Adopt or apply any per-semester or per-term credit maximum for a student whose semester-credit or term-credit load will not result in exceeding the total 80 semester-credit or 120 term-credit maximum provided in this subdivision.**

(b) For persons enrolled at a Michigan community college, the department shall pay the current in-district tuition and mandatory fees. For persons residing in an area that is not included in any community college district, the out-of-district tuition rate may be authorized.

(c) For persons enrolled at a Michigan public university, the department shall pay lower division resident tuition and mandatory fees for the current year.

(d) For persons enrolled at a Michigan independent, nonprofit degree-granting college or university, a Michigan federal tribally controlled community college, or Focus: HOPE, the department shall pay mandatory fees for the current year and a per-credit payment that does not exceed the average community college in-district per-credit tuition rate as reported by the last business day of August for the immediately preceding academic year.

(6) A person participating in phase II may be eligible for additional funds not to exceed \$500.00 per semester or \$400.00 per term up to a maximum of \$2,000.00 subject to the following conditions:

(a) Credits are earned in a 4-year program at a Michigan degree-granting 4-year college or university.

(b) The tuition reimbursement is for coursework completed within 30 months of completion of the phase I requirements.

(7) The department shall work closely with participating institutions to provide the highest level of participation and ensure that all requirements of the program are met.

(8) The department shall notify students of their financial eligibility for the program any time after the student begins sixth grade.

(9) Except as otherwise provided in section 3(d) of the Michigan reconnect grant act, 2020 PA 84, MCL 390.1703, and section 17 of the Michigan reconnect grant recipient act, 2020 PA 68, MCL 390.1717, each institution shall ensure that all known available restricted grants for tuition and fees are used before billing the tuition incentive program for any portion of a student's tuition and fees.

(10) The department shall ensure that the tuition incentive program is well publicized and that eligible Medicaid clients are provided information on the program. The department shall provide the necessary funding and staff to fully operate the program.

(11) The department of ~~treasury~~ shall collaborate with the center to use the P-20 longitudinal data system to report the following information for each qualified postsecondary institution:

(a) The number of phase I students in the most recently completed academic year who in any academic year received a tuition incentive program award and who successfully completed a degree or certificate program. Cohort graduation rates for phase I students ~~shall~~ **must** be calculated using the established success rate methodology developed by the center in collaboration with the postsecondary institutions.

(b) The number of students in the most recently completed academic year who in any academic year received a Pell grant at the reporting institution and who successfully completed a degree or certificate program. Cohort graduation rates for students who received Pell grants must be calculated using the established success rate methodology developed by the center in collaboration with the postsecondary institutions.

(12) If a qualified postsecondary institution does not report the data necessary to complete the reporting in subsection (11) to the P-20 longitudinal data system by October 15 for the prior academic year, the department of ~~treasury~~ shall not award phase I tuition incentive program funding to otherwise eligible students enrolled in that institution until the data are submitted.

Sec. 259. It is the intent of the legislature that the department of treasury continue an aggressive campaign to inform high school students about the financial aid programs offered by this state and the eligibility requirements for participation in those financial aid programs, including free or reduced tuition programs provided by community colleges and universities in this state.

Sec. 260. (1) The department of treasury shall work with student and postsecondary education groups, including the Michigan College Access Network, the Michigan Association of School Counselors, the Michigan Association of State Universities, the Michigan Community College Association, and the Michigan Independent Colleges and Universities, to provide **and update** an online informational resource for students in grades 9 through 12 and prospective and current ~~student loan borrowers, students and families~~. The online informational resource must be a website or a portion of an existing website **titled “Paying for College in Michigan” and** designed and maintained by the department of treasury that, to the extent practicable, contains information, including, but not limited to, all of the following:

(a) A list of public and private community support centers, student debt clinics, and other organizations and their contact information submitted by Michigan College Access Network that provides free information and services for student loan borrowers to help educate them about repayment options and to help them access student loan programs or benefits for which they may be eligible.

(b) Links to state and federal financial aid programs, including FAFSA and College Scorecard.

(c) Links to each promise zone website and the financial aid website to each community college, public university, and independent college and university in this state.

(d) Benefits of federal student loans that may no longer be available if a borrower refinances a loan.

(e) ~~Links~~ **Direct links** to net price calculators for **each** community colleges-college receiving an appropriation in section 201 and ~~universities~~ **each university** receiving an appropriation in section 236. ~~if available.~~

(f) **Definitions that clearly delineate the differences between scholarships, grants, and loans.**

(g) **A description of net price calculators and how to use them to create a personalized estimate of a student’s out-of-pocket cost for the coming year based on basic family and financial information and likely financial aid eligibility.**

(h) ~~(f)~~ Information on the fundamentals of borrowing and repayment, including, but not limited to, all of the following:

(i) A link to the federal Public Service Loan Forgiveness Program.

(ii) Deciding how much to borrow.

(iii) Creating a plan for borrowing and repayment.

(iv) Estimating how much borrowing is needed for a given school year.

(v) Evaluating financial aid offers.

(vi) Factors that affect total student loan costs.

(vii) Tips for graduating with less student loan debt.

(viii) A loan payment calculator or a link to a loan payment calculator that can be used for different types of loans.

(ix) Links to federal student loan entrance and exit counseling services and the FACT tool.

(x) Student loan debt relief scams.

(i) ~~(g)~~ **A list of student loan providers in this state. Loan amortization information.**

(2) A university receiving an appropriation in section 236 shall place a prominent link to the website created under this section on its website homepage.

(3) Independent colleges and universities in this state are encouraged to place a link to the website created under this section on their website homepages.

(4) By November 1 of each year, the department of treasury shall inform each high school in this state about the website described in this section and encourage them to distribute the information to all students in grades 9 through 12.

(5) The department shall audit the website not less than once per year to ensure links continue to be accurate, active, and up-to-date for students and families.

Sec. 263. (1) Included in the appropriation in section 236 for fiscal year ~~2021-2022-2022-2023~~ for MSU AgBioResearch is \$2,982,900.00 and included in the appropriation in section 236 for MSU Extension is \$2,645,200.00 for Project GREEN. Project GREEN is intended to address critical regulatory, food safety, economic, and environmental problems faced by this state's plant-based agriculture, forestry, and processing industries. "GREEN" is an acronym for Generating Research and Extension to Meet Environmental and Economic Needs.

(2) The department of agriculture and rural development and Michigan State University, in consultation with agricultural commodity groups and other interested parties, shall develop Project GREEN and its program priorities.

Sec. 264. Included in the appropriation in section 236 for fiscal year ~~2021-2022-2022-2023~~ for Michigan State University is \$80,000.00 for the Michigan Future Farmers of America Association. This \$80,000.00 allocation ~~shall~~**must** not supplant any existing support that Michigan State University provides to the Michigan Future Farmers of America Association.

Sec. 265. (1) ~~Payments under section 236 for 1-time supplemental funding for fiscal year 2021-2022, and payments under section 265a-236 for performance-operations increase and per-student floor funding for fiscal years year 2022-2023 and 2023-2024, shall~~**must** only be made to a public university that certifies to the state budget director by October 1, ~~2021-2022~~ that its board did not adopt an increase in tuition and fee rates for resident undergraduate students after September 1, ~~2020-2021~~ for the ~~2020-2021-2021-2022~~ academic year and that its board will not adopt an increase in tuition and fee rates for resident undergraduate students for the ~~2021-2022-2022-2023~~ academic year that is greater than ~~4.2%-5.0%~~ or \$~~590.00~~, **\$722.00**, whichever is greater. As used in this subsection:

(a) "Fee" means any board-authorized fee that will be paid by more than 1/2 of all resident undergraduate students at least once during their enrollment at a public university, as described in the higher education institutional data inventory (HEIDI) user manual. A university increasing a fee that applies to a specific subset of students or courses shall provide sufficient information to prove that the increase applied to that subset will not cause the increase in the average amount of board-authorized total tuition and fees paid by resident undergraduate students in the ~~2021-2022-2022-2023~~ academic year to exceed the limit established in this subsection.

(b) "Tuition and fee rate" means the average of full-time rates paid by a majority of students in each undergraduate class, based on an unweighted average of the rates authorized by the university board and actually charged to students, deducting any uniformly rebated or refunded amounts, for the 2 semesters with the highest levels of full-time equated resident undergraduate enrollment during the academic year, as described in the higher education institutional data inventory (HEIDI) user manual.

(2) The state budget director shall implement uniform reporting requirements to ensure that a public university receiving ~~a payment under section 236 for 1-time supplemental funding or a payment under section 265a-236 for performance-operations increase and per-student floor funding~~ has satisfied the tuition restraint requirements of this section. The state budget director ~~shall have~~**has** the sole authority to determine if a public university has met the requirements of this section. Information reported by a public university to the state budget director under this subsection ~~shall~~**must** also be reported to the house and senate appropriations subcommittees on higher education and the house and senate fiscal agencies.

(3) Universities that exceed the tuition and fee rate cap described in subsection (1) ~~shall~~**will** not receive a planning or construction authorization for a state-funded capital outlay project in fiscal year ~~2022-2023 or 2023-2024 or 2024-2025~~.

(4) Notwithstanding any other provision of this act, the legislature may at any time adjust appropriations for a university that adopts an increase in tuition and fee rates for resident undergraduate students that exceeds the rate cap established in subsection (1).

Sec. 265a. (1) Appropriations to public universities in section 236 for fiscal years 2019-2020, 2020-2021, and 2021-2022 for performance funding ~~shall~~**must** be paid only to a public university that complies with section 265 and certifies to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies by October 1, 2019 that it complies with all of the following requirements:

(a) The university participates in reverse transfer agreements described in section 286 with at least 3 Michigan community colleges.

(b) ~~The university does not and will not consider whether dual enrollment credits earned by an incoming student were utilized towards his or her high school graduation requirements when making a determination as to whether those credits may be used by the student toward completion of a university degree or certificate program.~~ **The university does not and will not apply any of the following criteria when determining whether credits earned outside the university by a student count toward a degree or certificate program offered by the university:**

(i) Whether the credits were earned in a dual enrollment program that counted the credits toward high school graduation requirements.

(ii) Whether the credits were earned in a course that was delivered in a high school classroom, community college classroom or campus, or another location.

(iii) Whether the credits were earned in a course that was delivered online, in person, or hybrid.

(iv) Whether other students enrolled in the course in which the credits were earned were enrolled in high school or counted the course toward high school graduation requirements.

(c) The university actively participates in and submits timely updates to the Michigan Transfer Network created as part of the Michigan Association of Collegiate Registrars and Admissions Officers transfer agreement.

(2) Any performance funding amounts under section 236 that are not paid to a public university because it did not comply with 1 or more requirements under subsection (1) are unappropriated and reappropriated for performance funding to those public universities that meet the requirements under subsection (1), distributed in proportion to their performance funding appropriation amounts under section 236.

(3) The state budget director shall report to the house and senate appropriations subcommittees on higher education and the house and senate fiscal agencies by October 15, 2019, regarding any performance funding amounts that are not paid to a public university because it did not comply with 1 or more requirements under subsection (1) and any reappropriation of funds under subsection (2).

(4) Performance funding amounts described in section 236 are distributed based on the following formula:

(a) Proportional to each university's share of total operations funding appropriated in fiscal year 2010 2011, 50%.

(b) Based on weighted undergraduate completions in critical skills areas, 11.1%.

(c) Based on research and development expenditures, for universities classified in Carnegie classifications as doctoral universities: moderate research activity, doctoral universities: higher research activity, or doctoral universities: highest research activity only, 5.6%.

(d) Based on 6-year graduation rate, total degree completions, and institutional support as a percentage of core expenditures, and the percentage of students receiving Pell grants, scored against national Carnegie classification peers and weighted by total undergraduate fiscal year equated students, 33.3%.

(5) For purposes of determining the score of a university under subsection (4)(d), each university is assigned 1 of the following scores:

(a) A university classified as in the top 20%, a score of 3.

(b) A university classified as above national median, a score of 2.

(c) A university classified as improving, a score of 2. It is the intent of the legislature that, beginning in the 2020-2021 state fiscal year, a university classified as improving is assigned a score of 1.

(d) A university that is not included in subdivision (a), (b), or (c), a score of 0.

(6) As used in this section, "Carnegie classification" means the basic classification of the university according to the most recent version of the Carnegie classification of institutions of higher education, published by the Carnegie Foundation for the Advancement of Teaching.

(7) It is the intent of the legislature to allocate more funding based on an updated set of performance metrics in future years. Updated metrics will be based on the outcome of joint hearings between the house and senate appropriations subcommittees on higher education and community colleges intended to be held in the fall of 2019.

Sec. 265b. (1) Appropriations to public universities in section 236 for the fiscal year ending September 30, ~~2022-2023~~ for operations funding ~~shall~~ **must** be reduced by 10% pursuant to the procedures described in subdivision (a) for a public university that fails to submit certification to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies by October 1, ~~2024-2022~~ that the university complies with sections 274c and 274d and that it complies with all of the requirements described in subdivisions (b) to (i), as follows:

(a) If a university fails to submit certification, the state budget director shall withhold 10% of that university's annual operations funding until the university submits certification. If a university fails to submit certification by the end of the fiscal year, the 10% of its annual operations funding that is withheld ~~shall~~ **must** lapse to the general fund.

(b) For title IX investigations of alleged sexual misconduct, the university prohibits the use of medical experts that have an actual or apparent conflict of interest.

(c) For title IX investigations of alleged sexual misconduct, the university prohibits the issuance of divergent reports to complainants, respondents, and administration and instead requires that identical reports be issued to them.

(d) Consistent with the university's obligations under 20 USC 1092(f), the university notifies each individual who reports having experienced sexual assault by a student, faculty member, or staff member of the university that the individual has the option to report the matter to law enforcement, to the university, to both, or to neither, as the individual may choose.

(e) The university provides both of the following:

(i) For all freshmen and incoming transfer students enrolled, an in-person sexual misconduct prevention presentation or course, which must include contact information for the title IX office of the university.

(ii) For all students not considered freshmen or incoming transfer students, an online or electronic sexual misconduct prevention presentation or course.

(f) The university prohibits seeking compensation from the recipient of any medical procedure, treatment, or care provided by a medical professional who has been convicted of a felony arising out of the medical procedure, treatment, or care.

(g) The university had a third party review its title IX compliance office and related policies and procedures by the end of the 2018-2019 academic year. A copy of the third-party review ~~shall~~**must** be transmitted to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies. Each university shall have a third-party review once every three years and a copy of the third-party review ~~shall~~**must** be transmitted to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies.

(h) The university requires that the governing board and the president or chancellor of the university receive not less than quarterly reports from their title IX coordinator or title IX office. The report ~~shall~~**must** contain aggregated data of the number of sexual misconduct reports that the office received for the academic year, the types of reports received, including reports received against employees, and a summary of the general outcomes of the reports and investigations. A member of the governing board may request to review a title IX investigation report involving a complaint against an employee, and the university shall provide the report in a manner it considers appropriate. The university shall protect the complainant's anonymity, and the report ~~shall~~**must** not contain specific identifying information.

(i) If allegations against an employee are made in more than 1 title IX complaint that resulted in the university finding that no misconduct occurred, the university requires that the title IX officer promptly notify the president or chancellor and a member of the university's governing board in writing and take all appropriate steps to ensure that the matter is being investigated thoroughly, including hiring an outside investigator for future cases involving that employee. A third-party title IX investigation under this subdivision does not prohibit the university from simultaneously conducting its own title IX investigation through its own title IX coordinator.

(2) Each public university that receives an appropriation in section 236 shall also certify that its president or chancellor and a member of its governing board has reviewed all title IX reports involving the alleged sexual misconduct of an employee of the university, and shall send the certification to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director by October 1, ~~2021~~**2022**.

(3) For purposes of this section, "sexual misconduct" includes, but is not limited to, any of the following:

(a) Intimate partner violence.

(b) Nonconsensual sexual conduct.

(c) Sexual assault.

(d) Sexual exploitation.

(e) Sexual harassment.

(f) Stalking.

Sec. 265f. (1) Each public university that receives an appropriation in section 236 shall demonstrate the acceptance of nationally recognized college level equivalent credit examination opportunities by developing and implementing policies and procedures for the awarding of academic credit through college level equivalent credit examinations.

(2) A public university shall not create policies or procedures that prevent students from earning college credits through college level equivalent credit examinations once enrolled in the public university.

(3) Each public university shall make its credit policies and opportunities for college level equivalent credit examinations publicly available on the university's website.

(4) If a public university requires scores above those recommended by the American Council on Education to earn college credit through college level equivalent credit examinations, that university shall submit to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director a report on the data and justifications for that decision by February 1, 2023.

Sec. 265g. (1) Each public university that receives an appropriation in section 236 shall provide all enrolled students information on accelerated degree completion pathways and options within the first semester of enrollment, and shall publicly post this information on the university's website by October 1, 2022.

(2) Each public university shall work to create accelerated degree completion pathways for enrolled students if such options do not already exist.

(3) Independent colleges and universities are encouraged to create accelerated degree completion pathways for enrolled students if such options do not already exist.

Sec. 266a. It is the intent of the legislature that universities receiving an appropriation in section 236 whose enrollment has declined by 10% or more since January 1, 2012 may be called to testify before the house or senate appropriations subcommittees on higher education to, at minimum, present on the following:

(a) The current strategic plan adopted by the university.

(b) Student enrollment trends and recruitment efforts.

(c) A summary of academic programs offered.

(d) Tenured faculty to student ratio.

(e) Administrative staff to student ratio.

(f) Tuition increases since January 1, 2012.

(g) Graduation rates since January 1, 2012.

(h) Measures taken to retain students since January 1, 2012.

(i) Goals and objectives to reach optimum institutional size to contribute positively to the future of this state while being excellent stewards of state funding and student tuition, including, but not limited to, goals and objectives as to consolidating administrative services, academic services, or both with 1 or more other colleges or universities.

Sec. 267. All public universities shall submit the amount of tuition and fees actually charged to a full-time resident undergraduate student for academic year ~~2021-2022~~ **2022-2023** as part of their higher education institutional data inventory (HEIDI) data by October 1, ~~2021~~, **2022**, and by the last business day of August each year thereafter. A public university shall report any revisions of **tuition and fee charges** for any semester of the reported academic year ~~2021-2022 tuition and fee charges~~ to HEIDI within 15 days of ~~after~~ being adopted.

Sec. 268. (1) For the fiscal year ending September 30, ~~2022~~, **2023**, it is the intent of the legislature that funds be allocated for unfunded North American Indian tuition waiver costs incurred by public universities under 1976 PA 174, MCL 390.1251 to 390.1253, from the general fund.

(2) By January 15 of each year, the department of civil rights shall annually submit to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies a report on North American Indian tuition waivers for the preceding academic year that includes, but is not limited to, all of the following information:

(a) The number of waiver applications received and the number of waiver applications approved.

(b) For each university submitting information under subsection (3), all of the following:

(i) The number of graduate and undergraduate North American Indian students enrolled each term for the previous academic year.

(ii) The number of North American Indian waivers granted each term, including to continuing education students, and the monetary value of the waivers for the previous academic year.

(iii) The number of graduate and undergraduate students attending under a North American Indian tuition waiver who withdrew from the university each term during the previous academic year. For purposes of this subparagraph, a withdrawal occurs when a student who has been awarded the waiver withdraws from the institution at any point during the term, regardless of enrollment in subsequent terms.

(iv) The number of graduate and undergraduate students attending under a North American Indian tuition waiver who successfully complete a degree or certificate program, separated by degree or certificate level, and the graduation rate for graduate and undergraduate students attending under a North American Indian tuition waiver who complete a degree or certificate within 150% of the normal time to complete, separated by the level of the degree or certificate.

(3) By January 1 of each year, a public university that receives ~~funds under an appropriation in~~ section 236, or a tribal college receiving pass-through funds under section 269 or 270c, shall provide to the department of civil rights any information necessary for preparing the report detailed in subsection (2), using guidelines and procedures developed by the department of civil rights.

(4) The department of civil rights may consolidate the report required under this section with the report required under section 223, but a consolidated report must separately identify data for universities and data for community colleges.

Sec. 269. For fiscal year ~~2021-2022, 2022-2023~~, from the amount appropriated in section 236 to Central Michigan University for costs incurred under the North American Indian tuition waiver, ~~\$82,400.00 shall~~ **\$31,000.00 must** be paid to Saginaw Chippewa Tribal College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253. It is the intent of the legislature that Saginaw Chippewa Tribal College provide the department of civil rights the necessary information for the college to be included in the report required under section 268.

Sec. 270c. For fiscal year ~~2021-2022, 2022-2023~~, from the amount appropriated in section 236 to Northern Michigan University for costs incurred under the North American Indian tuition waiver, ~~\$50,000.00~~ **\$87,800.00** is to be paid to Keweenaw Bay Ojibwa Community College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253. It is the intent of the legislature that Keweenaw Bay Ojibwa Community College provide the department of civil rights the necessary information for the community college to be included in the report required under section 268.

Sec. 274. It is the intent of the legislature that public and private organizations that conduct human embryonic stem cell derivation subject to section 27 of article I of the state constitution of 1963 will provide information to the ~~director of the department of health and human services~~ **house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director** by December 1, ~~2021-2022~~ that includes all of the following:

(a) Documentation that the organization conducting human embryonic stem cell derivation is conducting its activities in compliance with the requirements of section 27 of article I of the state constitution of 1963 and all relevant National Institutes of Health guidelines pertaining to embryonic stem cell derivation.

(b) A list of all human embryonic stem cell lines submitted by the organization to the National Institutes of Health for inclusion in the Human Embryonic Stem Cell Registry before and during fiscal year ~~2020-2021, 2021-2022~~, and the status of each submission as approved, pending approval, or review completed but not yet accepted.

(c) Number of human embryonic stem cell lines derived and not submitted for inclusion in the Human Embryonic Stem Cell Registry, before and during fiscal year ~~2020-2021, 2021-2022~~.

Sec. 274a. From the funds appropriated in section 236(10), public universities classified as doctoral universities under the Carnegie classification system may be awarded research grants up to the full appropriated amount in section 236(10). As a condition to receiving a grant under this section, a public university must agree not to conduct any research on aborted fetal tissue. As used in this section, "Carnegie classification" means that term as defined in section 265a.

Sec. 275. (1) Each public university that receives an appropriation in section 236 shall do all of the following:

(a) Meet the provisions of section 5003 of the post-911 veterans educational assistance act of 2008, 38 USC 3301 to 3327, including voluntary participation in the Yellow Ribbon GI Education Enhancement Program established in that act in 38 USC 3317. By October 1 of each year, each public university shall report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the Michigan Association of State Universities on whether or not it has chosen to participate in the Yellow Ribbon GI Education Enhancement Program. If at any time during the fiscal year a university participating in the Yellow Ribbon Program chooses to leave the Yellow Ribbon Program, it shall notify the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the Michigan Association of State Universities.

(b) Establish an on-campus veterans' liaison to provide information and assistance to all student veterans.

(c) Provide flexible enrollment application deadlines for all veterans.

(d) Include in its admission application process a specific question as to whether an applicant for admission is a veteran, an active member of the military, a member of the National Guard or military reserves, or the spouse or dependent of a veteran, active member of the military, or member of the National Guard or military reserves, in order to more quickly identify potential educational assistance available to that applicant.

(e) Consider all veterans residents of this state for determining their tuition rates and fees.

(f) Waive enrollment fees for all veterans.

(g) Provide reasonable programming and scheduling accommodations necessary to facilitate a student's military, national guard, or military reserves duties and training obligations.

(h) Provide college level equivalent credit examination opportunities for veterans and active members of the military, National Guard, or military reserves within the first semester of enrollment.

(i) Grant college credit for, or create a structure that evaluates granting college credit for, the service background and experience of veterans and members of the military, National Guard, or military reserves.

(2) By October 1 of each year, each public university shall report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the department of military and veterans affairs regarding services provided specifically to veterans and active military duty personnel, including, but not limited to, the services described in subsection (1).

(3) As used in this section, “veteran” means an honorably discharged veteran entitled to educational assistance under the provisions of section 5003 of the post-911 veterans educational assistance act of 2008, 38 USC 3301 to 3327.

Sec. 275b. (1) Each public university receiving funds under an appropriation in section 236 shall ensure that the public university does all of the following in its admission application process if it knows that an applicant for admission is currently serving, or has ever served, as a member of the military, the National Guard, or the military reserves:

(a) Inform the applicant that he or she may receive academic credit for college-level training and education he or she received while serving in the military.

(b) Inform the applicant that he or she may submit a transcript of his or her college-level military training and education to the public university.

(c) If the applicant submits a transcript described in subdivision (b), evaluate that transcript and notify the applicant of what transfer credits are available to the applicant from the public university for his or her college-level military training and education.

(d) Inform the applicant of college level equivalent credit examination opportunities.

(2) As used in this section, “transcript” includes a joint services transcript prepared for the applicant under the American council on education registry of credit recommendations.

Sec. 275f. It is the intent of the legislature that by February 1, 2022-2023, each public university receiving an appropriation in section 236 shall submit to the ~~senate and house~~ **and senate** appropriations subcommittees on higher education, the ~~senate and house~~ **and senate** fiscal agencies, and the state budget director a report on activities related to strategic planning and internal assessment or reassessment to best provide for open and free expression and speech, while protecting students from hate-speech, violence, and discrimination.

Sec. 275g. By September 30, 2022-2023, each public university receiving an appropriation in section 236 shall do both of the following:

(a) Submit a report to the ~~senate and house~~ **and senate** appropriations subcommittees on higher education, the ~~senate and house~~ **and senate** fiscal agencies, and the state budget director describing all federal funds the university received, including the amounts, related to the COVID-19 pandemic, including, but not limited to, any federal funds received from the coronavirus relief fund under the coronavirus aid, relief, and economic security act, Public Law 116-136, **response and relief supplemental appropriations act, the American rescue plan act of 2021**, and similar federal relief packages.

(b) Post the information contained in the report described in subdivision (a) on the public transparency website described in section 245.

Sec. 275h. (1) It is the intent of the legislature that each public university adopt an advocacy policy applicable to faculty, staff, students, student employees, visitors, and contractors by January 1, 2022-2023 and comply with all other requirements of this section.

(2) An advocacy policy established under subsection (1) should include, but is not limited to, policies for distribution and self-distribution of printed political or advocacy materials, related First Amendment activities, and political demonstrating. The policy should include a process for filing a complaint or reporting a violation of the advocacy policy and identify the public university staff responsible for investigating complaints and violations. The advocacy policy should include the effective date and be posted on the university’s website.

Sec. 275i. (1) If a public university that receives an appropriation in section 236 establishes a mandatory COVID-19 vaccine policy, it shall provide exemptions to that policy to the following students **and employees**:

(a) Any student **or employee** for whom a physician certifies that a COVID-19 vaccine is or may be detrimental to the student’s **or employee’s** health or is not appropriate.

(b) Any student **or employee** who provides a written statement to the effect that the requirements of the COVID-19 vaccine policy cannot be met because of religious convictions or other consistently held objection to immunization.

(2) It must be presumed that a student **or employee** who requests an exemption under subsection (1) is entitled to that exemption. The public university shall grant that student’s **or employee’s** request unless it determines by clear and convincing evidence that the student **or employee** is not entitled to that exemption. **A public university shall not deny an exemption solely because the student or employee previously received another vaccine.**

(3) A public university shall not deny a student’s **or employee’s** request for an exemption until it has ~~exhausted~~ **explored** every reasonable accommodation. **An accommodation more burdensome or stringent than relevant state or federal guidelines is presumptively unreasonable.**

(4) If a public university denies a student’s **or employee’s** request for an exemption, the public university shall issue a **written** report fully explaining its reasons for the denial. That report must describe all reasonable accommodations the public university offered the student **or employee** and the student’s **or employee’s** response.

(5) Every public university shall submit a written report regarding its actions taken under this section no later than March 15 of each year to the ~~senate and house~~ **and senate** appropriations subcommittees on higher education, the ~~senate and house~~ **and senate** fiscal agencies, and the state budget director. This annual report must include the following information, which may be obtained from any reliable source that complies with applicable laws regarding student privacy:

(a) The number of students **and employees** who have requested an exemption from the public university's COVID-19 vaccine policy.

(b) The number of students **and employees** who have been granted an exemption.

(c) **The number of students and employees in noncompliance with the public university's COVID-19 vaccine policy.**

(6) **No provision of this section is to be construed as requiring a public university to violate any federal law.**

Sec. 275j. It is the goal of the governor and legislature to ensure that 60% of Michigan's residents achieve a postsecondary credential, high-quality industry certification, associate degree, or bachelor's degree by 2030.

Sec. 275k. (1) Appropriations in section 236(11) for the pregnant and parenting student support services program are for developing academically or economically disadvantaged student retention programs for 4-year public and independent educational institutions in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) An award made under this program to an individual institution must not be greater than \$50,000.00, and the amount awarded must be matched on a 70% state, 30% college or university basis.

(3) The department of labor and economic opportunity shall administer the program. All of the following apply to the program:

(a) The institution shall provide a physical location for the program on its campus.

(b) The department of labor and economic opportunity shall annually assess the performance of the institution in meeting the following needs of students on campus who are pregnant or who are a custodial parent or legal guardian of a minor:

(i) Comprehensive student health care.

(ii) Family housing.

(iii) Child care.

(iv) Flexible or alternative academic scheduling.

(v) Education concerning responsible parenting for mothers and fathers.

(c) The institution shall identify public and private service providers qualified to meet the needs described in subdivision (b), both on campus and within the local community, and establish programs with qualified providers it selects to meet those needs.

(d) The institution shall assist students in locating and obtaining services that meet 1 or more of the needs described in subdivision (b).

(e) If appropriate, the institution shall provide referrals on prenatal care and delivery, infant or foster care, adoption, and family planning to individual students who request that information. An approved program shall not provide referrals for abortion services.

(4) By December 1, 2022, institutions that establish a pregnant and parenting student support services program shall report to the house and senate subcommittees on higher education, the house and senate fiscal agencies, and the state budget director all of the following:

(a) A review and evaluation of the performance of the program in fulfilling its goals and objectives.

(b) The number of students served.

(c) The number and percentage of program graduates.

Sec. 276. (1) Included in the appropriation for fiscal year ~~2021-2022~~ **2022-2023** for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks future faculty program that is intended to increase the pool of academically or economically disadvantaged candidates pursuing faculty teaching careers in postsecondary education in this state. Preference may not be given to applicants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage applications from applicants who would otherwise not adequately be represented in the graduate student and faculty populations. Each public university shall apply the percentage change applicable to every public university in the calculation of appropriations in section 236 to the amount of funds allocated to the future faculty program.

(2) ~~The program shall be administered by each~~ **Each public university shall administer the program** in a manner prescribed by the department of labor and economic opportunity. The department of labor and economic opportunity shall use a good faith effort standard to evaluate whether a fellowship is in default. All of the following apply to the program:

(a) By April 15 of each year, public universities shall report any anticipated unexpended or unencumbered program funds to the department of labor and economic opportunity. Encumbered funds are those funds that were committed by a fellowship agreement that is signed during the current fiscal year or administrative expenses that have been approved by the department of labor and economic opportunity.

(b) Before August 1, ~~2022~~, **of each year**, unexpended or unencumbered funds may be transferred, under the direction of the department of labor and economic opportunity, to a future faculty program at another university to be awarded to an eligible candidate at that university.

(c) Program allocations not expended or encumbered by September 30, ~~2022~~ **2024** must be returned to the department of labor and economic opportunity so that those funds may lapse to the state general fund.

(d) Not more than 5% of each public university's allocation for the program may be used for administration of the program.

(e) In addition to the appropriation for fiscal year 2022-2023, any revenue received during prior fiscal years by the department of labor and economic opportunity from defaulted fellowship agreements is appropriated for the purposes originally intended.

Sec. 277. (1) Included in the appropriation for fiscal year ~~2021-2022~~ **2022-2023** for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college day program that is intended to introduce academically or economically disadvantaged schoolchildren to the potential of a college education in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Public universities should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) Individual program plans of each public university ~~shall~~ **must** include a budget of equal contributions from this program, the participating public university, the participating school district, and the participating independent degree-granting college. College day funds ~~shall~~ **must** not be expended to cover indirect costs. Not more than 20% of the university match ~~shall~~ **may** be attributable to indirect costs. Each public university shall apply the percentage change applicable to every public university in the calculation of appropriations in section 236 to the amount of funds allocated to the college day program.

~~(3) The program described in this section shall be administered by each~~ **Each public university shall administer the program described in this section** in a manner prescribed by the department of labor and economic opportunity.

Sec. 278. (1) Included in section 236 for fiscal year ~~2021-2022~~ **2022-2023** is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks select student support services program for developing academically or economically disadvantaged student retention programs for 4-year public and independent educational institutions in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) An award made under this program to any 1 institution ~~shall~~ **must** not be greater than \$150,000.00, **must have an award period of no more than 2 years**, and ~~the amount awarded shall~~ **must** be matched on a 70% state, 30% college or university basis.

~~(3) The program described in this section shall be administered by the~~ **The department of labor and economic opportunity shall administer the program described in this section.**

Sec. 279. (1) Included in section 236 for fiscal year ~~2021-2022~~ **2022-2023** is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks college/university partnership program between 4-year public and independent colleges and universities and public community colleges, which is intended to increase the number of academically or economically disadvantaged students who transfer from community colleges into baccalaureate programs in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the transfer student population.

(2) The grants ~~shall~~ **must** be made under the program described in this section to Michigan public and independent colleges and universities. An award to any 1 institution ~~shall~~ **must** not be greater than \$150,000.00, **must have an award period of no more than 2 years**, and ~~the amount awarded shall~~ **must** be matched on a 70% state, 30% college or university basis.

~~(3) The program described in this section shall be administered by the~~ **The department of labor and economic opportunity shall administer the program described in this section.**

Sec. 280. (1) Included in the appropriation for fiscal year ~~2021-2022~~ **2022-2023** for each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks visiting professors

program, which is intended to increase the number of instructors in the classroom to provide role models for academically or economically disadvantaged students. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Public universities should encourage participation from those who would otherwise not adequately be represented in the student population.

(2) ~~The program described in this section shall be administered by the~~ The department of labor and economic opportunity **shall administer the program described in this section.**

(3) The amount allocated to each university is \$9,994.00. ~~\$10,494.00 and is subject to an award period of no more than 2 years.~~ Each university receiving funds for fiscal year 2021-2022-~~2022-2023~~ under this section shall report to the department of labor and economic opportunity by April 15, 2022-~~2023~~ the amount of its unobligated and unexpended funds as of March 31, 2022-~~2023~~ and a plan to expend the remaining funds by the end of the fiscal year. The amount of funding reported as not being expended may be transferred, under the direction of the department, to another university for use under this section.

Sec. 281. (1) Included in the appropriation for fiscal year 2021-2022-~~2022-2023~~ in section 236 is funding under the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks initiative for the Morris Hood, Jr. educator development program, which is intended to increase the number of academically or economically disadvantaged students who enroll in and complete K-12 teacher education programs at the baccalaureate level and teach in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the teacher education student population.

(2) The program described in this section ~~shall~~ **must** be administered by each state-approved teacher education institution in a manner prescribed by the department of labor and economic opportunity.

(3) Approved teacher education institutions may and are encouraged to use select student support services funding in coordination with the Morris Hood, Jr. funding to achieve the goals of the program described in this section.

Sec. 282. (1) Each institution receiving funds for fiscal year 2021-2022-~~2022-2023~~ under section 278, 279, or 281 shall provide to the department of labor and economic opportunity by April 15, 2022-~~2023~~ the unobligated and unexpended funds as of March 31, 2022-~~2023~~ and a plan to expend the remaining funds by the end of the fiscal year. Notwithstanding the award limitations in sections 278 and 279, the amount of funding reported as not being expended will be reallocated to the institutions that intend to expend all funding received under section 278, 279, or 281.

(2) Funds received for the purpose of administering programs under sections 275j-278, 279, and 281 ~~shall~~ **must** not be used for direct financial aid or indirect financial aid. However, a university may provide academic incentives to motivate participating students as approved by the department. As used in this subsection:

(a) "Direct financial aid" includes, but is not limited to, scholarships, payment of tuition, stipends, and work-studies.

(b) "Indirect financial aid" includes, but is not limited to, transportation, textbook allowances, child care support, and assistance with medical premiums or expenses.

Enacting section 1. (1) In accordance with section 30 of article IX of the state constitution of 1963, total state spending on school aid under article I of the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772, as amended by 2021 PA 48, 2022 PA 93, and this amendatory act, from state sources for fiscal year 2021-2022 is estimated at \$14,635,534,200.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2021-2022 are estimated at \$13,448,739,600.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending on school aid under article I of the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772, as amended by this amendatory act, from state sources for fiscal year 2022-2023 is estimated at \$17,078,472,900.00 and state appropriations for school aid to be paid to local units of government for fiscal year 2022-2023 are estimated at \$15,764,187,600.00.

(2) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2022-2023 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by this amendatory act, is estimated at \$449,058,000.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is estimated at \$449,058,000.00.

(3) In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2021-2022 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by 2021 PA 86 and this amendatory act, is estimated at \$1,979,224,800.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2021-2022 is estimated at \$0.00. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for higher education for fiscal year 2022-2023 under article III of the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, as amended by this amendatory act, is estimated at \$1,893,609,300.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2022-2023 is estimated at \$0.00.

Enacting section 2. (1) Sections 67b and 99z of the state school aid act of 1979, 1979 PA 94, MCL 388.1667b and 388.1699z, are repealed.

(2) Sections 11n, 11o, 11r, 11t, 22g, 25i, 31y, 31z, 35b, 35e, 41a, 51f, 61g, 94c, 94d, 98d, 99w, 99bb, 104a, 104g, 201e, 208, 210g, 236i, 275a, and 286b of the state school aid act of 1979, 1979 PA 94, MCL 388.1611n, 388.1611o, 388.1611r, 388.1611t, 388.1622g, 388.1625i, 388.1631y, 388.1631z, 388.1635b, 388.1635e, 388.1641a, 388.1651f, 388.1661g, 388.1694c, 388.1694d, 388.1698d, 388.1699w, 388.1699bb, 388.1704a, 388.1704g, 388.1801e, 388.1808, 388.1810g, 388.1836i, 388.1875a, and 388.1886b, are repealed effective October 1, 2022.

Enacting section 3. (1) Sections 3, 11, 11m, 20, 21f, 22a, 22b, 26a, 26c, 26d, 31a, 31d, 31j, 31o, 31y, 31z, 51a, 51c, 56, 62, 74, 101, 104h, 147a, 147e, and 236h of the state school aid act of 1979, 1979 PA 94, MCL 388.1603, 388.1611, 388.1611m, 388.1620, 388.1621f, 388.1622a, 388.1622b, 388.1626a, 388.1626c, 388.1626d, 388.1631a, 388.1631d, 388.1631j, 388.1631o, 388.1631y, 388.1631z, 388.1651a, 388.1651c, 388.1656, 388.1662, 388.1674, 388.1701, 388.1704h, 388.1747a, 388.1747e, and 388.1836h, as amended, and sections 8c, 11x, 27d, 27e, 27f, and 98c of the state school aid act of 1979, 1979 PA 94, as added by this amendatory act, if granted immediate effect pursuant to section 27 of article IV of the state constitution of 1963, take effect on enactment of this amendatory act.

(2) Except as otherwise provided for those sections listed in subsection (1), the remaining sections of this amendatory act take effect October 1, 2022.

Second: That the House and Senate agree to the title of the bill to read as follows:

A bill to amend 1979 PA 94, entitled "AN ACT to make appropriations to aid in the support of the public schools, the intermediate school districts, community colleges, and public universities of the state; to make appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to authorize the issuance of certain bonds and provide for the security of those bonds; to prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to create certain funds and provide for their expenditure; to prescribe penalties; and to repeal acts and parts of acts," by amending sections 3, 6, 6a, 11, 11a, 11j, 11k, 11m, 11s, 15, 18, 20, 20d, 20f, 20m, 21b, 21f, 21h, 22a, 22b, 22c, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 26d, 28, 31a, 31d, 31f, 31j, 31n, 31o, 31p, 31y, 31z, 32d, 32p, 35a, 35d, 35f, 35g, 35h, 39, 39a, 41, 51a, 51c, 51d, 51g, 53a, 54, 54b, 54d, 55, 56, 61a, 61b, 61c, 61d, 62, 65, 67, 67a, 74, 81, 94, 94a, 95b, 97, 97a, 98, 98b, 99h, 99i, 99s, 99t, 99u, 99x, 99aa, 101, 104, 104f, 104h, 107, 147, 147a, 147b, 147c, 147e, 152a, 152b, 201, 202a, 206, 207a, 207b, 207c, 209, 209a, 210h, 226b, 226d, 226g, 229, 229a, 230, 236, 236b, 236c, 236h, 237b, 241, 245a, 251, 252, 256, 259, 260, 263, 264, 265, 265a, 265b, 267, 268, 269, 270c, 274, 275, 275b, 275f, 275g, 275h, 275i, 276, 277, 278, 279, 280, 281, and 282 (MCL 388.1603, 388.1606, 388.1606a, 388.1611, 388.1611a, 388.1611j, 388.1611k, 388.1611m, 388.1611s, 388.1615, 388.1618, 388.1620, 388.1620d, 388.1620f, 388.1620m, 388.1621b, 388.1621f, 388.1621h, 388.1622a, 388.1622b, 388.1622c, 388.1622d, 388.1622m, 388.1622p, 388.1624, 388.1624a, 388.1625f, 388.1625g, 388.1626a, 388.1626b, 388.1626c, 388.1626d, 388.1628, 388.1631a, 388.1631d, 388.1631f, 388.1631j, 388.1631n, 388.1631o, 388.1631p, 388.1631y, 388.1631z, 388.1632d, 388.1632p, 388.1635a, 388.1635d, 388.1635f, 388.1635g, 388.1635h, 388.1639, 388.1639a, 388.1641, 388.1651a, 388.1651c, 388.1651d, 388.1651g, 388.1653a, 388.1654, 388.1654b, 388.1654d, 388.1655, 388.1656, 388.1661a, 388.1661b, 388.1661c, 388.1661d, 388.1662, 388.1665, 388.1667, 388.1667a, 388.1674, 388.1681, 388.1694, 388.1694a, 388.1695b, 388.1697, 388.1697a, 388.1698, 388.1698b, 388.1699h, 388.1699i, 388.1699s, 388.1699t, 388.1699u, 388.1699x, 388.1699aa, 388.1701, 388.1704, 388.1704f, 388.1704h, 388.1707, 388.1747, 388.1747a, 388.1747b, 388.1747c, 388.1747e, 388.1752a, 388.1752b, 388.1801, 388.1802a, 388.1806, 388.1807a, 388.1807b, 388.1807c, 388.1809, 388.1809a, 388.1810h, 388.1826b, 388.1826d, 388.1826g, 388.1829, 388.1829a, 388.1830, 388.1836, 388.1836b, 388.1836c, 388.1836h, 388.1837b, 388.1841, 388.1845a, 388.1851, 388.1852, 388.1856, 388.1859, 388.1860, 388.1863, 388.1864, 388.1865, 388.1865a, 388.1865b, 388.1867, 388.1868, 388.1869, 388.1870c, 388.1874, 388.1875, 388.1875b, 388.1875f, 388.1875g, 388.1875h, 388.1875i, 388.1876, 388.1877, 388.1878, 388.1879, 388.1880, 388.1881, and 388.1882), sections 3, 202a, 237b, and 275 as amended by 2020 PA 165, sections 6, 6a, 11a, 11j, 11k, 11m, 11s, 15, 18, 20, 20d, 20f, 21f, 21h, 22a, 22b, 22d, 22m, 22p, 24, 24a, 25f, 25g, 26a, 26b, 26c, 28, 31a, 31d, 31f, 31j, 31n, 32d, 32p, 35a, 35d, 35f, 39, 39a, 41, 51a, 51c, 51d, 53a, 54, 54b, 54d, 55, 56, 61a, 61b, 61c, 61d, 62, 65, 67, 67a, 74, 81, 94, 94a, 95b, 98, 99h, 99i, 99s, 99t, 99u, 99x, 101, 104, 104f, 107, 147, 147a, 147b, 147c, 147e, 152a, and 152b as amended and sections 20m, 22c, 26d, 31o, 31p, 31y, 31z, 35g, 35h, 51g, 97, 97a, 98b, 99aa, and 104h as added by 2021 PA 48, section 11 as amended by 2022 PA 93, section 21b as amended by 2014 PA 196, sections 201, 206, 207a, 207b, 207c, 209, 209a, 226b, 226d, 229, 229a, 230, 236, 236b, 236c, 241, 245a, 256, 259, 260, 263, 264, 265, 265b, 267, 268, 269, 270c, 274, 275f, 275g, 275h, 275i, 276, 277, 278, 279, 280, 281, and 282 as amended and sections 210h, 226g, and 236h as added by 2021 PA 86, sections 251 and 252 as amended by 2019 PA 162, section 265a as amended by 2019 PA 62, and section 275b as amended

by 2018 PA 265, and by adding sections 8c, 11x, 11y, 23f, 27a, 27b, 27c, 27d, 27e, 27f, 30c, 31q, 31aa, 31bb, 31cc, 31dd, 31ee, 32n, 32t, 32u, 41b, 51e, 61i, 67c, 67d, 67e, 97b, 97e, 97f, 98c, 99cc, 99dd, 99ee, 104i, 216, 216a, 216b, 226e, 226f, 227, 227a, 236j, 236k, 265f, 265g, 266a, 274a, 275j, and 275k; and to repeal acts and parts of acts.

Jim Stamas
Wayne A. Schmidt
Curtis Hertel Jr.
Conferees for the Senate

Thomas A. Albert
Brad Paquette
Joe Tate
Conferees for the House

Rep. Frederick moved pursuant to Joint Rule 9, that the Journal printing requirement be suspended, printed copies of the text having been made available to each Member.

The motion prevailed, a majority of the members serving voting therefor.

The question being on the adoption of the conference report,

The conference report was then adopted, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 370

Yeas—99

Aiyash	Coleman	Kuppa	Roth
Albert	Damoose	LaFave	Sabo
Alexander	Eisen	LaGrand	Scott
Allor	Ellison	Lasinski	Shannon
Anthony	Farrington	Liberati	Slagh
Beeler	Filler	Lightner	Sneller
Bellino	Fink	Lilly	Sowerby
Beson	Frederick	Manoogian	Steckloff
Bezotte	Garza	Marino	Steenland
Bolden	Glanville	Markkanen	Stone
Bollin	Glenn	Martin	Tate
Borton	Green	Mekoski	Thanedar
Brabec	Griffin	Morse	Tisdell
Brann	Haadsma	Mueller	VanSingel
Breen	Hall	Neeley	VanWoerkom
Brixie	Harris	O'Malley	Wakeman
Calley	Hauck	O'Neal	Weiss
Cambensy	Hertel	Outman	Wendzel
Camilleri	Hoitenga	Paquette	Wentworth
Carter, B	Hood	Pepper	Whiteford
Carter, T	Hope	Peterson	Witwer
Cavanagh	Hornberger	Pohutsky	Yancey
Cherry	Howell	Posthumus	Yaroch
Clemente	Kahle	Rabhi	Young
Clements	Koleszar	Rogers	

Nays—7

Berman	Johnson, S	Meerman	Rendon
Carra	Maddock	Reilly	

In The Chair: Hornberger

Second Reading of Bills

House Bill No. 6184, entitled

A bill to amend 1978 PA 368, entitled "Public health code," by amending section 2253 (MCL 333.2253), as amended by 2006 PA 157, and by adding section 2253a.

The bill was read a second time.

Rep. Brann moved to amend the bill as follows:

1. Amend page 2, line 25, after "**2253a.**" by inserting "(1)".

2. Amend page 3, following line 7, by inserting:

"(2) Upon receiving a request from the director under subsection (1), the house of representatives and the senate shall convene in session to consider the request."

The motion did not prevail and the amendments were not adopted, a majority of the members serving not voting therefor.

Rep. Pohutsky moved to amend the bill as follows:

1. Amend page 3, following line 11, by inserting:

"Enacting section 2. This amendatory act does not take effect unless House Bill No. 4297 of the 101st Legislature is enacted into law."

The motion did not prevail and the amendment was not adopted, a majority of the members serving not voting therefor.

Rep. Glanville moved to amend the bill as follows:

1. Amend page 3, following line 11, by inserting:

"Enacting section 2. This amendatory act does not take effect unless House Resolution No. 307 of the 101st Legislature is enacted into law."

The motion did not prevail and the amendment was not adopted, a majority of the members serving not voting therefor.

Rep. Brenda Carter moved to amend the bill as follows:

1. Amend page 3, following line 11, by inserting:

"Enacting section 2. This amendatory act does not take effect unless House Bill No. 5542 of the 101st Legislature is enacted into law."

The motion did not prevail and the amendment was not adopted, a majority of the members serving not voting therefor.

Rep. Breen moved to amend the bill as follows:

1. Amend page 3, following line 11, by inserting:

"Enacting section 2. This amendatory act does not take effect unless House Bill No. 5289 of the 101st Legislature is enacted into law."

The motion did not prevail and the amendment was not adopted, a majority of the members serving not voting therefor.

Rep. Alexander moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

Rep. Frederick moved that the bill be placed on its immediate passage.

The motion prevailed, a majority of the members serving voting therefor.

By unanimous consent the House returned to the order of

Third Reading of Bills

House Bill No. 6184, entitled

A bill to amend 1978 PA 368, entitled "Public health code," by amending section 2253 (MCL 333.2253), as amended by 2006 PA 157, and by adding section 2253a.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 371

Yeas—56

Albert	Damoose	Howell	Paquette
Alexander	Eisen	Johnson, S	Posthumus
Allor	Farrington	Kahle	Reilly
Beeler	Filler	LaFave	Rendon
Bellino	Fink	Lightner	Roth
Berman	Frederick	Lilly	Slagh
Beson	Glenn	Maddock	Tisdell
Bezotte	Green	Markkanen	VanSingel
Bollin	Griffin	Martin	VanWoerkom
Borton	Hall	Meerman	Wakeman
Brann	Harris	Mekoski	Wendzel
Calley	Hauck	Mueller	Wentworth
Carra	Hoitenga	O'Malley	Whiteford
Clements	Hornberger	Outman	Yaroch

Nays—49

Aiyash	Coleman	Liberati	Shannon
Anthony	Ellison	Manoogian	Sneller
Bolden	Garza	Morse	Sowerby
Brabec	Glanville	Neeley	Steckloff
Breen	Haadsma	O'Neal	Steenland
Brixie	Hertel	Pepper	Stone
Cambensy	Hood	Peterson	Tate
Camilleri	Hope	Pohutsky	Thanedar
Carter, B	Koleszar	Rabhi	Weiss
Carter, T	Kuppa	Rogers	Witwer
Cavanagh	LaGrand	Sabo	Yancey
Cherry	Lasinski	Scott	Young
Clemente			

In The Chair: Hornberger

The House agreed to the title of the bill.
Rep. Frederick moved that the bill be given immediate effect.
The motion prevailed, 2/3 of the members serving voting therefor.

Second Reading of Bills

House Bill No. 6185, entitled

A bill to repeal 1933 PA 66, entitled “An act to regulate insurance corporations, fraternal benefit and other societies and associations doing an insurance business in Michigan during and under certain emergencies, to extend the powers of the commissioner of insurance over such companies and business in such emergencies; to prevent preferences among policyholders and creditors of such companies in the payment of debts and claims and withdrawals of cash; to preserve the solvency and integrity of such companies during such emergencies for the benefit of all policyholders and other obligees of such companies and societies; and to limit certain legal process and proceedings for the period prescribed herein,” (MCL 550.1 to 550.8).

The bill was read a second time.
Rep. Whiteford moved that the bill be placed on the order of Third Reading of Bills.
The motion prevailed.

Rep. Frederick moved that the bill be placed on its immediate passage.
The motion prevailed, a majority of the members serving voting therefor.

Rep. Rabhi moved that Rep. Brenda Carter be excused temporarily from today’s session.
The motion prevailed.

By unanimous consent the House returned to the order of
Third Reading of Bills

House Bill No. 6185, entitled

A bill to repeal 1933 PA 66, entitled “An act to regulate insurance corporations, fraternal benefit and other societies and associations doing an insurance business in Michigan during and under certain emergencies, to extend the powers of the commissioner of insurance over such companies and business in such emergencies; to prevent preferences among policyholders and creditors of such companies in the payment of debts and claims and withdrawals of cash; to preserve the solvency and integrity of such companies during such emergencies for the benefit of all policyholders and other obligees of such companies and societies; and to limit certain legal process and proceedings for the period prescribed herein,” (MCL 550.1 to 550.8).

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 372

Yeas—56

Albert	Damoose	Howell	Paquette
Alexander	Eisen	Johnson, S	Posthumus
Allor	Farrington	Kahle	Reilly
Beeler	Filler	LaFave	Rendon
Bellino	Fink	Lightner	Roth
Berman	Frederick	Lilly	Slagh
Beson	Glenn	Maddock	Tisdell
Bezotte	Green	Markkanen	VanSingel
Bollin	Griffin	Martin	VanWoerkom
Borton	Hall	Meerman	Wakeman
Brann	Harris	Mekoski	Wendzel
Calley	Hauck	Mueller	Wentworth
Carra	Hoitenga	O’Malley	Whiteford
Clements	Hornberger	Outman	Yaroch

Nays—48

Aiyash	Coleman	Liberati	Shannon
Anthony	Ellison	Manoogian	Sneller
Bolden	Garza	Morse	Sowerby
Brabec	Glanville	Neeley	Steckloff
Breen	Haadsma	O’Neal	Steenland
Brixie	Hertel	Pepper	Stone
Cambensy	Hood	Peterson	Tate
Camilleri	Hope	Pohutsky	Thanedar
Carter, T	Koleszar	Rabhi	Weiss
Cavanagh	Kuppa	Rogers	Witwer
Cherry	LaGrand	Sabo	Yancey
Clemente	Lasinski	Scott	Young

In The Chair: Hornberger

The House agreed to the title of the bill.
Rep. Frederick moved that the bill be given immediate effect.
The motion prevailed, 2/3 of the members serving voting therefor.

Second Reading of Bills

House Bill No. 6189, entitled

A bill to amend 1994 PA 451, entitled “Natural resources and environmental protection act,” by amending section 11550 (MCL 324.11550), as amended by 2020 PA 201; and to repeal acts and parts of acts.

The bill was read a second time.
Rep. VanWoerkom moved that the bill be placed on the order of Third Reading of Bills.
The motion prevailed.
Rep. Frederick moved that the bill be placed on its immediate passage.
The motion prevailed, a majority of the members serving voting therefor.

By unanimous consent the House returned to the order of
Third Reading of Bills

House Bill No. 6189, entitled

A bill to amend 1994 PA 451, entitled “Natural resources and environmental protection act,” by amending section 11550 (MCL 324.11550), as amended by 2020 PA 201; and to repeal acts and parts of acts.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 373

Yeas—56

Albert	Damoose	Howell	Paquette
Alexander	Eisen	Johnson, S	Posthumus
Allor	Farrington	Kahle	Reilly
Beeler	Filler	LaFave	Rendon
Bellino	Fink	Lightner	Roth
Berman	Frederick	Lilly	Slagh
Beson	Glenn	Maddock	Tisdell
Bezotte	Green	Markkanen	VanSingel
Bollin	Griffin	Martin	VanWoerkom
Borton	Hall	Meerman	Wakeman
Brann	Harris	Mekoski	Wendzel
Calley	Hauck	Mueller	Wentworth
Carra	Hoitenga	O’Malley	Whiteford
Clements	Hornberger	Outman	Yaroch

Nays—48

Aiyash	Coleman	Liberati	Shannon
Anthony	Ellison	Manoogian	Sneller
Bolden	Garza	Morse	Sowerby
Brabec	Glanville	Neeley	Steckloff
Breen	Haadsma	O’Neal	Steenland
Brixie	Hertel	Pepper	Stone
Cambensy	Hood	Peterson	Tate
Camilleri	Hope	Pohutsky	Thanedar
Carter, T	Koleszar	Rabhi	Weiss

Cavanagh
Cherry
Clemente

Kuppa
LaGrand
Lasinski

Rogers
Sabo
Scott

Witwer
Yancey
Young

In The Chair: Hornberger

The House agreed to the title of the bill.

Rep. Frederick moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

Second Reading of Bills

House Bill No. 6193, entitled

A bill to amend 1917 PA 167, entitled "Housing law of Michigan," by amending section 85 (MCL 125.485).

The bill was read a second time.

Rep. Fink moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

Rep. Frederick moved that the bill be placed on its immediate passage.

The motion prevailed, a majority of the members serving voting therefor.

By unanimous consent the House returned to the order of

Third Reading of Bills

House Bill No. 6193, entitled

A bill to amend 1917 PA 167, entitled "Housing law of Michigan," by amending section 85 (MCL 125.485).

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 374

Yeas—56

Albert
Alexander
Allor
Beeler
Bellino
Berman
Beson
Bezotte
Bollin
Borton
Brann
Calley
Carra
Clements

Damoose
Eisen
Farrington
Filler
Fink
Frederick
Glenn
Green
Griffin
Hall
Harris
Hauck
Hoitenga
Hornberger

Howell
Johnson, S
Kahle
LaFave
Lightner
Lilly
Maddock
Markkanen
Martin
Meerman
Mekoski
Mueller
O'Malley
Outman

Paquette
Posthumus
Reilly
Rendon
Roth
Slagh
Tisdell
VanSingel
VanWoerkom
Wakeman
Wendzel
Wentworth
Whiteford
Yaroch

Nays—48

Aiyash
Anthony

Coleman
Ellison

Liberati
Manoogian

Shannon
Sneller

Bolden	Garza	Morse	Sowerby
Brabec	Glanville	Neeley	Steckloff
Breen	Haadsma	O'Neal	Steenland
Brixie	Hertel	Pepper	Stone
Cambensy	Hood	Peterson	Tate
Camilleri	Hope	Pohutsky	Thanedar
Carter, T	Koleszar	Rabhi	Weiss
Cavanagh	Kuppa	Rogers	Witwer
Cherry	LaGrand	Sabo	Yancey
Clemente	Lasinski	Scott	Young

In The Chair: Hornberger

The House agreed to the title of the bill.

Rep. Frederick moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

Second Reading of Bills

House Bill No. 6194, entitled

A bill to amend 1978 PA 368, entitled "Public health code," by amending section 2251 (MCL 333.2251), as amended by 2012 PA 180, and by adding section 2251a.

Was read a second time, and the question being on the adoption of the proposed substitute (H-1) previously recommended by the Committee on Oversight,

The substitute (H-1) was adopted, a majority of the members serving voting therefor.

Rep. Kahle moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

Rep. Frederick moved that the bill be placed on its immediate passage.

The motion prevailed, a majority of the members serving voting therefor.

By unanimous consent the House returned to the order of

Third Reading of Bills

House Bill No. 6194, entitled

A bill to amend 1978 PA 368, entitled "Public health code," by amending section 2251 (MCL 333.2251), as amended by 2012 PA 180, and by adding section 2251a.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 375

Yeas—56

Albert	Damoose	Howell	Paquette
Alexander	Eisen	Johnson, S	Posthumus
Allor	Farrington	Kahle	Reilly
Beeler	Filler	LaFave	Rendon
Bellino	Fink	Lightner	Roth
Berman	Frederick	Lilly	Slagh
Beson	Glenn	Maddock	Tisdell
Bezotte	Green	Markkanen	VanSingel
Bollin	Griffin	Martin	VanWoerkom
Borton	Hall	Meerman	Wakeman
Brann	Harris	Mekoski	Wendzel

Calley
Carra
Clements

Hauck
Hoitenga
Hornberger

Mueller
O'Malley
Outman

Wentworth
Whiteford
Yaroch

Nays—48

Aiyash
Anthony
Bolden
Brabec
Breen
Brixie
Cambensy
Camilleri
Carter, T
Cavanagh
Cherry
Clemente

Coleman
Ellison
Garza
Glanville
Haadsma
Hertel
Hood
Hope
Koleszar
Kuppa
LaGrand
Lasinski

Liberati
Manoogian
Morse
Neeley
O'Neal
Pepper
Peterson
Pohutsky
Rabhi
Rogers
Sabo
Scott

Shannon
Sneller
Sowerby
Steckloff
Steenland
Stone
Tate
Thanedar
Weiss
Witwer
Yancey
Young

In The Chair: Hornberger

The question being on agreeing to the title of the bill,

Rep. Frederick moved to amend the title to read as follows:

A bill to amend 1978 PA 368, entitled "Public health code," (MCL 333.1101 to 333.25211) by adding section 2251a.

The motion prevailed.

The House agreed to the title as amended.

Rep. Frederick moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

Second Reading of Bills

House Bill No. 6202, entitled

A bill to amend 1982 PA 191, entitled "An act to provide for the declaration of a state of energy emergency; to provide for procedures to be followed after a declaration of a state of energy emergency; to create an energy advisory committee and prescribe its powers and duties; to prescribe the powers and duties of the governor; to prescribe penalties; and to repeal certain acts and parts of acts," by amending section 5 (MCL 10.85).

The bill was read a second time.

Rep. Martin moved that the bill be placed on the order of Third Reading of Bills.

The motion prevailed.

Rep. Frederick moved that the bill be placed on its immediate passage.

The motion prevailed, a majority of the members serving voting therefor.

By unanimous consent the House returned to the order of

Third Reading of Bills

House Bill No. 6202, entitled

A bill to amend 1982 PA 191, entitled "An act to provide for the declaration of a state of energy emergency; to provide for procedures to be followed after a declaration of a state of energy emergency; to create an energy advisory committee and prescribe its powers and duties; to prescribe the powers and duties of the governor; to prescribe penalties; and to repeal certain acts and parts of acts," by amending section 5 (MCL 10.85).

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 376

Yeas—56

Albert	Damoose	Howell	Paquette
Alexander	Eisen	Johnson, S	Posthumus
Allor	Farrington	Kahle	Reilly
Beeler	Filler	LaFave	Rendon
Bellino	Fink	Lightner	Roth
Berman	Frederick	Lilly	Slagh
Beson	Glenn	Maddock	Tisdell
Bezotte	Green	Markkanen	VanSingel
Bollin	Griffin	Martin	VanWoerkom
Borton	Hall	Meerman	Wakeman
Brann	Harris	Mekoski	Wendzel
Calley	Hauck	Mueller	Wentworth
Carra	Hoitenga	O'Malley	Whiteford
Clements	Hornberger	Outman	Yaroch

Nays—48

Aiyash	Coleman	Liberati	Shannon
Anthony	Ellison	Manoogian	Sneller
Bolden	Garza	Morse	Sowerby
Brabec	Glanville	Neeley	Steckloff
Breen	Haadsma	O'Neal	Steenland
Brixie	Hertel	Pepper	Stone
Cambensy	Hood	Peterson	Tate
Camilleri	Hope	Pohutsky	Thanedar
Carter, T	Koleszar	Rabhi	Weiss
Cavanagh	Kuppa	Rogers	Witwer
Cherry	LaGrand	Sabo	Yancey
Clemente	Lasinski	Scott	Young

In The Chair: Hornberger

The House agreed to the title of the bill.
Rep. Frederick moved that the bill be given immediate effect.
The motion prevailed, 2/3 of the members serving voting therefor.

Second Reading of Bills

House Bill No. 6204, entitled

A bill to amend 1994 PA 451, entitled “Natural resources and environmental protection act,” by amending sections 41302 and 41303 (MCL 324.41302 and 324.41303), as amended by 2018 PA 451.

The bill was read a second time.
Rep. O'Malley moved that the bill be placed on the order of Third Reading of Bills.
The motion prevailed.
Rep. Frederick moved that the bill be placed on its immediate passage.
The motion prevailed, a majority of the members serving voting therefor.

By unanimous consent the House returned to the order of

Third Reading of Bills

House Bill No. 6204, entitled

A bill to amend 1994 PA 451, entitled “Natural resources and environmental protection act,” by amending sections 41302 and 41303 (MCL 324.41302 and 324.41303), as amended by 2018 PA 451.

Was read a third time and passed, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 377

Yeas—56

Albert	Damoose	Howell	Paquette
Alexander	Eisen	Johnson, S	Posthumus
Allor	Farrington	Kahle	Reilly
Beeler	Filler	LaFave	Rendon
Bellino	Fink	Lightner	Roth
Berman	Frederick	Lilly	Slagh
Beson	Glenn	Maddock	Tisdell
Bezotte	Green	Markkanen	VanSingel
Bollin	Griffin	Martin	VanWoerkom
Borton	Hall	Meerman	Wakeman
Brann	Harris	Mekoski	Wendzel
Calley	Hauck	Mueller	Wentworth
Carra	Hoitenga	O'Malley	Whiteford
Clements	Hornberger	Outman	Yaroch

Nays—48

Aiyash	Coleman	Liberati	Shannon
Anthony	Ellison	Manoogian	Sneller
Bolden	Garza	Morse	Sowerby
Brabec	Glanville	Neeley	Steckloff
Breen	Haadsma	O'Neal	Steenland
Brixie	Hertel	Pepper	Stone
Cambensy	Hood	Peterson	Tate
Camilleri	Hope	Pohutsky	Thanedar
Carter, T	Koleszar	Rabhi	Weiss
Cavanagh	Kuppa	Rogers	Witwer
Cherry	LaGrand	Sabo	Yancey
Clemente	Lasinski	Scott	Young

In The Chair: Hornberger

The House agreed to the title of the bill.

Rep. Frederick moved that the bill be given immediate effect.

The motion prevailed, 2/3 of the members serving voting therefor.

By unanimous consent the House returned to the order of

Messages from the Senate

House Bill No. 5558, entitled

A bill to amend 1978 PA 368, entitled “Public health code,” by amending sections 2688, 2690, and 2836 (MCL 333.2688, 333.2690, and 333.2836), section 2690 as amended by 2016 PA 386 and section 2836 as added by 2012 PA 499.

The Senate has substituted (S-2) the bill.

The Senate has passed the bill as substituted (S-2) and pursuant to Joint Rule 20, inserted the full title.

The Speaker announced that pursuant to Rule 42, the bill was laid over one day.

Rep. Frederick moved that Rule 42 be suspended.

The motion prevailed, 3/5 of the members present voting therefor.

The question being on concurring in the substitute (S-2) made to the bill by the Senate,

The substitute (S-2) was concurred in, a majority of the members serving voting therefor, by yeas and nays, as follows:

Roll Call No. 378

Yeas—56

Albert	Damoose	Howell	Paquette
Alexander	Eisen	Johnson, S	Posthumus
Allor	Farrington	Kahle	Reilly
Beeler	Filler	LaFave	Rendon
Bellino	Fink	Lightner	Roth
Berman	Frederick	Lilly	Slagh
Beson	Glenn	Maddock	Tisdell
Bezotte	Green	Markkanen	VanSingel
Bollin	Griffin	Martin	VanWoerkom
Borton	Hall	Meerman	Wakeman
Brann	Harris	Mekoski	Wendzel
Calley	Hauck	Mueller	Wentworth
Carra	Hoitenga	O'Malley	Whiteford
Clements	Hornberger	Outman	Yaroch

Nays—48

Aiyash	Coleman	Liberati	Shannon
Anthony	Ellison	Manoogian	Sneller
Bolden	Garza	Morse	Sowerby
Brabec	Glanville	Neeley	Steckloff
Breen	Haadsma	O'Neal	Steenland
Brixie	Hertel	Pepper	Stone
Cambensy	Hood	Peterson	Tate
Camilleri	Hope	Pohutsky	Thanedar
Carter, T	Koleszar	Rabhi	Weiss
Cavanagh	Kuppa	Rogers	Witwer
Cherry	LaGrand	Sabo	Yancey
Clemente	Lasinski	Scott	Young

In The Chair: Hornberger

The House agreed to the full title.

The bill was referred to the Clerk for enrollment printing and presentation to the Governor.

By unanimous consent the House returned to the order of

Motions and Resolutions

Rep. Frederick moved that when the House adjourns today it stand adjourned until Wednesday, July 20, at 1:30 p.m.

The motion prevailed.

Rep. Frederick moved that when the House adjourns Wednesday, July 20 it stand adjourned until Wednesday, August 17, at 1:30 p.m.

The motion prevailed.

Rep. Frederick moved that when the House adjourns Wednesday, August 17 it stand adjourned until Wednesday, September 7, at 1:30 p.m.

The motion prevailed.

Reports of Select Committees

House Bill No. 5783, entitled

A bill to make, supplement, adjust, and consolidate appropriations for various state departments and agencies, capital outlays, the judicial branch, and the legislative branch for the fiscal years ending September 30, 2022 and September 30, 2023; to provide for certain conditions on appropriations; to provide for the expenditure of the appropriations; and to repeal acts and parts of acts.

(For text of conference report, see today's Journal, p. 1090.)

The Senate has adopted the report of the Committee of Conference and ordered that the bill be given immediate effect.

The bill was referred to the Clerk for enrollment printing and presentation to the Governor.

Messages from the Senate

House Bill No. 5559, entitled

A bill to amend 1927 PA 175, entitled "The code of criminal procedure," by amending section 13k of chapter XVII (MCL 777.13k), as amended by 2018 PA 587.

The Senate has passed the bill and pursuant to Joint Rule 20, inserted the full title.

The House agreed to the full title.

The bill was referred to the Clerk for enrollment printing and presentation to the Governor.

House Concurrent Resolution No. 18.

A concurrent resolution prescribing the legislative schedule

(For text of concurrent resolution, see today's Journal, p. 1085.)

The Senate has adopted the concurrent resolution.

The concurrent resolution was referred to the Clerk for record.

Notices

June 30, 2022

I hereby resign my office of State Representative of the 89th District effective July 1, 2022 at 5:01 PM.

Sincerely,
Jim Lilly
State Representative
89th District

Rep. Paquette moved that the House adjourn.

The motion prevailed, the time being 3:45 a.m.

The Speaker Pro Tempore declared the House adjourned until Wednesday, July 20, at 1:30 p.m.

GARY L. RANDALL
Clerk of the House of Representatives

