

SUBSTITUTE FOR
SENATE BILL NO. 179

A bill to make appropriations for the department of labor and economic opportunity for the fiscal year ending September 30, 2026; and to provide for the expenditure of the appropriations.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. There is appropriated for the department of labor and economic opportunity for the fiscal year ending September 30, 2026, from the following funds:

DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY

APPROPRIATION SUMMARY

Full-time equated unclassified positions	34.5
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Full-time equated classified positions	2,661.0
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1	GROSS APPROPRIATION		\$ 2,112,782,300
2	Interdepartmental grant revenues:		
3	Total interdepartmental grants and		
4	intradepartmental transfers		0
5	ADJUSTED GROSS APPROPRIATION		\$ 2,112,782,300
6	Federal revenues:		
7	Total federal revenues		1,227,473,300
8	Special revenue funds:		
9	Total local revenues		10,700,000
10	Total private revenues		12,588,200
11	Total other state restricted revenues		292,874,300
12	State general fund/general purpose		\$ 569,146,500
13	Sec. 102. DEPARTMENTAL ADMINISTRATION AND		
14	SUPPORT		
15	Full-time equated unclassified positions	34.5	
16	Full-time equated classified positions	66.0	
17	Unclassified salaries--FTE positions	34.5	\$ 4,882,100
18	Executive direction and operations--FTEs	66.0	10,913,800
19	Property management		6,642,200
20	GROSS APPROPRIATION		\$ 22,438,100
21	Appropriated from:		
22	Federal revenues:		
23	DED, vocational rehabilitation and independent		
24	living		3,469,700
25	DOL, federal funds		3,266,600
26	DOL-ETA, unemployment insurance		2,661,000
27	DOL, occupational safety and health		586,500
28	Federal funds		2,584,700

1	Special revenue funds:		
2	Asbestos abatement fund		51,900
3	Corporation fees		1,951,400
4	Michigan state housing development authority		
5	fees and charges		670,000
6	Private occupational school license fees		55,900
7	Radiological health fees		294,800
8	Safety education and training fund		792,200
9	Second injury fund		277,600
10	Securities fees		2,171,100
11	Self-insurers security fund		151,600
12	Silicosis and dust disease fund		115,000
13	Worker's compensation administrative revolving		
14	fund		91,100
15	State general fund/general purpose	\$	3,247,000
16	Sec. 103. WORKFORCE DEVELOPMENT		
17	Full-time equated classified positions	234.0	
18	Center for employment opportunity		\$ 1,000,000
19	Community and worker economic transition		
20	office--FTEs	10.0	2,523,700
21	Going pro		54,750,000
22	Helmets to hardhats		250,000
23	Michigan future force		9,950,000
24	Michigan office of rural prosperity--FTEs	2.0	2,299,400
25	MiSTEM advisory council--FTEs	3.0	673,700
26	Office of future mobility and electrification		2,000,000
27	Voluntary income tax assistance grants		2,000,000
28	Workforce development--FTEs	219.0	442,083,700

1	GROSS APPROPRIATION		\$ 517,530,500
2	Appropriated from:		
3	Federal revenues:		
4	DAG, employment and training		4,000,400
5	DED-OESE, GEAR-UP		5,500,000
6	DED-OVAE, adult education		20,000,000
7	DED-OVAE, basic grants to states		19,000,000
8	DOL, federal funds		106,336,100
9	DOL-ETA, workforce investment act		173,488,600
10	Federal funds		23,225,100
11	Social security act, temporary assistance to		
12	needy families		63,698,800
13	Special revenue funds:		
14	Local revenues		300,000
15	Private funds		4,993,800
16	Contingent fund, penalty and interest		22,143,900
17	Defaulted loan collection		166,100
18	State general fund/general purpose	\$	74,677,700
19	Sec. 104. REHABILITATION SERVICES		
20	Full-time equated classified positions	671.0	
21	Bureau of services for blind persons--FTEs	116.0	\$ 32,149,900
22	Centers for independent living		19,718,600
23	Michigan rehabilitation services--FTEs	555.0	194,706,800
24	Personal assistance services reimbursement for		
25	employment program		400,000
26	Subregional libraries state aid		451,800
27	GROSS APPROPRIATION	\$	247,427,100
28	Appropriated from:		

1	Federal revenues:		
2	Federal funds		884,000
3	DED, vocational rehabilitation and independent		
4	living		185,573,000
5	Supplemental security income		8,588,600
6	Special revenue funds:		
7	Local - blind services		100,000
8	Local - vocational rehabilitation match		5,300,000
9	Private - blind services, private		111,800
10	Private - gifts, bequests, and donations		531,500
11	Michigan business enterprise program fund		350,000
12	Rehabilitation service fees		151,200
13	Second injury fund		38,300
14	Yields, earnings, and savings		2,500,400
15	State general fund/general purpose	\$	43,298,300
16	Sec. 105. EMPLOYMENT SERVICES		
17	Full-time equated classified positions	444.0	
18	Bureau of employment relations--FTEs	22.0	\$ 4,674,000
19	Compensation supplement fund		820,000
20	First responder presumed coverage claims		6,500,000
21	Insurance funds administration--FTEs	23.0	4,638,900
22	Michigan occupational safety and health		
23	administration--FTEs	217.0	38,972,300
24	Office of global Michigan--FTEs	16.0	44,111,500
25	Private and occupational distance learning--		
26	FTEs	3.0	879,100
27	Radiation safety section--FTEs	26.0	4,159,200
28	Wage and hour program--FTEs	67.0	14,182,200

1	Worker's compensation board of magistrates--		
2	FTEs	10.0	2,322,200
3	Worker's disability compensation agency--FTEs	56.0	10,104,000
4	Worker's disability compensation appeals		
5	commission--FTEs	4.0	359,200
6	GROSS APPROPRIATION	\$	131,722,600
7	Appropriated from:		
8	Federal revenues:		
9	DOL, occupational safety and health		16,433,600
10	HHS, mammography quality standards		513,300
11	HHS, refugee assistance program fund		38,419,100
12	Special revenue funds:		
13	Asbestos abatement fund		870,100
14	Corporation fees		12,303,600
15	Distance education fund		380,400
16	First responder presumed coverage fund		6,500,000
17	Prevailing wage fund		8,000,000
18	Private occupational school license fees		498,700
19	Radiological health fees		3,645,900
20	Safety education and training fund		11,739,000
21	Second injury fund		2,482,800
22	Securities fees		11,238,200
23	Self-insurers security fund		1,543,100
24	Silicosis and dust disease fund		613,000
25	Worker's compensation administrative revolving		
26	fund		3,398,500
27	State general fund/general purpose	\$	13,143,300
28	Sec. 106. UNEMPLOYMENT INSURANCE AGENCY		

1	Full-time equated classified positions	744.0		
2	Unemployment insurance agency--FTEs	736.0	\$	297,138,500
3	Unemployment insurance agency - advocacy			
4	assistance			1,500,000
5	Unemployment insurance appeals commission--FTEs	8.0		4,430,600
6	GROSS APPROPRIATION		\$	303,069,100
7	Appropriated from:			
8	Federal revenues:			
9	DOL-ETA, unemployment insurance			280,315,100
10	Special revenue funds:			
11	Contingent fund, penalty and interest			22,754,000
12	State general fund/general purpose		\$	0
13	Sec. 107. COMMISSIONS			
14	Full-time equated classified positions	25.0		
15	Asian Pacific American affairs commission--FTE	1.0	\$	224,500
16	Black leadership council--FTE	1.0		220,000
17	Commission on Middle Eastern American Affairs--			
18	FTE	1.0		215,100
19	Hispanic/Latino commission of Michigan--FTE	1.0		298,500
20	Michigan community service commission--FTEs	14.0		19,617,400
21	Michigan women's commission--FTEs	2.0		1,545,100
22	Prosperity bureau--FTEs	4.0		911,800
23	Tribal commission--FTE	1.0		220,000
24	GROSS APPROPRIATION		\$	23,252,400
25	Federal revenues:			
26	Federal funds			18,184,400
27	Special revenue funds:			
28	Private funds			1,551,100

1	State general fund/general purpose	\$	3,516,900
2	Sec. 108. INFORMATION TECHNOLOGY		
3	Information technology services and projects	\$	30,821,500
4	GROSS APPROPRIATION	\$	30,821,500
5	Appropriated from:		
6	Federal revenues:		
7	DED, vocational rehabilitation and independent		
8	living		3,193,100
9	DOL-ETA, unemployment insurance		23,003,200
10	DOL, occupational safety and health		372,300
11	Federal funds		592,800
12	Special revenue funds:		
13	Asbestos abatement fund		35,300
14	Corporation fees		484,400
15	Distance education fund		20,700
16	Private occupational school license fees		82,400
17	Radiological health fees		155,900
18	Safety education and training fund		403,300
19	Second injury fund		180,700
20	Securities fees		1,206,200
21	Self-insurers security fund		125,600
22	Silicosis and dust disease fund		45,000
23	State general fund/general purpose	\$	920,600
24	Sec. 109. STRATEGIC OUTREACH AND ATTRACTION		
25	RESERVE		
26	Critical industry program	\$	100
27	Michigan strategic site readiness program		100
28	GROSS APPROPRIATION	\$	200

1	Appropriated from:		
2	Special revenue funds:		
3	Strategic outreach and attraction reserve fund		200
4	State general fund/general purpose	\$	0
5	Sec. 110. MICHIGAN STRATEGIC FUND		
6	Full-time equated classified positions	150.0	
7	Arts and cultural program	\$	12,135,200
8	Business attraction and community		
9	revitalization		40,650,000
10	Community college skilled trades equipment		
11	program		4,600,000
12	Community development financial institutions		2,000,000
13	Facility for rare isotope beams		7,300,000
14	Global talent initiative		100,000
15	Job creation services--FTEs	150.0	35,308,200
16	Lighthouse preservation program		250,000
17	Michigan defense center program		5,000,000
18	Pure Michigan		21,000,000
19	Small business development initiative		10,000,000
20	Talent partnership		40,000,000
21	GROSS APPROPRIATION	\$	178,343,400
22	Appropriated from:		
23	Federal revenues:		
24	Federal funds		3,000,000
25	NFAH-NEA, promotion of the arts, partnership		
26	agreement		1,050,000
27	State historic preservation, national park		
28	service grants		1,900,000

1	Special revenue funds:		
2	Local promotion fund		5,000,000
3	Private - Michigan council for the arts fund		200,000
4	Private - special project advances		200,000
5	Private promotion fund		5,000,000
6	Contingent fund, penalty and interest		4,600,000
7	Michigan lighthouse preservation fund		250,000
8	Michigan state housing development authority		
9	fees and charges		4,818,600
10	State brownfield redevelopment fund		7,004,400
11	State historic preservation office fees and		
12	charges		509,200
13	State general fund/general purpose	\$	144,811,200
14	Sec. 111. MICHIGAN STATE HOUSING DEVELOPMENT		
15	AUTHORITY		
16	Full-time equated classified positions	318.0	
17	Community development block grants	\$	47,000,000
18	Housing and rental assistance--FTEs	318.0	52,120,800
19	Michigan housing and community development		
20	program		50,000,000
21	MSHDA technology services and projects		3,760,900
22	Payments on behalf of tenants		166,860,000
23	Property management		3,519,200
24	GROSS APPROPRIATION	\$	323,260,900
25	Appropriated from:		
26	Federal revenues:		
27	HUD, lower income housing assistance		166,860,000
28	HUD-CPD, community development block grant		49,773,300

1	Special revenue funds:		
2	Michigan housing and community development fund		50,000,000
3	Michigan state housing development authority		
4	fees and charges		56,627,600
5	State general fund/general purpose	\$	0
6	Sec. 112. STATE LAND BANK AUTHORITY		
7	Full-time equated classified positions	9.0	
8	Land bank stabilization grants	\$	3,000,000
9	State land bank authority	9.0	8,912,400
10	GROSS APPROPRIATION	\$	11,912,400
11	Appropriated from:		
12	Federal revenues:		
13	Federal revenues		1,000,000
14	Special revenue funds:		
15	Land bank fast track fund		3,385,000
16	State general fund/general purpose	\$	7,527,400
17	Sec. 113. ONE-TIME APPROPRIATIONS		
18	ADA small business compliance	\$	2,000,000
19	Arts and culture facility upgrades		2,000,000
20	Community health and services grants		1,200
21	Community infrastructure grants		1,400
22	Community public safety grants		900
23	Community workforce development grants		600
24	Economic stress test		500,000
25	Economic relief		100,000,000
26	Emergency housing		50,000,000
27	Emerging community grants		2,750,000
28	Fire station infrastructure grants		3,000,000

1	Housing relief fund	75,000,000
2	MiCAP	20,000,000
3	Michigan future force	15,000,000
4	Michigan veteran wraparound services	3,000,000
5	Michigan works!	1,000,000
6	My pay today pilot program	1,000,000
7	Re-emerging workforce	10,000,000
8	Short-term loan grants	2,500,000
9	Small business support hubs	30,000,000
10	Statewide apprenticeship expansion	5,000,000
11	Women in the workplace	250,000
12	GROSS APPROPRIATION	\$ 323,004,100
13	Appropriated from:	
14	Federal revenues:	
15	Special revenue funds:	
16	Corporation fees	25,000,000
17	Yields, earnings, and savings	20,000,000
18	State general fund/general purpose	\$ 278,004,100

PART 2

PROVISIONS CONCERNING APPROPRIATIONS
FOR FISCAL YEAR 2025-2026

GENERAL SECTIONS

Sec. 201. In accordance with section 30 of article IX of the state constitution of 1963, for the fiscal year ending September 30, 2026, total state spending under part 1 from state sources is \$862,020,800.00 and state spending under part 1 from state sources to be paid to local units of government is \$71,443,700.00. The following itemized statement identifies appropriations from which

1 spending to local units of government will occur:

2 **DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY**

3	Arts and cultural program	\$	1,200,000
4	At-risk youth grants		5,700,000
5	Going pro		53,655,000
6	Michigan rehabilitation services		275,000
7	Workforce development programs		10,999,900
8	TOTAL	\$	71,443,700

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

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

13 (a) "Department" means the department of labor and economic
 14 opportunity and entities contained within its organization,
 15 including, but not limited to, the fund.

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

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

18 (d) "Fund", unless the context clearly implies a different
 19 meaning, means the Michigan strategic fund.

20 (e) "MEDC" means the Michigan economic development
 21 corporation, which is the public body corporate created under
 22 section 28 of article VII of the state constitution of 1963 and the
 23 urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to
 24 124.512, by contractual interlocal agreement effective April 5,
 25 1999, between local participating economic development corporations
 26 formed under the economic development corporations act, 1974 PA
 27 338, MCL 125.1601 to 125.1636, and the fund.

28 (f) "MEGA" means the Michigan economic growth authority.

29 (g) "MSHDA" means the Michigan state housing development

1 authority.

2 (h) "MiSTEM" means Michigan science, technology, engineering,
3 and mathematics.

4 (i) "PATH" means Partnership. Accountability. Training. Hope.

5 (j) "Standard report recipients" means the senate and house
6 appropriations subcommittees on labor and economic opportunity, the
7 senate and house fiscal agencies, the senate and house policy
8 offices, and the state budget office.

9 (k) "STEM" means science, technology, engineering, and
10 mathematics.

11 (l) "USDOL" means the United States Department of Labor.

12 Sec. 204. The department shall use the internet to fulfill the
13 reporting requirements of this part. This requirement includes
14 transmitting reports to the standard report recipients and any
15 other required recipients by email and posting the reports on an
16 internet site.

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

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

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

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

1 comparable quality.

2 (d) Preference must be given to goods or services, or both,
3 that are manufactured in facilities that employ union members.

4 Sec. 206. The department shall not take disciplinary action
5 against an employee of the department for communicating with a
6 member of the legislature or legislative staff, unless the
7 communication is prohibited by law and the department is exercising
8 its authority as provided by law.

9 Sec. 207. Consistent with section 217 of the management and
10 budget act, 1984 PA 431, MCL 18.1217, the department shall prepare
11 a report on out-of-state travel expenses not later than January 1.
12 The report must list all travel outside this state by classified
13 and unclassified employees in the previous fiscal year that was
14 funded in whole or in part with funds appropriated in the
15 department's budget. The department shall submit the report to the
16 standard report recipients and to the senate and house
17 appropriations committees. The report must include all of the
18 following information:

19 (a) The dates of each travel occurrence.

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

24 Sec. 208. The department shall not use funds appropriated in
25 part 1 to hire a person to provide legal services that are the
26 responsibility of the attorney general. This section does not apply
27 to legal services for bonding activities or to outside legal
28 services that the attorney general authorizes.

29 Sec. 209. Not later than December 15, the state budget office

1 shall prepare and submit a report that provides estimates of the
2 total general fund/general purpose appropriation lapses at the
3 close of the previous fiscal year. The report must summarize the
4 projected year-end general fund/general purpose appropriation
5 lapses by major departmental program or program areas. The state
6 budget office shall submit the report to the standard report
7 recipients and the chairpersons of the senate and house
8 appropriations committees.

9 Sec. 210. (1) In addition to the funds appropriated in part 1,
10 there is appropriated an amount not to exceed \$30,000,000.00 for
11 federal contingency authorization. Amounts appropriated under this
12 subsection are not available for expenditure until they have been
13 transferred to another line item in part 1 under section 393(2) of
14 the management and budget act, 1984 PA 431, MCL 18.1393.

15 (2) In addition to the funds appropriated in part 1, there is
16 appropriated an amount not to exceed \$560,000,000.00 for state
17 restricted contingency authorization. Amounts appropriated under
18 this subsection are not available for expenditure until they have
19 been transferred to another line item in part 1 under section
20 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393.

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

27 (4) In addition to the funds appropriated in part 1, there is
28 appropriated an amount not to exceed \$11,000,000.00 for private
29 contingency authorization. Amounts appropriated under this

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

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

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

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

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

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

15 (e) Job specifications and wage rates.

16 Sec. 212. Not later than 14 days after the release of the
17 executive budget recommendation, the department shall cooperate
18 with the state budget office to provide an annual report on
19 estimated state restricted fund balances, state restricted fund
20 projected revenues, and state restricted fund expenditures for the
21 previous 2 fiscal years. The report must be submitted to the
22 standard report recipients and to the chairpersons of the senate
23 and house appropriations committees.

24 Sec. 213. (1) Funds appropriated in part 1 must not be used to
25 restrict or impede a marginalized community's access to government
26 resources, programs, or facilities.

27 (2) From the funds appropriated in part 1, local governments
28 shall report any action or policy that attempts to restrict or
29 interfere with the duties of a local health officer.

1 Sec. 214. To the extent permissible under the management and
2 budget act, 1984 PA 451, MCL 18.1101 to 18.1594, the director shall
3 take all reasonable steps to ensure geographically disadvantaged
4 business enterprises compete for and perform contracts to provide
5 services or supplies, or both. The director shall strongly
6 encourage firms with which the department contracts to subcontract
7 with certified geographically disadvantaged business enterprises
8 for services, supplies, or both. As used in this section,
9 "geographically disadvantaged business enterprises" means that term
10 as defined in Executive Directive No. 2023-1.

11 Sec. 215. On a quarterly basis, the department shall report on
12 the number of full-time equated positions in pay status by civil
13 service classification, including a comparison by line item of the
14 number of full-time equated positions authorized from funds
15 appropriated in part 1 to the actual number of full-time equated
16 positions employed by the department at the end of the reporting
17 period. The report must be submitted to the standard report
18 recipients and the senate and house appropriations committees.

19 Sec. 216. The department shall receive and retain copies of
20 all reports funded from appropriations in part 1. The department
21 shall follow federal and state guidelines for short-term and long-
22 term retention of records. The department may electronically retain
23 copies of reports unless otherwise required by federal and state
24 guidelines.

25 Sec. 217. Not later than April 1, the department shall report
26 on each specific policy change made to implement a public act
27 affecting the department that took effect during the previous
28 calendar year. The department shall submit the report to the
29 standard report recipients, to the senate and house appropriations

committees, and to the joint committee on administrative rules.

Sec. 218. To the extent possible, the department shall not expend appropriations under part 1 until all existing authorized work project funds available for the same purposes are exhausted.

Sec. 220. Requirements under this part applicable to the fund and the fund's activities apply regardless of whether the fund delegates its functions and authority to the MEDC.

Sec. 221. The state budget director shall take steps to ensure that all state fiscal recovery funds allocated to this state under the American rescue plan act of 2021, Public Law 117-2, are expended by December 31, 2026, as required by law. A department or agency receiving an appropriation under this part or part 1 must notify the standard report recipients if an appropriation of funds described under this section is projected to lapse.

Sec. 222. (1) For any grant program or project funded in part 1 intended for a single recipient organization or unit of local government, the grant program or project is for a public purpose and the department shall follow procurement statutes of this state, including any bidding requirements, unless the department can fully validate, through information detailed in this part or public supporting documents, both of the following:

(a) The specific organization or unit of local government that will receive or administer the funds.

(b) How the funds will be administered and expended.

(2) To be eligible to receive a grant described in subsection (1), both of the following must occur:

(a) A recipient must submit the application under subsection (3) not later than 60 days after the effective date of this act.

(b) A recipient must be 1 of the following:

1 (i) A unit of local government, as that term is defined in
2 section 115 of the management and budget act, 1984 PA 431, MCL
3 18.1115.

4 (ii) An institution of higher education.

5 (iii) A state agency, as that term is defined in section 115 of
6 the management and budget act, 1984 PA 431, MCL 18.1115.

7 (iv) An entity registered with the department of licensing and
8 regulatory affairs or the department of attorney general that has
9 been in existence for at least the 12 months preceding the
10 effective date of this act.

11 (v) Another entity that can demonstrate, through state or
12 federal tax filings or other state or federal government records,
13 that it has been in existence for at least the 12 months preceding
14 the effective date of this act.

15 (3) Notwithstanding any other conditions or requirements for
16 direct appropriation grants, the department shall work with the
17 state budget office to perform at least all of the following
18 activities to administer the grants described in subsection (1):

19 (a) Develop a standard application process using the
20 electronic submission portal developed by the state budget office,
21 grantee reporting requirements, and any other necessary
22 documentation, including sponsorship information as specified under
23 subsection (4). If the electronic submission portal identified in
24 this subdivision is not fully functional by 60 days after the
25 effective date of this act, the state budget office shall ensure
26 that the standard application process and form are available
27 promptly and paper submission is acceptable. The state budget
28 office shall promptly submit application material received to the
29 department for departmental review.

1 (b) Establish a process to review, complete, and execute a
2 grant agreement with a grant recipient. The department shall not
3 execute a grant agreement unless all necessary documentation has
4 been submitted and reviewed.

5 (c) Verify to the extent possible that a grant recipient will
6 use funds for a public purpose that serves the economic prosperity,
7 health, safety, or general welfare of the residents of this state.

8 (d) Review and verify all necessary information to ensure the
9 grant recipient is reasonably able to execute the grant agreement,
10 perform its fiduciary duty, and comply with all applicable state
11 and federal statutes. The department may deduct the cost of
12 background checks and any other efforts performed as part of this
13 verification from the amount of the designated grant award.

14 (e) Establish a standard timeline to review all documents
15 submitted by grant recipients and provide a response within 45
16 business days stating whether submitted documents by a grant
17 recipient are sufficient or in need of additional information. If
18 additional information is needed, the 60-day deadline in subsection
19 (2) is considered to have been met if a sponsor has been identified
20 for that grant. If a grant recipient does not provide information
21 sufficient to execute a grant agreement not later than 60 days
22 after being notified by the department of grant approval, the
23 department shall return funds associated with the grant to the
24 state treasury.

25 (f) Make an initial disbursement of up to 50% of the grant to
26 the grant recipient not later than 60 days after a grant agreement
27 has been executed. Disbursements must be consistent with part II,
28 chapter 10, section 200 of the Financial Management Guide.

29 (g) Disburse the funds remaining after the initial

1 disbursement under subdivision (f) per the grant disbursement
2 schedule in the executed grant agreement on a reimbursement basis
3 after the grantee has provided sufficient documentation, as
4 determined by the department, to verify that expenditures were made
5 in accordance with the project purpose.

6 (4) The process for sponsorship of a grant described in
7 subsection (1) is as follows:

8 (a) Not later than the effective date of this act, the state
9 budget office shall provide an initial list of grants that require
10 legislative sponsorship to the legislature and shall make public an
11 initial list of grants that likely will be sponsored by the
12 department or by the state budget office.

13 (b) A sponsor of a grant described in subsection (1) must be a
14 legislator, the department, or the state budget office.

15 (c) A legislative sponsor must be identified through a letter
16 submitted by that legislator's office to the department and state
17 budget director containing the name of the grant recipient, the
18 intended amount of the grant, a certification from that legislator
19 that the grant is for a public purpose, and specific citation of
20 the section and subsection of the public act that authorizes the
21 grant, as applicable.

22 (d) Within 10 business days after the effective date of this
23 act, the senate and house of representatives shall compile an
24 initial list of legislative grant sponsors for their respective
25 chambers and submit those compiled lists to the state budget office
26 and the department, and the state budget office shall identify
27 department- or state budget office-sponsored grants. The state
28 budget director may grant an extension of this deadline of not more
29 than 30 days on a case-by-case basis. The state budget office shall

1 make the compiled lists public within 14 business days after the
2 effective date of this act.

3 (e) Not later than 60 days after the effective date of this
4 act, the state budget office shall publish a final list of grants
5 requiring sponsorship. If a legislative sponsor is not identified
6 within 60 days after the effective date of this act, the department
7 shall do 1 of the following:

8 (i) Identify the department or the state budget office as the
9 sponsor.

10 (ii) Decline to execute the grant agreement and lapse the
11 associated funds at the end of the fiscal year.

12 (f) At any point during the fiscal year, legislative grant
13 sponsors may be added to a grant request.

14 (5) An executed grant agreement under this section between the
15 department and a grant recipient must include at least all of the
16 following:

17 (a) All necessary identifying information for the grant
18 recipient, including any tax and financial information for the
19 department to administer funds under this section.

20 (b) A description of the project for which the grant funds
21 will be expended, including tentative timelines and the estimated
22 budget. The department shall not reimburse expenditures that are
23 outside of the project purpose, as stated in the executed grant
24 agreement, from appropriations in part 1. The grantee shall return
25 to the treasury any interest in excess of \$1,000.00 earned on the
26 grant funds while unexpended and in possession of the grantee.

27 (c) Unless otherwise specified in department policy, a
28 requirement that funds appropriated for the grants described in
29 subsection (1) may be used only for expenditures that occur on or

1 after the effective date of this act.

2 (d) A requirement for reporting by the grant recipient to the
3 department and the legislative sponsor that provides the status of
4 the project and an accounting of all funds expended by the grant
5 recipient, as determined by the department.

6 (e) A clawback provision that allows the department of
7 treasury to recoup or otherwise collect any funds that are
8 declined, unspent, or otherwise misused.

9 (f) The signed legislative sponsorship letter required under
10 subsection (4), incorporated into the grant agreement and included
11 as an appendix or attachment.

12 (g) If a grant recipient has provided information sufficient
13 to execute a grant agreement, the state budget office shall
14 promptly transmit that information to the department for the
15 department's review of the grant application. If a grant recipient
16 has provided information sufficient to execute a grant agreement
17 within 60 days after the effective date of this act, but the grant
18 application needs technical fixes or additional legislative action,
19 as identified by the state budget office, the 60-day deadline in
20 this subdivision is considered to have been met, if a sponsor has
21 been identified for that grant. If a grant recipient does not
22 provide information sufficient to execute a grant agreement not
23 later than 60 days after being notified by the department of grant
24 approval, the department shall return funds associated with the
25 grant to the state treasury.

26 (6) If appropriate to improve the administration or oversight
27 of a grant described in subsection (1), the department may adopt a
28 memorandum of understanding with another state department to
29 perform the required duties under this section.

1 (7) A grant recipient shall respond to all reasonable
2 information requests from the department related to grant
3 expenditures and retain grant records for not less than 7 years,
4 and the grant may be subject to monitoring, site visits, and audits
5 as determined by the department. The grant agreement required under
6 this section must include signed assurance by the chief executive
7 officer or other executive officer of the grant recipient that the
8 requirements of this subsection will be met.

9 (8) The grant recipient shall expend all funds awarded and
10 complete all projects not later than September 30, 2030. If at that
11 time any unexpended funds remain, the grant recipient shall return
12 those funds to the state treasury.

13 (9) Any funds that are granted to a state department are
14 appropriated in that department for the purpose of the intended
15 grant.

16 (10) The state budget director may, on a case-by-case basis,
17 extend the deadline in subsection (8) on request by a grant
18 recipient if a sponsor has been identified for the grant. The state
19 budget director shall notify the chairs of the senate and house of
20 representatives appropriations committees not later than 5 days
21 after an extension is granted.

22 (11) By March 1 of the current fiscal year, the state budget
23 office shall post a report in a publicly accessible location on its
24 website. The report must list the grant recipient, project purpose,
25 and location of the project for each grant described in subsection
26 (1), the status of funds allocated and disbursed under the grant
27 agreement, and the legislative sponsor, if applicable. After March
28 1, the state budget office shall update the report monthly and
29 shall post the updated report each month. The state budget office

1 shall include in the report the most comprehensive information the
2 office has available at the time of posting for grants awarded. The
3 state budget office may compile the information required in this
4 report across all departments. The department shall assist the
5 state budget office with the compilation of the report required
6 under this subsection.

7 (12) On request, beginning 75 days after the effective date of
8 this act, the state budget office shall release information
9 received for grant applications

10 (13) As applicable, the legislative sponsor of a grant
11 described in subsection (1) shall not sponsor a grant, or ask
12 another legislator to sponsor a grant, if there is a conflict of
13 interest related to the grant recipient.

14 (14) If the department reasonably determines that the funds
15 allocated for an executed grant agreement under this section were
16 misused or that use of the funds was misrepresented by the grant
17 recipient, the department shall not award any additional funds
18 under the executed grant agreement and shall refer the grant for
19 review following internal audit protocols.

20 Sec. 223. (1) General fund appropriations in part 1 shall not
21 be expended for items if federal funding or private grant funding
22 is available for the same expenditures.

23 (2) If the department is required to make a reduction in
24 expenditures under section 395(1) or (2) of the management and
25 budget act, 1984 PA 431, MCL 18.1395, for any appropriation under
26 this part or part 1, the department must notify the standard report
27 recipients not later than 10 days after the reduction. The
28 notification must include, but not be limited to, the following:

29 (a) A description of the fund source that is insufficient to

1 support the expenditures being reduced and the amount of the
2 reduction.

3 (b) A description of the cause for the reduction, if any such
4 cause is known.

5 (c) A description of the functions of state government or
6 services to residents that will be affected by the reduction.

7 Sec. 224. (1) Within 10 days after the effective date of this
8 act, the department must provide a report to the standard report
9 recipients containing the following information:

10 (a) A list of any sections in this act that the department
11 determines to be unenforceable, with a detailed legal rationale for
12 those determinations, as applicable.

13 (b) If a determination under subdivision (a) would affect the
14 operations of a program or programs within the department, the
15 department must report the estimated difference in cost between the
16 policy outlined in the section determined to be unenforceable and
17 the policy the department intends to pursue.

18 (2) The department may coordinate with the executive office of
19 the governor or other state departments or agencies to compile a
20 statewide report for any departments or agencies required to submit
21 a report substantially similar to the report described under
22 subsection (1).

23 Sec. 225. The department must provide a quarterly report to
24 the standard report recipients detailing federal policy changes
25 that do, or are expected to do, any of the following:

26 (a) Affect the operations of the department.

27 (b) Affect an industry, community, population, or other group
28 regulated or served by, or that otherwise engages with, the
29 department.

1 (c) Affect regulations that currently protect the public to
2 the extent that the regulations affect an industry, community,
3 population, or other group regulated or served by, or that
4 otherwise engages with, the department.

5 (d) Create a regulatory gap that could negatively impact the
6 public.

7
8 **DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY**

9 Sec. 301. General fund appropriations in part 1 must not be
10 expended for items in cases where federal funding or private grant
11 funding is available for the same expenditures.

12 Sec. 302. Federal pass-through funds to local institutions and
13 governments that are received in amounts in addition to those
14 included in part 1 and that do not require additional state
15 matching funds are appropriated for the purposes intended. The
16 department may carry forward into the succeeding fiscal year
17 unexpended federal pass-through funds to local institutions and
18 governments that do not require additional state matching funds.
19 The department shall report the amount and source of the funds to
20 the standard report recipients not later than 10 business days
21 after receiving any additional pass-through funds.

22 Sec. 303. As a condition of receiving funds appropriated in
23 part 1, the department must utilize SIGMA as an appropriation and
24 expenditure reporting system to track all financial transactions
25 with individual vendors, contractual partners, grantees, recipients
26 of business incentives, and recipients of other economic
27 assistance. Encumbrances and expenditures must be reported in a
28 timely manner.

29 Sec. 304. (1) Grants supported with private revenues received

1 by the department are appropriated upon receipt and are available
2 for expenditure by the department for purposes specified within the
3 grant agreement and as permitted under state and federal law.

4 (2) Not later than 10 days after the receipt of a private
5 grant appropriated in subsection (1), the department shall notify
6 the senate and house chairpersons of the subcommittees, the senate
7 and house fiscal agencies, and the state budget director of the
8 receipt of the grant, including the fund source, purpose, and
9 amount of the grant.

10 (3) The amount appropriated under subsection (1) must not
11 exceed \$1,500,000.00.

12 (4) Not later than March 15, the department shall report to
13 the standard report recipients on the amount of private revenue
14 generated in the previous fiscal year and the amount carried
15 forward into the current fiscal year.

16 Sec. 305. (1) The department may charge registration fees to
17 attendees of informational, training, or special events that are
18 sponsored by the department and related to activities that are
19 under the department's purview.

20 (2) The fees under subsection (1) must reflect the costs for
21 the department to sponsor the informational, training, or special
22 events.

23 (3) Revenue generated by the registration fees under
24 subsection (1) is appropriated upon receipt and available for
25 expenditure to cover the department's costs of sponsoring
26 informational, training, or special events.

27 (4) Revenue generated by registration fees under this section
28 in excess of the department's costs of sponsoring informational,
29 training, or special events must carry forward to the subsequent

1 fiscal year and not lapse to the general fund.

2 (5) The amount appropriated under subsection (3) must not
3 exceed \$500,000.00.

4 (6) Not later than March 15, the department shall report to
5 the standard report recipients on the amount of registration fees
6 generated in the previous fiscal year and the amount carried
7 forward into the current fiscal year.

8 Sec. 306. (1) The department may sell documents at a price not
9 to exceed the cost of production and distribution. Money received
10 from the sale of these documents must revert to the department. In
11 addition to the funds appropriated in part 1, these funds are
12 available for expenditure when they are received by the department
13 of treasury.

14 (2) Unexpended funds at the end of the fiscal year must carry
15 forward to the subsequent fiscal year and not lapse to the general
16 fund. The money carried forward under this section must be used as
17 the first source of funds in the subsequent fiscal year.

18 (3) Not later than March 15, the department shall report to
19 the standard report recipients on the amount of revenue generated
20 from the sale of documents produced and distributed by the
21 department in the previous fiscal year and the amount carried
22 forward into the current fiscal year.

23 Sec. 307. If the revenue collected by the department for
24 radiological health administration and projects from fees and
25 collections exceeds the amount appropriated in part 1, the revenue
26 must be carried forward into the subsequent fiscal year. The
27 revenue carried forward under this section must be used as the
28 first source of funds in the subsequent fiscal year.

29 Sec. 308. Funds appropriated in part 1 must not be used by a

1 department, authority, or agency to purchase an ownership interest
2 in a casino.

3 Sec. 309. (1) The yields, earnings, and savings fund is
4 created in the state treasury.

5 (2) The state treasurer shall make a quarterly transfer of any
6 interest and earnings from all of the following to the yields,
7 earnings, and savings fund:

8 (a) The strategic outreach and attraction reserve fund created
9 under section 4 of the Michigan trust fund act, 2000 PA 489, MCL
10 12.254, of the amount credited to the strategic outreach and
11 attraction reserve fund in the previous quarter.

12 (b) The revitalization and placemaking fund created under
13 section 696 of the income tax act of 1967, 1967 PA 281, MCL
14 206.696, of the amount credited to the revitalization and
15 placemaking fund.

16 (c) The Michigan housing and community development fund
17 created under section 58a of the state housing development
18 authority act of 1966, 1966 PA 346, MCL 125.1458a, of the amount
19 credited to the fund from interest and earnings in the previous
20 quarter.

21 (3) Funds may be spent from the yields, earnings, and savings
22 fund only on appropriation, or legislative transfer pursuant to
23 section 393(2) of the management and budget act, 1984 PA 431, MCL
24 18.1393.

25 (4) The state treasurer may receive money or other assets from
26 any source for deposit in the yields, earnings, and savings fund.
27 The state treasurer shall direct the investment of the yields,
28 earnings, and savings fund. The state treasurer shall credit to the
29 yields, earnings, and savings fund interest and earnings from the

1 yields, earnings, and savings fund.

2 (5) Any unexpended funds in the yields, earnings, and savings
3 fund must be carried forward and are available for expenditure
4 under this section.

5 (6) Funds in the yields, earnings, and savings fund at the
6 close of the fiscal year remain in the yields, earnings, and
7 savings fund and do not lapse to the general fund.

8 (7) Funds appropriated to the yields, earnings, and savings
9 fund are available to support investments in the department budget.

10 Sec. 310. The funds appropriated in part 1 shall be
11 appropriated with priority given, to the extent possible, to
12 support initiatives for underserved communities, or those
13 individuals who have been adversely affected by federal executive
14 orders related to these topics issued on or after January 21, 2025
15 or the revocation of federal Executive Order No. 13985.

16
17 **STRATEGIC OUTREACH AND ATTRACTION RESERVE**

18 Sec. 351. Funds held in the strategic outreach and attraction
19 reserve fund must be used to support activities under section 88s
20 or 88t of the Michigan strategic fund act, 1984 PA 270, MCL
21 125.2088s and 125.2088t, after they have been transferred to
22 another line item under section 393(2) of the management and budget
23 act, 1984 PA 431, MCL 18.1393. Pursuant to section 4(2) of the
24 Michigan trust fund act, 2000 PA 489, MCL 12.254, funds
25 appropriated under this section that are not restricted, obligated,
26 or committed at the close of the fiscal year ending September 30,
27 2026 must lapse to the state general fund.

28 Sec. 352. The legislature finds and declares that
29 appropriations for the critical industry program and the Michigan

1 strategic site readiness program are for a public purpose and serve
2 the health, safety, and general welfare of the residents of this
3 state.

4 Sec. 353. (1) It is the intent of the legislature that the
5 funds appropriated in part 1 for the critical industry program and
6 the Michigan strategic site readiness program are expended in a
7 manner that will maximize job creation, grow wages, support
8 existing business in this state, attract new business development
9 to this state, and include community support and equity.

10 (2) It is the intent of the legislature that the fund
11 prioritize the adoption of conditions related to the expense of
12 funds in part 1 that include, but are not limited to, the
13 following:

14 (a) Clawback provisions in a written agreement between the
15 fund and a qualified business relating to the creation or retention
16 of jobs must be structured to ensure that those jobs are retained
17 for not less than 5 years.

18 (b) Projects must be located in a qualified census tract, as
19 defined by the United States Department of Housing and Urban
20 Development, or in communities with an unemployment rate in excess
21 of the state average.

22 (c) A written agreement between the fund and a qualified
23 business or eligible applicant that must include a first-source
24 hiring provision between the qualified business or eligible
25 applicant and an entity or entities recommended by the workforce
26 development agency serving the area where the project is located.

27 (d) A written agreement between the fund and a qualified
28 business or eligible applicant that must include a community
29 benefits agreement as determined by the fund.

(e) A written agreement between the fund and a qualified business or eligible applicant that must require the qualified business or eligible applicant to offer employee services that may include, but not be limited to:

- (i) Child care services.
- (ii) Transportation supports.
- (iii) Postsecondary educational institutions.
- (iv) Customized assistance programs for employees.
- (v) Customized job training programs, job readiness programs, or extension programs.
- (vi) Credential requirements pipeline programs.
- (vii) Workforce talent investment programming.
- (viii) Tuition debt forgiveness or repayment supports.
- (ix) Outreach, screening, preapplication support, and interviewing services.
- (x) On-site training and support centers.

(3) As used in this section:

(a) "Eligible applicant" means that term as defined under section 88t of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088t.

(b) "Qualified business" means that term as defined under section 88s of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088s.

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

Sec. 401. (1) Not later than March 15, MSHDA shall present an annual report to the standard report recipients on the status of the authority's housing production goals under all financing programs established or administered by the authority. The report

1 must give special attention to efforts to raise affordable
2 multifamily, and single-family housing production goals.

3 (2) MSHDA shall not restrict eligibility in any financing
4 program for housing units without a permanent foundation unless
5 this restriction is required by the funding source.

6 (3) MSHDA shall report on production goals to the standard
7 report recipients not later than March 15. The report must include
8 information on efforts to raise affordable multifamily and single-
9 family housing goals and a summary of each program, the status of
10 goal progress, and an explanation of how each program in MSHDA
11 related to the current production goals and are utilized by
12 citizens of this state.

13 Sec. 402. The funds appropriated in part 1 for the Michigan
14 housing and community development program must be expended for
15 projects as described in sections 58b and 58c of the state housing
16 development authority act of 1966, 1966 PA 346, MCL 125.1458b and
17 125.1458c.

18 Sec. 403. (1) From the funds appropriated in part 1 for
19 housing and rental assistance, not less than 2.0 FTE positions must
20 work to the extent permissible with the department of health and
21 human services on transition and supportive housing to support the
22 transition to permanent housing with MSHDA.

23 (2) From the funds appropriated in part 1 for housing and
24 rental assistance, not less than 1.0 FTE position must work to the
25 extent permissible with the Michigan strategic fund for mixed-use
26 housing projects.

27 (3) The department shall report to the standard report
28 recipients not later than March 15 on the work that MSHDA has
29 undertaken with the department, the fund, and department of health

1 and human services.

2 Sec. 404. MSHDA may support the activities of payments on
3 behalf of tenants in the event of federal funding reductions in the
4 same manner and purpose as required under the federal program.

5 Sec. 405. (1) It is the intent of the legislature that the
6 state budget director use the state budget director's authority
7 under section 451a of the management and budget act, 1984 PA 431,
8 MCL 18.1451a, to lapse a total of \$14,000,000.00 appropriated under
9 2022 PA 166, for work project number TW3235023.

10 (2) If the state budget director lapses work project number
11 W3235023, the lapsed funds shall be appropriated in addition to the
12 fund appropriated in part 1 for grants to local land banks for
13 blight removal or redevelopment projects. The department shall
14 notify the standard report recipients if funds are appropriated
15 under this subsection.

16
17 **STATE LAND BANK AUTHORITY**

18 Sec. 451. (1) In addition to the amounts appropriated in part
19 1, the state land bank authority may expend revenues received under
20 the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774,
21 for the purposes authorized by the act, including, but not limited
22 to, the acquisition, lease, management, demolition, maintenance, or
23 rehabilitation of real or personal property, payment of debt
24 service for notes or bonds issued by the authority, and other
25 expenses to clear or quiet title property held by the authority.
26 The state land bank authority may establish partnerships with local
27 land bank authorities.

28 (2) Not later than March 15, the state land bank authority
29 shall submit a report to the standard report recipients on the

1 number of real properties acquired, leased, managed, demolished,
2 maintained, or rehabilitated in the previous fiscal year and list
3 any partnerships that the state land bank authority has with any
4 local land bank authorities.

5 Sec. 452. The funds appropriated in part 1 for land bank
6 stabilization grants shall be allocated for grants to local land
7 banks to support property management and redevelopment. Grants must
8 be prioritized to local land banks with the largest inventory of
9 properties.

10
11 **MICHIGAN STRATEGIC FUND**

12 Sec. 501. The report required under section 9 of the Michigan
13 strategic fund act, 1984 PA 270, MCL 125.2009, must be transmitted
14 not later than March 15.

15 Sec. 502. In addition to the appropriations in part 1, Travel
16 Michigan may receive and expend private revenue related to the use
17 of "Pure Michigan" and all other copyrighted slogans and images.
18 This revenue may come from the direct licensing of the name and
19 image or from the royalty payments from various merchandise sales.
20 Revenue collected is appropriated for the marketing of this state
21 as a travel destination. The funds are available for expenditure
22 when they are received by the department of treasury. If the fund
23 receives revenues from the use of "Pure Michigan", the fund shall
24 provide a report that lists the revenues by source received from
25 the use of "Pure Michigan" and all other copyrighted slogans and
26 images. The report must provide a detailed list of expenditures of
27 revenues received under this section. The report must be provided
28 to the standard report recipients not later than March 15.

29 Sec. 503. (1) Funds appropriated in part 1 for Pure Michigan

1 must be used for the following purposes:

2 (a) Conduction of market research regionally, nationally, and
3 internationally for use in market campaigns.

4 (b) Production of advertisements for the promotion of Michigan
5 as a place to live, learn, build, work, play, and succeed.

6 (c) Placement of advertisements that have a diverse
7 representation in regional, national, and international market
8 campaigns to promote Michigan as a state that welcomes all
9 individuals and families.

10 (d) Not more than 1.0% of the appropriation for administration
11 of the program.

12 (e) Matching marketing campaigns funded from the local
13 promotion fund or private promotion fund.

14 (2) The fund may contract any of the activities under
15 subsection (1).

16 (3) The fund may work in cooperation with local units of
17 government, nonprofit entities, and private entities on Pure
18 Michigan promotion campaigns. The fund shall include agreements
19 prior to undertaking cooperative marketing campaigns.

20 (4) The department shall provide an annual report to the
21 standard report recipients not later than March 15 on the
22 utilization of funds for eligible activities in subsection (1),
23 including a breakdown by eligible use, efforts taken to broaden the
24 scope of marketing activities to diverse populations, a breakdown
25 of funds spent within this state and outside of this state, how
26 much was expended for market research, and targeted marketing to
27 encourage residents from other states to move to this state.

28 (5) As prescribed by the legislature, funds appropriated to
29 Pure Michigan must be used for this state to market itself as a

1 travel and tourist destination with the sole purpose of attracting
2 new visitors and retaining former visitors. All of the following
3 apply to marketing under this subsection:

4 (a) Promotion may be made by print, television, radio, and
5 social media.

6 (b) The purpose of the advertisements under subdivision (a)
7 must be to attract tourism and leisure travelers to this state.

8 (c) Advertisements that incorporate the Pure Michigan Byways
9 campaign satisfy the requirement under subdivision (b).

10 (6) Each local visitor bureaus can only receive dollars
11 appropriated to Pure Michigan once per fiscal year.

12 Sec. 504. (1) A local promotion fund is created in the
13 department. The fund may receive funds from local units of
14 government and nonprofit entities and deposit these funds into the
15 local promotion fund. Funds received are available for expenditure
16 for use in Pure Michigan promotion campaigns. The fund may maintain
17 individual accounts for local units of government and nonprofit
18 entities that deposit funds into the local promotion fund upon
19 request from a local unit of government. As used in this
20 subsection, "local unit of government" includes cities, villages,
21 townships, counties, and regional councils of government.

22 (2) Local promotion funds appropriated in part 1 may be used
23 for media production and placements, national and international
24 marketing campaigns, and for other activities that promote Michigan
25 as a place to live, work, and play.

26 (3) Any unexpended or unencumbered balance must be disposed of
27 in accordance with the management and budget act, 1984 PA 431, MCL
28 18.1101 to 18.1594, unless carryforward authorization has been
29 otherwise provided for.

1 (4) The department shall provide a report to the standard
2 report recipients not later than March 15 on any funds that have
3 been generated by local units of government and how those funds
4 have been expended.

5 Sec. 505. (1) A private promotion fund is created in the
6 department. The fund may receive funds from private entities and
7 deposit these funds into the private promotion fund. Funds received
8 are available for expenditure for use in Pure Michigan promotion
9 campaigns. The fund may maintain individual accounts for private
10 entities that deposit funds into the private promotion fund upon
11 request from a private entity.

12 (2) Private promotion funds appropriated in part 1 may be used
13 for media production and placements, national and international
14 marketing campaigns, and for other activities that promote Michigan
15 as a place to live, work, and play.

16 (3) Any unexpended or unencumbered balance shall be disposed
17 of in accordance with the management and budget act, 1984 PA 431,
18 MCL 18.1101 to 18.1594, unless carryforward authorization has been
19 otherwise provided for.

20 Sec. 506. (1) As a condition of receiving funds appropriated
21 in part 1, the fund must provide a report of all approved
22 amendments to projects for the immediately preceding year under
23 sections 88r and 90b of the Michigan strategic fund act, 1984 PA
24 270, MCL 125.2088r and 125.2090b. The report must provide a
25 description of each amendment, by award, that includes, but is not
26 limited to, the following:

27 (a) The amended award amount relative to the prior award
28 amount.

29 (b) The amended number of committed jobs relative to the prior

1 number of committed jobs.

2 (c) The amended amount of qualified investment committed
3 relative to the prior amount of qualified investment committed.

4 (d) A description of any change in scope of the project.

5 (e) A description of any change in project benchmarks,
6 deadlines, or completion dates.

7 (f) The reason or justification for the amendment approval.

8 (2) In addition to being posted online, the report must be
9 distributed to the standard report recipients not later than March
10 15.

11 Sec. 507. (1) As a condition of receiving funds appropriated
12 in part 1, the fund must request the following information from the
13 MEDC:

14 (a) Approved budget from the MEDC executive committee for the
15 current fiscal year and actual budget expenditures for the previous
16 fiscal years.

17 (b) Expenditures and revenues as part of the current and
18 previous year budgets, including the available fund balance for the
19 current and previous fiscal years.

20 (c) The total number of FTEs, by state and corporate status.

21 (d) A reporting of activities, programs, and grants consistent
22 with the previous fiscal year budget.

23 (e) A description of all subprograms funded with the business
24 attraction and community revitalization line item.

25 (2) Information received by the fund under this section must
26 be posted online and distributed to the standard report recipients
27 not later than March 15.

28 Sec. 508. As a condition of receiving funds under part 1, any
29 interlocal agreement entered into by the fund must include language

1 that states that if a local unit of government has a contract or
2 memorandum of understanding with a private economic development
3 agency, the MEDC will work cooperatively with that private
4 organization in that local area.

5 Sec. 509. (1) From the funds appropriated in part 1, the
6 department shall notify the standard report recipients no later
7 than 45 days after the purchase of land or options on land and
8 include in the notification the location of the land, information
9 on the entity that sold the land, and the purchase price of the
10 land or option on land.

11 (2) If land or options on land are purchased under subsection
12 (1), the fund shall provide a report that provides a list of all
13 properties purchased, all options on land purchased, the location
14 of the land purchased, and the purchase price if the fund purchases
15 options on land or land. The report must be submitted to the
16 standard report recipients not later than March 15.

17 Sec. 510. As a condition for receiving funds in part 1, not
18 later than March 15, the fund shall provide a report for the
19 previous fiscal year on the jobs for Michigan investment fund,
20 created in section 88h of the Michigan strategic fund act, 1984 PA
21 270, MCL 125.2088h. The report must include, but is not limited to,
22 all of the following:

23 (a) A detailed listing of revenues, by fund source, to the
24 jobs for Michigan investment fund. The listing must include the
25 manner and reason for which the funds were appropriated to the jobs
26 for Michigan investment fund.

27 (b) A detailed listing of expenditures, by project, from the
28 jobs for Michigan investment fund.

29 (c) A fiscal year-end balance of the jobs for Michigan

1 investment fund.

2 Sec. 511. (1) From the appropriations in part 1 to the fund
3 and granted or transferred to the MEDC, any unexpended or
4 unencumbered balance must be disposed of in accordance with the
5 requirements in the management and budget act, 1984 PA 431, MCL
6 18.1101 to 18.1594, unless carryforward authorization has been
7 otherwise provided for.

8 (2) Any encumbered funds, including encumbered funds
9 subsequently unobligated, must be used for the same purposes for
10 which funding was originally appropriated in this part and part 1.

11 (3) For funds appropriated in part 1 to the fund, any
12 carryforward authorization subsequently created through a work
13 project must be preserved until a cash or accrued expenditure has
14 been executed or the allowable work project time period has
15 expired.

16 Sec. 512. (1) As a condition of receiving funds under part 1,
17 the fund must ensure that the MEDC and the fund comply with all of
18 the following:

19 (a) The freedom of information act, 1976 PA 442, MCL 15.231 to
20 15.246.

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

22 (c) Annual audits of all financial records by the auditor
23 general or the auditor general's designee.

24 (d) All reports required by law to be submitted to the
25 legislature.

26 (2) If the MEDC is unable for any reason to perform duties
27 under this part, the fund may exercise those duties.

28 Sec. 513. As a condition for receiving the appropriations in
29 part 1, the department shall provide a report to the standard

1 report recipients due no later than March 15 that lists any staff
2 of the MEDC involved in private fund-raising activities and if
3 those individuals were party to any decisions regarding the
4 awarding of grants, incentives, or tax abatements from the fund,
5 the critical industry program, the Michigan strategic site
6 readiness program, the MEDC, or the MEGA.

7 Sec. 514. From the funds appropriated in part 1 for business
8 attraction and community revitalization, not less than 20% must be
9 granted by the fund board for brownfield redevelopment and historic
10 preservation projects under the community revitalization program
11 authorized by chapter 8C of the Michigan strategic fund act, 1984
12 PA 270, MCL 125.2090 to 125.2090d.

13 Sec. 515. (1) The fund shall report to the standard report
14 recipients on the status of the film incentives at the same time as
15 it submits the annual report required under section 455 of the
16 Michigan business tax act, 2007 PA 36, MCL 208.1455. The department
17 of treasury shall provide the fund with the data necessary to
18 prepare the report. Incentives included in the report shall include
19 all of the following:

20 (a) The tax credit provided under section 455 of the Michigan
21 business tax act, 2007 PA 36, MCL 208.1455.

22 (b) The tax credit provided under section 457 of the Michigan
23 business tax act, 2007 PA 36, MCL 208.1457.

24 (c) The tax credit provided under section 459 of the Michigan
25 business tax act, 2007 PA 36, MCL 208.1459.

26 (d) The amount of any tax credit claimed under former section
27 367 of the income tax act of 1967, 1967 PA 281.

28 (e) Any tax credits provided for film and digital media
29 production under the Michigan economic growth authority act, 1995

1 PA 24, MCL 207.801 to 207.810.

2 (f) Loans to an eligible production company or film and
3 digital media private equity fund authorized under section 88d(3),
4 (4), and (5) of the Michigan strategic fund act, 1984 PA 270, MCL
5 125.2088d.

6 (2) The report must include all of the following information:

7 (a) For each tax credit, the number of contracts signed, the
8 projected expenditures qualifying for the credit, and the estimated
9 value of the credits. For loans, the number of loans made under
10 each section, the interest rate of those loans, the loan amount,
11 the percent of the projected budget of each production financed by
12 those loans, and the estimated interest earnings from the loan.

13 (b) For credits authorized under section 455 of the Michigan
14 business tax act, 2007 PA 36, MCL 208.1455, for productions
15 completed by December 31, the expenditures of each production
16 eligible for the credit that has filed a request for certificate of
17 completion with the film office, broken down into expenditures for
18 goods, services, or salaries and wages and showing separately
19 expenditures in each local unit of government, including
20 expenditures for personnel, whether or not they were made to a
21 Michigan entity, and whether or not they were taxable under the
22 laws of this state.

23 (c) For loans, the report must include the number of loans
24 that have been fully repaid, with principal and interest shown
25 separately, and the number of loans that are delinquent or in
26 default, and the amount of principal that is delinquent or is in
27 default.

28 (d) For each of the tax credit incentives and loan incentives
29 listed in subsection (1), a breakdown for each project or

1 production showing each of the following:

2 (i) The number of temporary jobs created.

3 (ii) The number of permanent jobs created.

4 (iii) The number of persons employed in Michigan as a result of
5 the incentive, on a full-time equated basis.

6 (3) For any information not included in the report due to the
7 provisions of section 455(6), 457(6), or 459(6) of the Michigan
8 business tax act, 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459,
9 the report shall do all of the following:

10 (a) Indicate how the information would describe the commercial
11 and financial operations or intellectual property of the company.

12 (b) Attest that the information has not been publicly
13 disseminated at any time.

14 (c) Describe how disclosure of the information may put the
15 company at a competitive disadvantage.

16 (4) Any information not disclosed due to the provisions of
17 section 455(6), 457(6), or 459(6) of the Michigan business tax act,
18 2007 PA 36, MCL 208.1455, 208.1457, and 208.1459, must be presented
19 at the lowest level of aggregation that would no longer describe
20 the commercial and financial operations or intellectual property of
21 the company.

22 (5) As a condition of receiving funds in part 1, not later
23 than March 15, the fund shall provide a report on the activities of
24 the Michigan film and digital media office for the previous fiscal
25 year to the standard report recipients. The report must include,
26 but is not limited to, a listing of all projects the Michigan film
27 and digital media office provided assistance on, a listing of the
28 services provided for each project, and an estimate of investment
29 leveraged.

1 Sec. 516. As a condition of receiving an award from the fund,
2 each business incubator or accelerator that received an award from
3 the fund must maintain and update a dashboard of indicators to
4 measure the effectiveness of the business incubator and accelerator
5 programs. Indicators must include the direct jobs created, new
6 companies launched as a direct result of business incubator or
7 accelerator involvement, businesses expanded as a direct result of
8 business incubator or accelerator involvement, direct investment in
9 client companies, private equity financing obtained by client
10 companies, grant funding obtained by client companies, and other
11 measures developed by the recipient business incubators and
12 accelerators in conjunction with the MEDC. Dashboard indicators
13 must be reported for the previous fiscal year and cumulatively, if
14 available. Each recipient shall submit a copy of their dashboard
15 indicators to the fund by March 1. The fund shall transmit the
16 local reports not later than March 15.

17 Sec. 517. (1) From the appropriations in part 1, the Michigan
18 arts and culture council shall administer an arts and cultural
19 grant program that maintains an equitable geographic distribution
20 of funding and utilizes past arts and cultural grant programs as a
21 guideline for administering this program. The council shall do all
22 of the following:

23 (a) Not later than October 1, publish proposed application
24 criteria, instructions, and forms for use by eligible applicants.
25 The council shall provide at least a 2-week period for public
26 comment before finalizing the application criteria, instructions,
27 and forms.

28 (b) Assess a nonrefundable application fee that may be applied
29 for each application. Application fees must be deposited in the

1 council for the arts fund and are appropriated for expenses
2 necessary to administer the programs. These funds are available for
3 expenditure when they are received and may be carried forward to
4 the subsequent fiscal year.

5 (c) Issue grants to public and private arts and cultural
6 entities.

7 (d) Not later than 1 business day after the award
8 announcements, provide to each member of the legislature and the
9 fiscal agencies a list of all grant recipients and the total award
10 given to each recipient, sorted by county.

11 (e) In addition to the information in subdivision (d), report
12 on the number of applications received, number of grants awarded,
13 total amount requested from applications received, and total amount
14 of grants awarded.

15 (2) Up to 1.0% of the funds appropriated in part 1 for arts
16 and cultural program may be expended for the administration of the
17 grant program.

18 (3) From the funds appropriated in part 1 for arts and
19 cultural program, \$1,000,000.00 must be awarded to a cultural
20 exchange network to support a music and arts festival that is free
21 to the public.

22 Sec. 518. (1) The general fund/general purpose funds
23 appropriated in part 1 to the fund for business attraction and
24 community revitalization must be transferred to the 21st century
25 jobs trust fund per section 90b(3) of the Michigan strategic fund
26 act, 1984 PA 270, MCL 125.2090b.

27 (2) Funds transferred to the 21st century jobs trust fund
28 under subsection (1) are appropriated and available for allocation
29 as authorized in the Michigan strategic fund act, 1984 PA 270, MCL

1 125.2001 to 125.2094.

2 Sec. 519. For the funds appropriated in part 1 for business
3 attraction and community revitalization, the fund shall report
4 quarterly to the standard report recipients on the amount of funds
5 considered appropriated, pre-encumbered, encumbered, and expended
6 by current fiscal year appropriation and each work project for any
7 previous fiscal years. The report must also include a listing of
8 all previous appropriations for business attraction and community
9 revitalization, or a predecessor, that were considered
10 appropriated, pre-encumbered, encumbered, or expended that have
11 lapsed back to the fund for any purpose. The report must be
12 submitted to the standard report recipients.

13 Sec. 520. (1) The fund, in conjunction with the department of
14 treasury, shall report not later than November 1 on the annual cost
15 of the MEGA tax credits. The report must include for each year the
16 board-approved credit amount, adjusted for credit amendments where
17 applicable, and the actual and projected value of tax credits for
18 each year from 1995 to the expiration of the credit program. For
19 years for which credit claims are complete, the report must include
20 the total of actual certificated credit amounts. For years that
21 claims are still pending or not yet submitted, the report must
22 include a combination of actual credits where available and
23 projected credits. Credit projections must be based on updated
24 estimates of employees, wages, and benefits for eligible companies.

25 (2) In addition to the report under subsection (1), the fund,
26 in conjunction with the department of treasury, shall report to the
27 standard report recipients not later than November 1 on the annual
28 cost of all other certificated credits by program, for each year
29 until the credits expire or can no longer be collected. The report

1 must include estimates on the brownfield redevelopment credit, film
2 credits, MEGA photovoltaic technology credit, MEGA polycrystalline
3 silicon manufacturing credit, MEGA vehicle battery credit, and
4 other certificated credits.

5 Sec. 521. As a condition of receiving appropriations in part
6 1, prior to authorizing the transfer of any previously authorized
7 tax credit that would increase the liability to this state, the
8 fund, on behalf of the fund's board, must notify the standard
9 report recipients of the transfer of any previously authorized tax
10 credit that would increase the liability to this state not fewer
11 than 30 days prior to the authorization of the tax credit transfer.

12 Sec. 522. (1) From the funds appropriated in part 1 for
13 business attraction and community revitalization, the fund shall
14 identify specific outcomes and performance measures, including, but
15 not limited to, the following:

16 (a) Total verified jobs created by the business attraction
17 program during the previous fiscal year.

18 (b) Total private investment obtained through the business
19 attraction and community revitalization programs during the
20 previous fiscal year.

21 (c) Amount of private and public square footage created and
22 reactivated through the community revitalization program during the
23 previous fiscal year.

24 (2) The fund shall submit a report to the standard report
25 recipients not later than March 15. The report must describe the
26 specific outcomes and measures required in subsection (1) and
27 provide the results and data related to these outcomes and measures
28 for the previous fiscal year if related information is available
29 for the previous fiscal year. The report must also contain a

1 summary of any metrics used to evaluate the outcomes and
2 performance of any programs.

3 Sec. 523. In addition to the funds appropriated in part 1, the
4 funds collected by state historic preservation programs for
5 document reproduction and services and application fees are
6 appropriated for all expenses necessary to provide the required
7 services. These funds are available for expenditure when they are
8 received and may be carried forward into the succeeding fiscal
9 year.

10 Sec. 524. Tax capture revenues collected in accordance with
11 written agreements under the good jobs for Michigan program and
12 transferred from the general fund for deposit into the good jobs
13 for Michigan fund, and for both calculated payments from the good
14 jobs for Michigan fund to authorized businesses and distributions
15 to the fund for administrative expenses, are appropriated under the
16 provisions of chapter 8D of the Michigan strategic fund act, 1984
17 PA 270, MCL 125.2090g to 125.2090j.

18 Sec. 525. The department shall provide a report to the
19 standard report recipients on March 15 that includes, but is not
20 limited to, fiscal year-to-date expenditures by division and
21 program unit within the job creation services line item. The report
22 must contain detailed information on expenditures and programs
23 within the state historic preservation office, including a list of
24 any entities that receive financial support from the state historic
25 preservation office.

26 Sec. 526. (1) The funds appropriated in part 1 for the
27 Michigan defense center program shall be used by the Michigan
28 strategic fund to protect and grow the defense and homeland
29 security industry in this state by protecting this state's current

1 department of defense missions, infrastructure, and industry,
2 including securing new missions and increasing defense and homeland
3 security spending in this state. These funds may be used for, but
4 are not limited to, the following activities:

5 (a) Helping businesses in this state identify federal defense
6 contract opportunities.

7 (b) Providing technical assistance for bid responses to
8 federal defense contracts.

9 (c) Strengthening cybersecurity compliance at businesses in
10 this state to qualify for federal defense contracts.

11 (2) Not later than February 1, the Michigan defense center
12 shall provide an annual report to the standard report recipients.
13 The report must include, but is not limited to, all of the
14 following:

15 (a) A strategic plan for the organization.

16 (b) An overview of the defense industry in this state,
17 including identification of recent accomplishments and services
18 provided to businesses in this state in the most recent year.

19 (c) A list of expenditures used to fund memberships in
20 organizations and costs associated with attending conferences and
21 expositions in the most recent year.

22 (d) The most recent annual figures on direct domestic defense-
23 related contracts and grants awarded to Michigan-based entities.

24 (e) A summary of contracts or defense industry business with
25 international clients.

26 (f) An analysis of the economic impacts to the defense
27 industry of this state as a result of tariffs and federal policy
28 shifts toward ongoing conflicts in Europe.

29 Sec. 528. The department shall provide updates on March 15 and

1 September 30 to the standard report recipients on the
2 implementation of the revitalization and placemaking program for
3 which funds were appropriated under section 528 of article 9 of
4 2024 PA 121, that includes, but is not limited to, all of the
5 following:

6 (a) The utilization of funds allocated, including the amount
7 and status of any funds allocated for approved local plans and the
8 amount retained by the department or state agencies to support
9 implementation of this section.

10 (b) As applicable, identify the activities undertaken by
11 agency workgroup participants to communicate the implementation of
12 local talent concentration plans to each of their respective
13 agencies and identification of any existing programs or resources
14 that may be used to support the implementation of a local talent
15 concentration plan.

16 Sec. 529. (1) The funds appropriated in part 1 for Michigan
17 talent partnership shall be used to administer a grant program and
18 support implementation of transformational community development
19 initiatives.

20 (2) Michigan talent partnership shall be used to implement
21 transformational public space development projects in central city
22 neighborhoods or concentrated districts and leverage
23 interdepartmental and cross-sector coordination through local
24 talent plans that are designed to increase this state's population
25 of young talent by creating high-density, high-amenity, walkable,
26 vibrant street life neighborhoods or districts and to create
27 business ownership opportunities for local residents. Qualified
28 plan proposals must include all of the following:

29 (a) The transition of roadway usage from cars to alternative

1 transportation spaces, including, but not limited to, walking,
2 biking, and transit.

3 (b) Commercial corridor activation, including innovations to
4 fill vacant retail space with locally owned businesses.

5 (c) Mixed-use development that contributes to dense, walkable
6 areas.

7 (d) A plan to do all of the following:

8 (i) Support greater density.

9 (ii) Increase access to affordable or middle-income housing.

10 (iii) Improve direct access to multimodal transportation.

11 (iv) Improve quality of life through increased parks, green
12 spaces, outdoor recreation, and arts and cultural amenities.

13 (3) The legislature finds and declares that the appropriation
14 described in this section is for a public purpose and serves the
15 health, safety, and general welfare of the residents of this state.

16 (4) The department may do any of the following to implement
17 the grant program:

18 (a) Develop guidelines to accept and review local talent plans
19 from eligible applicants and award funding for approved local
20 talent plans to increase this state's population of young talent by
21 creating high-density, high-amenity, walkable, vibrant street life
22 neighborhoods or districts and to create business ownership
23 opportunities for local residents.

24 (b) Consult with local stakeholders, provide education and
25 consultation to the public during the application process, and
26 regularly monitor implementation progress of approved local talent
27 plans.

28 (c) Review existing best practices for similar programs and
29 consult with third-party experts, including academic and research

1 institutions based in this state.

2 (d) Lead a multiagency coordination effort to leverage all
3 available resources that will maximize the effectiveness of the
4 initiative. As necessary, the department may establish memoranda of
5 understanding with other state agencies or establish a committee of
6 state agency representatives to support the initiative.

7 (5) The department shall allocate funding for the grant
8 program through the development and submission of local talent
9 plans from eligible applicants that use a blend of layered,
10 multifaceted activities in subsection (7) to meet the goals of this
11 section.

12 (6) Eligible applicants for a grant must be a consortium of
13 entities that may include local governments, local economic
14 development organizations, the nonprofit community, and the
15 business community. Consortium applicants must appoint a lead
16 applicant, which may be 1 of the consortium's entities or a
17 nonprofit organization, to serve as fiduciary and project manager
18 for the consortium. An eligible applicant may partner with other
19 government agencies, consortiums, authorities, and community anchor
20 or nonprofit entities to submit and implement an approved local
21 talent plan to the department. Notwithstanding local talent plan
22 revisions or subsequent funding rounds, an eligible applicant shall
23 not submit more than 1 local talent plan. Only grant applicants
24 that provide a minimum of 50% local or private match funds may be
25 considered for a grant under this section.

26 (7) Approved talent plans must include at least 1 of the
27 following eligible activities to meet the objectives of the grant
28 program:

29 (a) Planning, engineering, permitting review, and other local

1 assessments to support implementation of a local talent plan.

2 (b) Demonstrated community engagement, stakeholder support, or
3 commitment to the local talent plan. As applicable, stakeholders
4 may include, but are not limited to, any of the following:

5 (i) Neighborhood associations.

6 (ii) City councils, planning committees, or other local
7 government agencies, including public safety agencies.

8 (iii) Economic development organizations or local businesses or
9 business organizations.

10 (iv) Local anchor institutions.

11 (v) Local nonprofits, foundations, or community organizations.

12 (vi) Regional planning organizations or consortiums.

13 (vii) Public transit organizations.

14 (viii) Faith-based organizations.

15 (ix) Tribal governments.

16 (c) Plans for the redevelopment of existing housing stock.

17 (d) Plans to improve utilization of mixed-use and commercial
18 property, including, but not limited to, the conversion of
19 commercial space for affordable housing.

20 (e) Road repairs and other surface improvements that will
21 increase walkability, access to green space, dedicated nonmotorized
22 transportation, and access to rapid transit or high-speed rail.

23 (f) Supports for small businesses and emerging entrepreneurs,
24 including access to credit and professional development.

25 (g) Plans to enhance parks, green space, community recreation,
26 promotion of local artists or art installations, and outdoor social
27 spaces.

28 (h) Activities to pursue other sources of funding to directly
29 support a local talent plan, including other governmental funds or

1 private resources.

2 (8) In addition to the eligible activities under subsection
3 (7), approved local talent plans must include all of the following:

4 (a) A defined area such as a neighborhood, district, or
5 corridor in which a local talent plan will be implemented. Unless
6 identified as a supporting part of an approved talent plan, funds
7 allocated to approved plans must be used only within the plan's
8 defined area.

9 (b) A description of how local talent plan activities directly
10 support the objectives under subsection (2).

11 (c) A description of how funds appropriated from part 1 will
12 be used and any other funds or resources that will be provided to
13 ensure a plan meets all the objectives under subsection (2).

14 (d) Identification of stakeholders that were engaged in the
15 development and committed to the implementation of an approved
16 plan.

17 (e) In addition to any state or federal resources,
18 identification of local or private match funds or resources that
19 will be committed.

20 (f) A proposed implementation timeline and demonstration of a
21 plan's sustainability after any state or federal funds are
22 exhausted.

23 (g) Identifiable goals and measurable outcomes to be used to
24 monitor progress.

25 (9) To leverage existing programs and resources to support
26 talent concentration, the department may establish a state agency
27 workgroup to support the implementation of this section, including
28 from agencies that oversee any programs related to housing, home
29 repairs, blight elimination, business supports, community

1 development, transportation or mobility, arts, and outdoor
2 recreation.

3 (10) The department may retain up to 3% of funds under this
4 section for implementation costs. In addition, the department may
5 retain up to an additional 2% of funds under this section to
6 reimburse other state agencies' activities that are in support of a
7 Michigan talent partnership project. The department may contract
8 with at least 1 consultant that is a nonprofit research
9 organization or public education institution based in this state
10 with experience in at least placemaking research to support this
11 section.

12 (11) The department shall post online the guidelines for local
13 talent plans and identify available research or resources that may
14 be used to support the development of a talent plan.

15 (12) In evaluating each application, subject to subsection
16 (13), the department shall use objective criteria, including, but
17 not limited to, the comprehensive nature of the plan, the local
18 support identified, long-term sustainability, and the likelihood to
19 achieve the goals of the Michigan talent partnership program. The
20 department must consider, but is not limited to, all of the
21 following when selecting grant recipients:

22 (a) The extent to which a proposed plan will support the
23 creation and ongoing success of locally owned businesses.

24 (b) The extent to which a proposed plan will create dense,
25 walkable, vibrant spaces.

26 (c) The extent to which zoning and code restrictions have
27 been, or will need to be, modified to support high-density
28 residential development.

29 (d) The extent to which the proposed plan supports facilities

1 and walkways that house or present cultural arts programs,
2 performances, and exhibitions.

3 (e) The extent to which the proposed plan provides mixed-
4 income housing.

5 (f) The likelihood of successful implementation of a proposed
6 plan and its sustainability.

7 (13) The department shall award funds consistent with the
8 following:

9 (a) Grants shall be awarded in a geographically diverse
10 manner.

11 (b) Subject to the department's approval, permits grant awards
12 to continue implementation of existing talent plans.

13 (c) Individual grants shall not exceed \$5,000,000.00 per
14 applicant. Consistent with subsection (12), the department may
15 establish objective criteria to determine the amount of each grant
16 awarded under this section.

17 (14) The department shall publish approved local talent plans
18 and funding allocations from part 1 to the department's website.
19 The department may approve subsequent rounds of funding for local
20 talent plans if either funds become available or there are
21 remaining funds from part 1. Remaining funds must be awarded in the
22 same manner consistent with this section and, as necessary,
23 prorated based on availability of funds.

24 (15) The department shall ensure grant agreements with
25 applicants include regular progress reports and clawback provisions
26 to verify that all expenditures are made in accordance with an
27 approved local talent plan. Applicants receiving funds under this
28 section shall respond to all reasonable information requests from
29 the department related to the funds received under this section.

1 (16) The department shall provide an annual report by
2 September 30 to the standard report recipients on the
3 implementation of this program, including, but not limited to:

4 (a) The utilization of funds allocated from part 1, including
5 the amount and status of any funds allocated for approved local
6 talent plans and the amount retained by the department or state
7 agencies to support implementation of this section.

8 (b) As applicable, identify the activities undertaken by
9 agency workgroup participants to communicate the implementation of
10 local talent concentration plans to each of their respective
11 agencies and identification of any existing programs or resources
12 that may be used to support the implementation of a local talent
13 concentration plan.

14 (17) The unexpended portion of grants under this section are
15 designated as a work project appropriation in accordance with
16 section 451a of the management and budget act, 1984 PA 431, MCL
17 18.1451a. Unencumbered or unallotted funds must not lapse at the
18 end of the fiscal year and must be available for grant awards or
19 other expenditures under this section until the project has been
20 completed. The following is in compliance with section 451a of the
21 management and budget act, 1984 PA 431, MCL 18.1451a:

22 (a) The purpose of the project is to support transformational
23 placemaking investments and leverage intergovernmental coordination
24 to increase this state's population of young talent by creating
25 high-density, high-amenity, walkable, and vibrant street life
26 neighborhoods or districts and to create business ownership
27 opportunities for local residents.

28 (b) All grants must be distributed in accordance with this
29 section and the grant guidelines as part of the application process

1 and grant agreements between the department and grant recipients.

2 (c) The estimated cost of the work project is \$40,000,000.00.

3 (d) The tentative completion date for the work project is
4 September 30, 2030.

5 Sec. 530. (1) From the funds appropriated in part 1, in
6 addition to other reporting requirements, the department shall work
7 with the Michigan strategic fund to develop and maintain a
8 searchable database that includes detailed information on all
9 economic assistance agreements funded in whole or in part with
10 state appropriations.

11 (2) The database should be easily accessible and provide the
12 ability to search and filter economic assistance by program,
13 county, and entity receiving assistance. The department shall
14 ensure that the database includes a listing of all past economic
15 assistance for the same entity receiving new economic assistance.
16 This includes the going pro talent program, business development
17 program, community revitalization program, all tax credit programs,
18 small business support, capital assistance, the critical industry
19 program, and the Michigan strategic site readiness program.

20 (3) The searchable database must include, but not be limited
21 to, all of the following information on all economic assistance
22 funded in whole or in part with state appropriations:

23 (a) The program or economic assistance that the entity
24 received.

25 (b) The location of the entity receiving assistance.

26 (c) If the entity is a subsidiary or owned by another entity,
27 the identity of the owners and the locale where the owner is based.

28 (d) The fiscal year the fund source comes from.

29 (e) The type of incentive such as a grant, loan, tax credit,

1 tax capture, or a reimbursement payment.

2 (f) The project type, including expansion, retention,
3 relation, or new.

4 (g) The amount of incentive awarded and the status of
5 disbursement.

6 (h) The status of the project.

7 (i) The industry of the entity.

8 (j) Any type of training provided, including if the training
9 is to comply with state or federal requirements.

10 (k) The number of employees receiving and completing training.

11 (l) The median hourly wage of employees being trained and the
12 median hourly wage of the county.

13 (m) The status of hourly wages 6 months after training is
14 completed.

15 (n) The number of new employees hired by the entity.

16 (o) The written agreement between the department or the fund
17 and the entity, including any amendments to those agreements.

18 Sec. 531. (1) From the funds appropriated in part 1 for small
19 business development initiative, the department shall utilize funds
20 to make awards for economic assistance to qualified businesses or
21 business organizations that provide services to qualified small
22 businesses.

23 (2) The department shall prioritize awards for the development
24 and expansion of small businesses from underserved groups and
25 distressed communities in this state. Funds shall be awarded in a
26 geographically diverse manner.

27 (3) The department shall award funds under this section in a
28 competitive manner and develop objective criteria to evaluate
29 applications.

1 (4) The department shall ensure any direct business grants
2 have clear metrics to grow small business or to create jobs.

3 (5) The department shall submit a report to the standard
4 report recipients and post the report on the department's website
5 not later than September 30, until the funds have been expended. At
6 a minimum, the report must provide all of the following
7 information:

8 (a) The number of awards granted.

9 (b) The amount of each award.

10 (c) Any recommendations to expand supports for small
11 businesses under this section.

12 (6) The unexpended funds appropriated in part 1 for small
13 business development initiative are designated as a work project
14 appropriation, and any unencumbered or unallotted funds shall not
15 lapse at the end of the fiscal year and shall be available for
16 expenditures for projects under this section until the projects
17 have been completed. The following is in compliance with section
18 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

19 (a) The purpose of the project is to award funds for economic
20 assistance to small businesses.

21 (b) The project will be accomplished by utilizing state
22 employees, the Michigan economic development corporation, or
23 contracts.

24 (c) The total estimated cost of the project is \$10,000,000.00.

25 (d) The tentative completion date is September 30, 2029.

26 (7) As used in this section:

27 (a) "Business organizations" means registered 501(c)(6) or
28 501(c)(3) nonprofits including economic development organizations,
29 chambers of commerce, industry associations, or tribal

1 organizations.

2 (b) "Economic assistance" includes, but is not limited to,
3 technical assistance, grants, incubation, access to capital, or
4 other financing opportunities.

5 (c) "Qualified business" means a business owned and operated
6 by individuals from an underrepresented group or distressed
7 community based on criteria published by the department.

8 Sec. 532. (1) The funds appropriated in part 1 for community
9 development financial institutions fund grants are transferred to
10 the Michigan community development financial institutions fund
11 created under this section. The Michigan community development
12 financial institutions fund is created in the state treasury. All
13 funds in the Michigan community development financial institutions
14 fund, including funds unallocated from prior years, are
15 appropriated for grants to eligible community development financial
16 institutions under this section and related expenditures permitted
17 under this section. The legislature finds and declares that the
18 appropriation described in this section is for a public purpose,
19 including promoting community economic revitalization and community
20 development through community development financial institutions.

21 (2) Not later than October 31, 2025, the Michigan strategic
22 fund shall develop a grant application consistent with this section
23 that is published and available on its publicly accessible website.

24 (3) The application required under subsection (2) must include
25 all of the following:

26 (a) The name of the community development financial
27 institution applying for a grant from the CDFI fund.

28 (b) The location of the principal office of the applicant.

29 (c) Documentation indicating whether the applicant is a

1 Michigan CDFI or a multistate CDFI.

2 (d) An indication of whether the applicant is or is not a
3 depository institution.

4 (e) The amount of the grant sought, not exceeding the maximum
5 eligible amount of the grant under subsections (4) to (6).

6 (f) If the community development financial institution is a
7 depository institution, the net assets of the depository
8 institution.

9 (g) If the community development financial institution is not
10 a depository institution, the amount of qualifying commitments made
11 by the community development financial institution during the 3
12 applicant fiscal years preceding the fiscal year in which the
13 application is submitted.

14 (h) A description of the amount an applicant is eligible to
15 apply for under subsections (4) to (6).

16 (i) A description of the proposed use of the grant award by
17 the applicant for eligible activities consistent with the
18 requirements of this chapter, the Riegle community development and
19 regulatory improvement act of 1994, Public Law 103-325, 12 USC 4701
20 to 4719, and any other requirements applicable under federal law.

21 (j) Documentation of the applicant's certification as a
22 community development financial institution that meets the
23 eligibility requirements under 12 CFR 1805.201 by the community
24 development financial institutions fund established under section
25 104 of the Riegle community development and regulatory improvement
26 act of 1994, Public Law 103-325, 12 USC 4703. The documentation
27 required by this subdivision may include the list of community
28 development financial institutions in good standing maintained and
29 published by the federal fund.

1 (k) A statement that the applicant is in compliance with all
2 requirements applicable to the applicant under the Riegle community
3 development and regulatory improvement act of 1994, Public Law 103-
4 325, 12 USC 4701 to 4719.

5 (4) A community development financial institution that is a
6 depository institution is eligible for a grant award in the
7 following amount:

8 (a) Up to \$253,000.00 if the depository institution has total
9 net assets of less than \$500,000,000.00.

10 (b) Up to \$380,000.00 if the depository institution has total
11 net assets of \$500,000,000.00 to \$999,999,999.99.

12 (c) Up to \$507,000.00 if the depository institution has total
13 net assets of \$1,000,000,000.00 to \$1,999,999,999.99.

14 (d) Up to \$633,000.00 if the depository institution has total
15 net assets of \$2,000,000,000.00 or more.

16 (5) Except as otherwise provided in subsection (6), a
17 community development financial institution that is not a
18 depository institution is eligible for a grant award in the
19 following amount:

20 (a) Up to \$127,000.00 if the community development financial
21 institution made qualifying commitments in an amount that averaged
22 less than \$1,000,000.00 per applicant fiscal year during the 3
23 fiscal years preceding the fiscal year in which an application for
24 a grant is submitted.

25 (b) Up to \$380,000.00 if the community development financial
26 institution made qualifying commitments in an amount that averaged
27 from \$1,000,000.00 to \$3,999,999.99 per applicant fiscal year
28 during the 3 fiscal years preceding the fiscal year in which an
29 application for a grant is submitted.

1 (c) Up to \$633,000.00 if the community development financial
2 institution made qualifying commitments in an amount that averaged
3 from \$4,000,000.00 to \$5,999,999.99 per applicant fiscal year
4 during the 3 fiscal years preceding the fiscal year in which an
5 application for a grant is submitted.

6 (d) Up to \$887,000.00 if the community development financial
7 institution made qualifying commitments in an amount that averaged
8 from \$6,000,000.00 to \$9,999,999.00 per applicant fiscal year
9 during the 3 fiscal years preceding the fiscal year in which an
10 application for a grant is submitted.

11 (e) Up to \$1,013,333.00 if the community development financial
12 institution made qualifying commitments in an amount that averaged
13 at least \$10,000,000.00 per applicant fiscal year during the 3
14 fiscal years preceding the fiscal year in which an application for
15 a grant is submitted.

16 (6) A grant to a multistate CDFI that is not a depository
17 institution under subsection (5) must not exceed \$633,000.00.

18 (7) The Michigan strategic fund shall accept applications for
19 a grant under this section until November 30, 2025. The Michigan
20 strategic fund shall approve or deny a grant application within 49
21 days after the receipt of an administratively complete application
22 as determined by the Michigan strategic fund. If the application
23 complies with the requirements of this section, the Michigan
24 strategic fund shall approve the award of the grant in the amount
25 requested by the applicant. The Michigan strategic fund may deny a
26 grant application submitted under this section only for the
27 following reasons:

28 (a) The applicant does not satisfy all of the requirements
29 under this section.

1 (b) Subject to subsection (9), there is insufficient money in
2 the CDFI fund to pay the grant amount requested.

3 (c) The applicant is not in compliance with applicable
4 requirements under the Riegle community development and regulatory
5 improvement act of 1994, Public Law 103-325, 12 USC 4701 to 4719.

6 (8) If the Michigan strategic fund denies an application under
7 subsection (7), the applicant may provide additional information to
8 the Michigan strategic fund within 7 days after the notice of
9 denial. The Michigan strategic fund shall review and reconsider the
10 application and additional information within 28 days after the
11 applicant provides additional information.

12 (9) If there is an insufficient amount of money in the CDFI
13 fund to pay the grants approved, the amount of each grant shall be
14 reduced proportionately by the Michigan strategic fund based upon
15 the amount of money available in the CDFI fund. If the amount of
16 money available to pay grants approved for a round of grant
17 applications exceeds the amount needed to pay the grant awards, the
18 Michigan strategic fund may increase each grant awarded in that
19 round in an amount proportionate to the total of all grant awards
20 for that round.

21 (10) Upon approval of an application, the Michigan strategic
22 fund and the applicant shall sign a written grant agreement
23 providing the terms of the grant agreement. A grant agreement must
24 include all of the following:

25 (a) A requirement that at least 80% of the grant award be used
26 for financial products and financial services or expenditures of
27 money or commitments to expend money to reduce the interest rate
28 otherwise applicable under a loan agreement or funding agreement.

29 (b) A restriction that no more than 10% of the grant award be

1 used for technical assistance activities described in 12 CFR
2 1805.303.

3 (c) A restriction that no more than 10% of the grant award be
4 used for administration and operations.

5 (d) A requirement that a grant award be committed under a loan
6 agreement or funding agreement or disbursed by the recipient within
7 3 years after the date that the recipient receives the grant award.

8 (e) A requirement that the entire amount of the grant award be
9 expended within this state.

10 (f) A requirement that the grant award recipient maintain its
11 certification as a community development financial institution
12 under 12 CFR 1805.201 while the grant agreement is in effect.

13 (g) A requirement that the grant award recipient comply with
14 all requirements applicable under the Riegle community development
15 and regulatory improvement act of 1994, Public Law 103-325, 12 USC
16 4701 to 4719, while the agreement is in effect.

17 (h) Provisions authorizing the Michigan strategic fund to
18 enforce the terms of the grant agreement, including a requirement
19 that a noncompliant recipient of a grant award may be required to
20 repay the portion of the award not committed by the recipient
21 pursuant to a permitted loan, program, or agreement. Money repaid
22 under this subdivision must be deposited in the CDFI fund.

23 (i) A requirement for the grant award recipient to report on
24 activities consistent with the requirements of subsection (14).

25 (j) If the grant agreement includes a grant of federal money,
26 the grant agreement must require the recipient to comply with any
27 requirements applicable to the use of the federal money.

28 (11) A grant agreement may provide for the community
29 development financial institution that is the recipient of a grant

1 award to serve as an intermediary lender to another community
2 development financial institution consistent with the purposes of
3 this section if not prohibited by federal law applicable to the
4 expenditure of any federal grant money.

5 (12) If not prohibited by federal law applicable to the
6 expenditure of any federal grant money, a grant agreement must
7 permit a grant award recipient to assign the award to an affiliate
8 and for the affiliate to assume the obligations of the grant award
9 recipient if the affiliate satisfies all of the following:

10 (a) Is a community development financial institution.

11 (b) Is organized in the same manner as the grant award
12 recipient.

13 (c) Is controlled by the grant award recipient in 1 or both of
14 the following ways:

15 (i) The grant award recipient owns a majority of the stock of
16 the affiliate.

17 (ii) A majority of the members of the board of the affiliate
18 also are members of the board of the grant award recipient.

19 (13) Except as otherwise provided in subsection (14), the
20 Michigan strategic fund shall require the recipient of a grant
21 award under this chapter to report annually to the Michigan
22 strategic fund regarding its activities under this section
23 beginning on the May 1 following the applicant fiscal year in which
24 the grant award was received by the recipient. The Michigan
25 strategic fund shall publish on its website a standard form for the
26 report. Except as otherwise provided in subsection (14), the report
27 must include all of the following information:

28 (a) A copy of the recipient's most recent confirmation of
29 recertification as a community development financial institution

1 issued by the community development financial institutions fund
2 under 12 CFR 1805.201, which may include the list of community
3 development financial institutions in good standing maintained and
4 published by the federal fund.

5 (b) A list of financial products and services provided during
6 the prior applicant fiscal year that includes all of the following:

7 (i) The name of each transaction.

8 (ii) A transition tracking number for each transaction.

9 (iii) The date of each transaction.

10 (iv) The amount of each transaction.

11 (v) The total project cost for each transaction if other
12 funding was involved.

13 (vi) The physical address of the borrower or customer for each
14 transaction.

15 (vii) The census tract of the borrower or customer for each
16 transaction.

17 (viii) An indication of whether the census tract in which the
18 transaction is located is an eligible investment area.

19 (ix) A description of the projected economic impact of the
20 transaction.

21 (x) A description of any financial products or financial
22 services provided.

23 (c) A description of technical assistance provided during the
24 prior applicant fiscal year.

25 (d) A summary of expenditures for administration and
26 operations provided during the prior applicant fiscal year that
27 includes all of the following:

28 (i) A description of administration and operations costs
29 incurred.

1 (ii) Professional fees and expenses incurred.

2 (iii) A summary of any other eligible expenses for
3 administration and operation.

4 (14) A grant award recipient is not required to provide a
5 report under this section for any applicant fiscal year in which it
6 did not loan or otherwise commit or disburse grant award money. The
7 Michigan strategic fund shall not include information in the report
8 required under subsection (13) if information that otherwise would
9 be included in a report under subsection (13) is either of the
10 following:

11 (a) Exempt from disclosure or confidential as proprietary
12 business or financial information under the Riegle community
13 development and regulatory improvement act of 1994, Public Law 103-
14 325, 12 USC 4701 to 4719.

15 (b) Exempt from disclosure under the freedom of information
16 act, 1976 PA 442, MCL 15.231 to 15.246.

17 (15) The Michigan strategic fund shall make all reasonable
18 efforts to ensure that at least 10% of the funds appropriated under
19 this section support businesses operated by underrepresented
20 entrepreneurs or are allocated to community development financial
21 institutions that primarily support underrepresented entrepreneurs.

22 (16) Except as otherwise provided in subsection (3), the
23 Michigan strategic fund may expend up to 4% of the appropriation
24 provided from the CDFI fund for the costs it incurs in
25 administering the programs and activities in this section.

26 (17) Unexpended funds appropriated for community development
27 financial institutions fund grants are designated as a work project
28 appropriation. Unencumbered or unallotted funds must not lapse at
29 the end of the fiscal year and must be available for grant awards

1 or other expenditures until the project has been completed. The
2 following is in compliance with section 451a of the management and
3 budget act, 1984 PA 431, MCL 18.1451a:

4 (a) The purpose of the project is to provide grants to
5 eligible community development financial institutions under this
6 section.

7 (b) All grants will be distributed in accordance with this
8 section and the grant guidelines as part of the application process
9 and grant agreements between the Michigan strategic fund and grant
10 recipients.

11 (c) The total estimated cost of the project is \$5,000,000.00.

12 (d) The tentative completion date for the work project is
13 September 30, 2029.

14 (18) As used in this section:

15 (a) "CDFI fund" means the Michigan community development
16 financial institutions fund created in subsection (1).

17 (b) "Community development financial institution" means that
18 term as defined in section 103 of the Riegle community development
19 and regulatory improvement act of 1994, Public Law 103-325, 12 USC
20 4702, but is limited to a community development financial
21 institution that satisfies all of the following:

22 (i) Is an entity that meets the eligibility requirements
23 described in 12 CFR 1805.200.

24 (ii) Is certified as a community development financial
25 institution that meets the eligibility requirements under 12 CFR
26 1805.201 by the community development financial institutions fund
27 established under section 104 of the Riegle community development
28 and regulatory improvement act of 1994, Public Law 103-325, 12 USC
29 4703.

1 (iii) Maintains 1 or more physical offices within this state.

2 (iv) Employs 2 or more individuals at a physical office within
3 this state, including employees of an affiliate of the community
4 development financial institution that provides services to the
5 community development financial institution.

6 (v) Is a Michigan CDFI or a multistate CDFI.

7 (c) "Depository institution" means any of the following:

8 (i) A bank as that term is defined in section 3(a) of the
9 federal deposit insurance act, 12 USC 1813.

10 (ii) A savings association as that term is defined in section
11 3(b) of the federal deposit insurance act, 12 USC 1813.

12 (iii) A credit union as that term is defined in section 102 of
13 the credit union act, 2003 PA 215, MCL 490.102.

14 (iv) A depository institution holding company as that term is
15 defined in 12 CFR 1805.104.

16 (d) "Eligible activities" means activities described in 12 CFR
17 1805.301, and includes credit enhancements, loan loss reserves,
18 equity investments, expenditures of money or commitments to expend
19 money to reduce the interest rate otherwise applicable under a loan
20 agreement or funding agreement, and grants related to these
21 activities.

22 (e) "Federal fund" means the federal community development
23 financial institutions fund within the United States Department of
24 Treasury.

25 (f) "Financial products" means that term as defined in 12 CFR
26 1805.104.

27 (g) "Financial services" means that term as defined in 12 CFR
28 1805.104.

29 (h) "Michigan CDFI" means a community development financial

1 institution that satisfies all of the following:

2 (i) Is certified as a community development financial
3 institution that meets the eligibility requirements under 12 CFR
4 1805.201 by the community development financial institutions fund
5 established under section 104 of the Riegle community development
6 and regulatory improvement act of 1994, Public Law 103-325, 12 USC
7 4703.

8 (ii) Is headquartered at an address in this state, as
9 recognized by the federal fund.

10 (iii) Has a target market that includes this state, as
11 recognized by the federal fund.

12 (iv) Serves 1 or more targeted populations located within this
13 state.

14 (i) "Multistate CDFI" means a community development financial
15 institution that is not a Michigan CDFI but is a community
16 development financial institution that committed under a loan
17 agreement or other funding agreement at least \$10,000,000.00 in
18 financial products and financial services to a target market within
19 this state under the Riegle community development and regulatory
20 improvement act of 1994, Public Law 103-325, 12 USC 4701 to 4719,
21 during the 5 applicant fiscal years preceding the applicant in the
22 current fiscal year in which an application for a grant is
23 submitted.

24 (j) "Qualifying commitment" means funding committed by a
25 community development financial institution under a loan agreement
26 or other funding agreement in target markets or targeted
27 populations in this state that is either of the following:

28 (i) Financial products or financial services committed under
29 the Riegle community development and regulatory improvement act of

1994, Public Law 103-325, 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. 533. The funds appropriated in part 1 for global talent initiative 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.

EMPLOYMENT SERVICES

Sec. 601. From the funds appropriated in part 1 for wage and hour program, the department shall continue to engage with employers and employees to enhance education and outreach, in accordance with the youth employment standards act 1978 PA 90, MCL 409.101 to 409.124, 1978 PA 390, MCL 408.471 to 408.490, the improved workforce opportunity wage act, 2018 PA 337, MCL 408.931 to 408.945, the earned sick time act, 2018 PA 338, MCL 408.961 to 408.974, the human trafficking notification act, 2016 PA 62, MCL 752.1031 to 752.1040, and 2023 PA 10, MCL 408.1101 to 408.1126, and

1 private right of action.

2 Sec. 601a. From the funds appropriated in part 1 for wage and
3 hour, there is appropriated 24.0 FTE positions and \$8,000,000.00 in
4 prevailing wage funds to implement and administer 2024 PA 110.

5 Sec. 602. (1) In addition to the funds appropriated in part 1,
6 all funds necessary to pay approved claims and administrative costs
7 incurred during this fiscal year, as allowed in the Christopher R.
8 Slezak first responder presumed coverage fund, created in section
9 405 of the worker's disability compensation act of 1969, 1969 PA
10 317, MCL 418.405, are appropriated for the purposes authorized
11 under section 405 of the worker's disability compensation act of
12 1969, 1969 PA 317, MCL 418.405.

13 (2) The department shall provide a year end report to the
14 Michigan gaming control board, the department of treasury, and the
15 state budget office that includes, but is not limited to, the total
16 of all approved claims and administrative costs incurred as of
17 September 30 of the current fiscal year.

18
19 **WORKFORCE DEVELOPMENT**

20 Sec. 700. From the funds appropriated in part 1, the
21 department shall make available, in person or by telephone, a
22 program specialist or local employment representative to Michigan
23 works service centers, as resources permit, during hours of
24 operations, and shall continue to make the appropriate placement of
25 and provide resources to individuals with disabilities and those
26 served by Michigan rehabilitation services or centers for
27 independent living.

28 Sec. 701. The department shall administer the PATH training
29 program in accordance with the requirements of section 407(d) of

1 title IV of the social security act, 42 USC 607, the social welfare
2 act, 1939 PA 280, MCL 400.1 to 400.119b, and all other applicable
3 laws and regulations.

4 Sec. 702. (1) From the funds appropriated in part 1 for
5 workforce development, the department may allocate funding for
6 grants to nonprofit organizations that offer programs under the
7 workforce innovation and opportunity act, 29 USC 3101 to 3361, for
8 eligible youth that focus on apprenticeship readiness, pre-
9 apprenticeship and apprenticeship activities, entrepreneurship,
10 work-readiness skills, job shadowing, or financial literacy.
11 Organizations eligible for funding under this section must have the
12 capacity to provide similar programs in urban areas, as determined
13 by the United States Census Bureau according to the most recent
14 federal decennial census. Additionally, programs eligible for
15 funding under this section must include the participation of local
16 business partners. The department shall develop other appropriate
17 eligibility requirements to ensure compliance with applicable
18 federal rules and regulations.

19 (2) The department shall report no later than March 15 on at
20 least all of the following:

21 (a) Total grants expended under this section in the previous
22 fiscal year.

23 (b) The total number of students served from the grants
24 appropriated under this section.

25 (c) A list of all organizations and the amount each
26 organization received from the funding appropriated under this
27 section.

28 Sec. 703. From the funds appropriated in part 1, the
29 department shall make available, in person or by telephone, 1

1 disabled veterans outreach program specialist or local veterans
2 employment representative to Michigan works service centers, as
3 resources permit, during hours of operation, and shall continue to
4 make the appropriate placement of veterans, including veterans laid
5 off from the federal government, and disabled veterans a priority.

6 Sec. 704. (1) In addition to the funds appropriated in part 1,
7 any unencumbered and unrestricted funds allocated under the federal
8 workforce innovation and opportunity act, 29 USC 3101 to 3361, or
9 trade adjustment assistance funds available from previous fiscal
10 years are appropriated for the purposes originally intended.

11 (2) The department shall report to the standard report
12 recipients not later than February 15 on the amount, by fiscal
13 year, of funds allocated under the federal workforce innovation and
14 opportunity act, 29 USC 3101 to 3361, appropriated under this
15 section.

16 Sec. 705. (1) The department shall publish data and reports on
17 March 15 and September 30 on the department website concerning the
18 status of going pro funded in part 1. The report must include the
19 following:

20 (a) The number of awardees participating in the program and
21 the names of those awardees organized by major industry group.

22 (b) The amount of funding received by each awardee under the
23 program.

24 (c) The amount of funding leveraged from each awardee.

25 (d) The training models established by each awardee.

26 (e) The number of individuals enrolled in classroom training,
27 on-the-job training, or new USDOL registered apprentices.

28 (f) The number of qualified employees who completed the
29 approved training.

1 (g) The number of applications received and the number of
2 grants awarded for each region.

3 (h) The number of individuals hired and trained, the number of
4 incumbent workers trained, and the number of USDOL registered
5 apprentices.

6 (i) Going pro expenditures, by program or grant type, for the
7 previous fiscal year and projected expenditures, by program or
8 grant type, for the current fiscal year.

9 (2) The department shall expand workforce training and
10 reemployment services to better connect workers to in-demand jobs
11 and identify specific outcomes with performance metrics for this
12 initiative, including, but not limited to, new apprenticeships,
13 individuals to be hired and trained, current employees trained,
14 training completed, employment retention rate at 6 months, and
15 hourly wage at 6 months.

16 Sec. 706. To the extent consistent with sections 7 and 9 of
17 the going pro talent fund act, 2018 PA 260, MCL 408.157 and
18 408.159, the department shall administer the program as follows:

19 (a) The department shall work cooperatively with grantees to
20 maximize the amount of funds from part 1 that are available for
21 direct training.

22 (b) The department, workforce development partners, including
23 regional Michigan works agencies, and employers shall collaborate
24 and work cooperatively to prioritize and streamline the expenditure
25 of the funds appropriated in part 1. The department shall ensure
26 that going pro provides a collaborative statewide network of
27 workforce and employee skill development partners that addresses
28 the employee talent needs throughout this state.

29 (c) The department shall ensure that grants are utilized for

1 individual skill enhancement and to address in-demand talent needs
2 in Michigan and prioritize training for cross industry projects and
3 industries negatively affected by tariffs.

4 (d) The department shall do all of the following:

5 (i) Develop program goals and detailed guidance for prospective
6 participants to follow to qualify under the program.

7 (ii) Post the program goals and detailed guidance on the
8 department's website and distribute the program goals and detailed
9 guidance to workforce development partners, including local
10 Michigan works agencies, not later than October 1.

11 (iii) Conduct periodic assessments of employer and employee
12 needs that are evaluated on a regional basis.

13 (iv) Identify solutions and goals to be implemented to satisfy
14 employer and employee needs.

15 (v) Add scoring criteria that incentivize awards to new and
16 diverse program applicants.

17 (e) The department shall use not more than 2% of the total
18 going pro appropriation for administration of the program.

19 (f) Not less than 5% of available funding must be reserved for
20 businesses in talent fund priority industry sectors that submit
21 competitive applications, including training plans exclusively
22 focused on research and development or the operation,
23 implementation, and development of emerging technologies.

24 (g) The department may utilize the MiSTEM advisory council to
25 assist in the processing of grant applications.

26 Sec. 707. The funds appropriated in part 1 for MiSTEM advisory
27 council must be used to support the staff for the MiSTEM network,
28 and for administrative, training, and travel costs related to the
29 MiSTEM council. The staff for the MiSTEM network shall do all of

1 the following:

2 (a) Serve as a liaison among and between the department, the
3 department of lifelong education, advancement, and potential, the
4 department of education, the MiSTEM council, the governor's
5 workforce development board, the MiSTEM regions, and any other
6 relevant organization or entity in a manner that creates a robust
7 statewide STEM culture, empowers STEM teachers, integrates business
8 and education into the STEM network, and ensures high-quality STEM
9 experiences for pupils.

10 (b) Coordinate the implementation of a marketing campaign,
11 including, but not limited to, a website that includes dashboards
12 of outcomes, to build STEM awareness and communicate STEM needs and
13 opportunities to pupils, parents, educators, and the business
14 community.

15 (c) Work with the department of education and the MiSTEM
16 council to coordinate, award, and monitor MiSTEM state and federal
17 grants to the MiSTEM network regions and conduct reviews of grant
18 recipients, including, but not limited to, pupil experience and
19 feedback.

20 (d) Report to the governor, the legislature, and the MiSTEM
21 council annually on the activities and performance of the MiSTEM
22 network regions.

23 (e) Coordinate recurring discussions and work with regional
24 staff to ensure that a network or loop of feedback and best
25 practices are shared, including funding, programming, professional
26 learning opportunities, discussion of MiSTEM strategic vision, and
27 regional objectives.

28 (f) Coordinate major grant application efforts with the MiSTEM
29 council to assist regional staff with grant applications on a local

1 level. The MiSTEM council shall leverage private and nonprofit
2 relationships to coordinate and align private funds in addition to
3 funds appropriated under this section.

4 (g) Train state and regional staff in the STEMworks rating
5 system, in collaboration with the MiSTEM council and the Michigan
6 department of education.

7 (h) Hire MiSTEM network region staff in collaboration with the
8 network region fiscal agent.

9 Sec. 708. (1) From the funds appropriated in part 1 for
10 workforce development, the department shall provide a report on the
11 status of workforce development not later than March 15 to the
12 standard report recipients. The report must include the following:

13 (a) The amount of funding allocated to each Michigan works
14 agency and the total funding allocated to the workforce training
15 programs statewide by fund source.

16 (b) The number of participants enrolled in education or
17 training programs by each Michigan works agency.

18 (c) The average duration of training for training program
19 participants by each Michigan works agency.

20 (d) The number of participants enrolled in remedial education
21 programs and the number of participants enrolled in literacy
22 programs.

23 (e) The number of participants enrolled in programs at 2-year
24 institutions.

25 (f) The number of participants enrolled in programs at 4-year
26 institutions.

27 (g) The number of participants enrolled in proprietary schools
28 or other technical training programs.

29 (h) The number of participants that have completed education

1 or training programs.

2 (i) The number of participants who secured employment in
3 Michigan within 1 year of completing a training program.

4 (j) The number of participants who completed a training
5 program and secured employment in a field related to their
6 training.

7 (k) The average wage earned by participants who completed a
8 training program and secured employment within 1 year.

9 (l) The actual revenues received by the fund source and fund
10 appropriated for each discrete workforce development program area.

11 (2) Data collection for the report must be for the previous
12 state fiscal year.

13 Sec. 709. (1) From the funds appropriated in part 1 for
14 helmets to hardhats, funds must be awarded to a national nonprofit
15 program that connects national guard, reserve, retired, and
16 transitioning active-duty military service members with skilled
17 training and quality career opportunities in the construction
18 industry. Grant funding must be used to recruit and assist veterans
19 to transition into apprenticeship programs in this state, which may
20 include wraparound services.

21 (2) The awardee under subsection (1) shall ensure that there
22 is an online application process to the program.

23 Sec. 710. (1) For the funds appropriated in part 1 for
24 Michigan future force, \$3,000,000.00 shall be appropriated to the
25 23+ high school diploma program must be awarded for a program to
26 assist adults over 23 years of age in obtaining high school
27 diplomas and placement in career training programs. The funding
28 shall be expended in the following manner:

29 (a) For purposes of this subsection, an eligible program

1 provider may be a public, nonprofit, or private accredited diploma-
2 granting institution, but must have at least 2 years of experience
3 providing dropout recovery services in this state.

4 (b) The department shall issue a request for qualifications
5 for eligible program providers to participate in the pilot program.
6 To be considered a qualified program provider, the institution must
7 offer all of the following:

- 8 (i) Dropout reengagement services.
- 9 (ii) Academic intake assessments.
- 10 (iii) An integrated learning plan.
- 11 (iv) A course catalog that includes all graduation
12 requirements.
- 13 (v) Remediation coursework.
- 14 (vi) Academic resilience assessment and intervention.
- 15 (vii) Employability skills development.
- 16 (viii) Industry recognized credentials.
- 17 (ix) Credit for on-the-job training.
- 18 (x) A robust support framework, including technology, social
19 support, and academic support accredited by a recognized
20 accrediting body.
- 21 (xi) WorkKeys preparation.

22 (c) The department shall announce qualified program providers
23 not later than January 1 of the current fiscal year. Qualified
24 program providers must start providing programming by February 1 of
25 the current fiscal year.

26 (d) The department shall reimburse qualified program providers
27 for each month of satisfactory monthly progress as described in
28 section 23a of the state school aid act of 1979, 1979 PA 94, MCL
29 388.1623a, at a rate of \$500.00 per month. A payment shall be made

1 to a qualified program provider for the completion of the following
2 by a pupil:

3 (i) \$500.00 for the completion of an employability skills
4 certification program equal to at least 1 unit of high school
5 credit obtained through classroom or online instruction.

6 (ii) \$250.00 for the attainment of an industry-recognized
7 credential requiring up to 50 hours of training.

8 (iii) \$500.00 for the attainment of an industry-recognized
9 credential requiring 50 to 100 hours of training.

10 (iv) \$750.00 for the attainment of an industry-recognized
11 credential requiring more than 100 hours of training.

12 (v) \$1,000.00 for attainment of a high school diploma.

13 (vi) \$2,500.00 for placement in a job in an in-demand career
14 pathway.

15 (e) The department shall develop policies and guidelines to
16 implement this section.

17 (2) For the funds appropriated in part 1 for Michigan future
18 force, \$5,700,000.00 shall be appropriated for at-risk youth grants
19 and must be awarded to the Michigan franchise holder of the
20 national Jobs for America's Graduates program for the
21 administration of the Jobs for Michigan's Graduates program.

22 (3) For the funds appropriated in part 1 for Michigan future
23 force, \$250,000.00 shall be appropriated the high school
24 equivalency-to-school program must be used to fund the cost of high
25 school equivalency testing and certification under this section.
26 The department shall administer a Michigan high school equivalency-
27 to-school program that covers the cost of providing the high school
28 equivalency test free of charge to individuals who meet all of the
29 following requirements:

1 (a) The individual has not previously been administered a high
2 school equivalency test free of charge under this section.

3 (b) The individual meets at least 1 of the following
4 requirements:

5 (i) Prior to taking the high school equivalency test, the
6 individual successfully completed a department-approved high school
7 equivalency preparation program.

8 (ii) Prior to taking the high school equivalency test, the
9 individual completed the official high school equivalency practice
10 test and the individual's score indicated that the individual is
11 likely to pass.

12 (c) A department-approved high school equivalency preparation
13 program must include all of the following:

14 (i) Instructional and tutorial assistances.

15 (ii) High school equivalency test practice.

16 (iii) Required attendance at program instructional sessions.

17 (iv) A curriculum that prepares students for opportunities in
18 postsecondary education and the job market.

19 (v) Information on potential postsecondary and career
20 pathways.

21 (vi) Counseling on preparing for and applying to college.

22 (vii) Personal and job readiness skills development.

23 (viii) Comprehensive information on college costs and financial
24 aid.

25 (ix) College and career assessments.

26 (x) Computer-based instruction, practice, or remediation.

27 (d) The department shall post online an announcement of the
28 Michigan high school equivalency-to-school program, minimum

standards for high school equivalency preparation program approval, and approval procedures.

(e) The department shall do all of the following:

(i) Develop procedures consistent with this section under which individuals can take the high school equivalency test without charge.

(ii) 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.

(iii) Provide an estimate of the full-year cost of the program to the standard report recipients.

(f) Not later than September 30, the department shall report on utilization of the high school equivalency incentive program to the standard report recipients, including numbers of high school equivalency certifications issued by location, year-to-date expenditures, and numbers of participants qualifying under subsection (3) (b) (i) or (ii), or both.

(4) From the funds appropriated in part 1 for Michigan future force, \$1,000,000.00 must be awarded to a schools to tools program that will provide students, parents, teachers, and school counselors with information, training, and hands-on experiences they need to make informed career decisions. Grant funding must be used to support programming and education.

Sec. 713. (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 must include specific outcome and performance reporting requirements, as described in

1 this section. TANF funding provided to the department in the
2 current fiscal year is contingent on compliance with the data and
3 reporting requirements described in this section. The department
4 shall provide all of the following items for the previous year not
5 later than January 1 of the current fiscal year:

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

8 (i) Direct services to clients.

9 (ii) Administrative expenditures.

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

12 (i) The number and percentage who obtained employment through
13 Michigan Works!.

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

16 (iii) Average TANF spending per client.

17 (iv) The number and percentage of clients who were referred to
18 Michigan Works! but did not receive a job or job readiness
19 placement and the reasons why.

20 (2) Not later than March 15 of the current fiscal year, the
21 department shall provide to the senate and house appropriations
22 subcommittees on health and human services and the standard report
23 recipients an annual report on the following matters itemized by
24 Michigan works agency:

25 (a) The number of referrals to Michigan works job readiness
26 programs.

27 (b) The number of referrals to Michigan works job readiness
28 programs who became a participant in the Michigan works job
29 readiness programs.

1 (c) The number of participants who obtained employment.

2 (d) The cost per participant case.

3 (3) As used in this section, "TANF" means temporary assistance
4 for needy families as described in 42 USC 601 to 619.

5 Sec. 714. (1) The office of rural prosperity shall encourage
6 and enable appropriate community advancements and improvements,
7 including, but not limited to, all of the following:

8 (a) Housing.

9 (b) Infrastructure.

10 (c) Education.

11 (d) Workforce development.

12 (e) Other activities that address needs uniquely present in
13 rural areas of this state and assist in expansion of rural
14 development.

15 (2) Not later than March 15, the office of rural prosperity
16 shall submit a report to the standard report recipients that
17 outlines the office's activities, programs, and accomplishments in
18 the previous fiscal year.

19 Sec. 715. (1) From the funds appropriated in part 1 for
20 community and worker economic transition office, the department may
21 hire employees and deploy capabilities to evaluate and address the
22 impacts of economic transitions on workers, communities, and
23 employers in sectors that include, but are not limited to, the
24 auto, utility, manufacturing, and building trades sectors.
25 Activities of the office may include developing transition
26 mitigation strategies, conducting data analysis, coordinating
27 across state and federal agencies, engaging stakeholders, and
28 providing resource navigation support. The department shall develop
29 and submit to the governor and the legislature a community and

1 worker economic transition plan not later than December 31, 2025,
2 as required under sections 7(3)(f) and 9(2) of the community and
3 worker economic transition act, 2023 PA 232, MCL 408.917 and
4 408.919. No later than March 15, the department shall also submit
5 an annual report on office activities and progress made on the
6 transition plan to the standard report recipients and to the
7 legislature, as required under section 7(5) of the community and
8 worker economic transition act, 2023 PA 232, MCL 408.917. The
9 department shall also include a transition plan for Michigan
10 residents laid off from the federal government, lost federal
11 contracts, or impacted by tariffs.

12 (2) In the annual report submitted under subsection (1), the
13 department shall include information on the mission statement,
14 goals, metrics, and recommendations of the community and worker
15 economic transition office.

16 Sec. 716. (1) From the funds appropriated in part 1 for
17 volunteer income tax assistance grants, the department shall
18 allocate funds to a nonprofit trade association to provide all of
19 the following:

20 (a) Free tax preparation services for tax filers in this
21 state.

22 (b) Expanded statewide access to free tax preparation
23 services.

24 (c) Expanded local capacity to provide free tax preparation
25 services.

26 (2) Administration costs to provide the services listed in
27 subsection (1) must not exceed 5% of the appropriated amount.

28 Sec. 717. The department's office of rural prosperity shall
29 collaborate with the department of agriculture and rural

1 development on the rural development fund grant program as part of
2 this state's coordinated strategy for achieving rural prosperity
3 across this state.

4 Sec. 718. The funds appropriated in part 1 for center for
5 employment opportunity shall be awarded to a nonprofit that
6 operates a program that satisfies all of the following conditions:

7 (a) The program provides services to parolees and probationers
8 assessed by the department of corrections as moderate or high risk
9 to recidivate.

10 (b) The program provides job readiness training, transitional
11 employment, job coaching and placement, and postplacement retention
12 services. As part of the transitional employment program phase, the
13 nonprofit program shall provide low-skill, crew-based services to
14 other state agencies.

15 (c) The program has been independently and rigorously
16 evaluated and shown to reduce recidivism.

17 (d) The program demonstrates an ability to serve multiple
18 jurisdictions across this state.

19 Sec. 719. From the funds appropriated in part 1 for workforce
20 development, no less than \$3,000,000.00 shall be used to provide
21 supportive services to at-risk individuals to address and remove
22 barriers preventing them from receiving job training or attaining a
23 job or staying in a job if they are currently employed. At-risk
24 individuals include, but are not limited to, Michigan residents who
25 are low-income, poor, working poor, and individuals laid off by the
26 federal government since January 2025. Services provided may
27 address a wide range of barriers including, but not limited to,
28 transportation, childcare, clothing needs, tools for work, legal
29 services, and other barriers that may prevent at-risk individuals

1 from receiving job training or a job. Priority shall be given to
2 veterans or individuals with disabilities.

3
4 **UNEMPLOYMENT**

5 Sec. 801. The unemployment insurance agency shall provide a
6 report updated at least quarterly that includes, but is not limited
7 to, fiscal year-to-date expenditures by division and program unit.
8 The unemployment insurance agency shall transmit each quarterly
9 report no later than 60 days after the end of each quarter.

10 Sec. 802. (1) From the funds appropriated in part 1, the
11 department, on behalf of the unemployment insurance agency, shall
12 provide a quarterly report to the standard report recipients not
13 later than 60 days after the end of each quarter that includes, but
14 is not limited to, the following:

15 (a) The average number of unique claimants for the quarter.

16 (b) The average number of eligible claimants with
17 certification for the quarter.

18 (c) The average number of claims paid for the quarter.

19 (d) The total amount of standard unemployment insurance
20 payments paid for the quarter.

21 (e) The total amount of unemployment insurance tax generated
22 for the quarter.

23 (f) The balance of the Michigan unemployment trust fund at the
24 end of the quarter.

25 (2) The department shall include the same information required
26 in subsection (1) for the previous 12 months. The department shall
27 include the most recent quarterly report on the department's
28 webpage.

29 Sec. 803. From the funds appropriated in part 1, the

1 department shall provide a quarterly report not later than 60 days
2 after the end of each quarter that includes, but is not limited to,
3 the following:

4 (a) The number of new fraudulent and noncompliant cases that
5 have been identified or issued by the unemployment insurance
6 agency, classified by employer or claimant, during the quarter.

7 (b) The total amount of penalties and interest issued on
8 fraudulent and noncompliant cases during the quarter.

9 (c) The total amount of penalties and interest dollars
10 received during the quarter by employer or claimant.

11 (d) The total amount of collectible penalties and interest
12 still owed to this state by employer or claimant.

13 (e) The number of fraudulent and noncompliant cases that have
14 been appealed by an employer or claimant during the quarter.

15 Sec. 804. (1) The funds appropriated in part 1 for
16 unemployment insurance agency must be used to staff unemployment
17 insurance agency branch offices for in-person appointments for
18 unemployment insurance agency claimant services.

19 (2) The department shall provide a biannual report to the
20 standard report recipients not later than March 15 and September 30
21 that includes all of the following:

22 (a) The number and location of in-person offices.

23 (b) The average number of staff at each location over the
24 previous 6 months.

25 (c) The volume of in-person claimants served at each location
26 in the previous 6 months.

27 Sec. 805. Funds appropriated in part 1 for the unemployment
28 insurance agency may be used by the unemployment insurance agency
29 to increase capacity by an estimated 500 limited-term employees

only if the unemployment insurance agency provides full-time, in-person services at existing unemployment insurance local offices.

Sec. 806. (1) From the funds appropriated in part 1 for 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. 807. Funds earned or authorized by the USDOL in addition to the appropriation in part 1 for the unemployment insurance agency are appropriated and may be expended for staffing and related expenses incurred in the operation of its programs. These funds may be spent after the department notifies the standard report recipients of the purpose and amount of each grant award.

REHABILITATION SERVICES

Sec. 901. 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. 902. From the funds appropriated in part 1, the department shall provide an annual report on efforts taken to improve the Michigan rehabilitation services not later than

1 February 1 to the standard report recipients. The report must
2 include all of the following line items:

3 (a) Reductions and changes in administration costs and
4 staffing.

5 (b) Service delivery plans and implementation steps achieved.

6 (c) Reorganization plans and implementation steps achieved.

7 (d) Plans to integrate Michigan rehabilitative services
8 programs into other services provided by the department.

9 (e) Quarterly expenditures by major spending category.

10 (f) Employment and job retention rates from both Michigan
11 rehabilitation services and its nonprofit partners.

12 (g) Success rate of each district in achieving the program
13 goals.

14 Sec. 903. (1) From the funds appropriated in part 1 for
15 Michigan rehabilitation services, the department shall allocate
16 funding along with available federal match to support the provision
17 of vocational rehabilitation services to eligible agricultural
18 workers with disabilities. Authorized services shall assist
19 agricultural workers with disabilities in acquiring or maintaining
20 quality employment and independence.

21 (2) Not later than March 1, the department shall report to the
22 standard report recipients on the total number of clients served
23 and the total amount of federal matching funds obtained throughout
24 the duration of the program.

25 Sec. 904. If the department is at risk of entering into an
26 order of selection for services, the department shall notify the
27 standard report recipients within 2 weeks of receiving
28 notification.

29 Sec. 905. (1) Funds appropriated in part 1 for independent

1 living must be used to support the general operations of centers
2 for independent living in delivering mandated independent living
3 services in compliance with federal rules and regulations,
4 including 45 CFR Part 1329, for the centers, by existing centers
5 for independent living to serve underserved areas, and for projects
6 to build the capacity of centers for independent living to deliver
7 independent living services. Applications for the funds must be
8 reviewed in accordance with criteria and procedures established by
9 the department. Funds must be used in a manner consistent with the
10 state plan for independent living. Services provided should assist
11 people with disabilities to move toward self-sufficiency,
12 including, but not limited to, support for accessing transportation
13 and health care, obtaining employment, community living, nursing
14 home transition, information and referral services, education,
15 youth transition services, veterans, and stigma reduction
16 activities and community education. This includes the independent
17 living guide services that specifically focus on economic self-
18 sufficiency.

19 (2) Not later than March 1 and in partnership with service
20 providers, the department shall provide a report to the standard
21 report recipients on direct customer and system outcomes and
22 performance measures.

23 (3) Unexpended general fund/general purpose funds appropriated
24 in part 1 for centers for independent living are designated as a
25 work project appropriation. Unencumbered or unallotted funds must
26 not lapse at the end of the fiscal year and must be available for
27 expenditures for projects under this section until the projects
28 have been completed. The following is in compliance with section
29 451a of the management and budget act, 1984 PA 431, MCL 18.1451a:

1 (a) The purpose of the project is to support the state plan
2 for independent living.

3 (b) The project will be accomplished by utilizing the same
4 formula that is used for the initial distribution of funding.

5 (c) The total estimated cost of the project is \$12,257,000.00.

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

7 Sec. 906. From the funds appropriated in part 1 for personal
8 assistance services reimbursement for employment program, the
9 department shall allocate funding to support the administration of
10 the personal assistance services reimbursement for employment
11 program. Michigan rehabilitation services may work collaboratively
12 with service organizations to administer the program. An annual
13 report must be submitted to the standard report recipients not
14 later than March 15 providing information on how many recipients
15 receive services, obtain goals, and exit the program.

16 Sec. 907. (1) The appropriation in part 1 for bureau of
17 services for blind persons includes funds for case services. These
18 funds may be used for tuition payments for blind clients.

19 (2) Revenue collected by the bureau of services for blind
20 persons and from private and local sources that is unexpended at
21 the end of the fiscal year must carry forward to the subsequent
22 fiscal year.

23 Sec. 908. The bureau of services for blind persons may provide
24 and enter into agreements to provide general services, training,
25 meetings, information, special equipment, software, facility use,
26 and technical consulting services to other principal executive
27 departments, state agencies, local units of government, the
28 judicial branch of government, other organizations, and patrons of
29 department facilities. The department may charge fees for these

1 services that are reasonably related to the cost of providing the
2 services. In addition to the funds appropriated in part 1, funds
3 collected by the department for these services are appropriated for
4 all expenses necessary. The funds appropriated under this section
5 are allotted for expenditure when they are received by the
6 department of treasury.

7 Sec. 909. (1) The funds appropriated in part 1 for a regional
8 or subregional library must not be released until a budget for that
9 regional or subregional library has been approved by the department
10 for expenditures for library services directly serving the blind
11 and persons with disabilities.

12 (2) To receive subregional state aid appropriated in part 1, a
13 regional or subregional library's fiscal agency must agree to
14 maintain local funding support at the same level in the current
15 fiscal year as in the fiscal agency's preceding fiscal year. If a
16 reduction in expenditures equally affects all agencies in a local
17 unit of government that includes the regional or subregional
18 library's fiscal agency, the reduction must not be interpreted as a
19 reduction in local support and must not disqualify a regional or
20 subregional library from receiving state aid under part 1. If a
21 reduction in income affects a library cooperative or district
22 library that includes a regional or subregional library's fiscal
23 agency or a reduction in expenditures for the regional or
24 subregional library's fiscal agency, a reduction in expenditures
25 for the regional or subregional library must not be interpreted as
26 a reduction in local support and must not disqualify a regional or
27 subregional library from receiving state aid under part 1.

28
29 **COMMISSIONS**

1 Sec. 951. From the funds appropriated in part 1, the office of
2 global Michigan is to coordinate with any affiliated commissions
3 established in statute or by executive order to produce a report by
4 January 31. The report must be submitted to the standard report
5 recipients and must include, but is not limited to, the following:

6 (a) A description of the activities that the commissions
7 initiated to promote cooperation between the commissions.

8 (b) A list of all grant recipients.

9 (c) The goal of grants awarded that relate to the mission
10 statement.

11 (d) The programmatic costs of each commission.

12 Sec. 952. From the funds appropriated in part 1 for office of
13 global Michigan, at least \$150,000.00 and 1.0 FTE position shall be
14 appropriated for activities that assist and support residents of
15 this state who have been impacted by federal immigration action or
16 changes occurring after January 1, 2025. The activities include,
17 but are not limited to, the following:

18 (a) Referral of legal aid services.

19 (b) Assistance with housing opportunities.

20 (c) Provision of information on the most current immigration
21 laws and directives by the federal government.

22 Sec. 953. The office of global Michigan must submit a report
23 to the standard report recipients not later than January 31. The
24 report must include all of the following information:

25 (a) The number of individuals served through each major
26 program and activity.

27 (b) The number of refugee arrivals, the job placement rate of
28 those refugees actively receiving services under global Michigan
29 grants, and the average wages and initial job placements for those

1 refugees.

2 (c) A list and description of the activities that the office
3 has conducted to attract and retain international, advanced degree,
4 and entrepreneurial talent.

5 (d) A list of goals for the office and the metrics used to
6 determine whether each goal is achieved.

7 Sec. 954. (1) From the funds appropriated in part 1 for black
8 leadership council, the department shall create 1.0 FTE position
9 that shall do, but is not limited to, all of the following:

10 (a) Develop, review, and recommend policies and actions
11 designed to eradicate and prevent discrimination and racial
12 inequity in this state, including in areas of health care, housing,
13 education, employment, economic opportunity, public accommodation,
14 and procurement.

15 (b) Identify state laws, or gaps in state law, that create or
16 perpetuate inequalities.

17 (c) Serve as a resource for community groups on issues,
18 programs, sources of funding, and compliance requirements in state
19 government.

20 (d) Promote the culture and arts in the black community.

21 (e) Submit an annual report to the standard report recipients
22 on the activities undertaken by this position.

23 (2) If a black leadership advisory council is created by a
24 public act or executive order, the appropriation and FTE position
25 in this section will serve as staff and support to the black
26 leadership advisory council.

27 Sec. 955. (1) From the funds appropriated in part 1 for tribal
28 commission, the department shall create 1.0 FTE position that shall
29 do, but is not limited to, all of the following:

(a) Develop, review, and recommend policies and actions designed to eradicate and prevent discrimination and inequalities for tribal members in this state, including in areas of health care, housing, education, employment, economic opportunity, public accommodation, and procurement.

(b) Identify state laws, or gaps in state law, that create or perpetuate tribal member inequalities.

(c) Serve as a resource for community groups on issues, programs, sources of funding, and compliance requirements in state government.

(d) Promote the culture and arts in tribal communities.

(e) Submit an annual report to the standard report recipients on the activities undertaken by this position.

(2) If a tribal commission is created by a public act or executive order, the appropriation and FTE position in this section will serve as staff and support the tribal commission.

ONE-TIME APPROPRIATIONS

Sec. 1000. (1) From the funds appropriated in part 1 for ADA small business compliance, funds must be allocated for a program that distributes need-based grants to small businesses to support small businesses to be ADA compliant. Grants shall be used to support physical upgrades to the location where patrons traffic or have an online presence. Grants shall be capped at not more than \$50,000.00.

(2) As used in this section:

(a) "ADA compliant" means being in compliance with title III for public accommodations of the Americans with Disabilities Act of 1990, 42 USC 12181 to 12189.

1 (b) "Small business" means a business that employs not more
2 than 50 employees.

3 Sec. 1001. From the funds appropriated in part 1 for arts and
4 culture facility upgrades, funds must be allocated for a program
5 that distributes need-based grants to art facilities, cultural
6 centers, or museums in this state that have demonstrated need.
7 Grants shall be used for facility upgrades. Grants must be matched
8 with at least equal funding from either a local unit of government,
9 nonprofit, or private match. Grants must be not greater than
10 \$250,000.00.

11 Sec. 1002. (1) From the funds appropriated in part 1 for
12 community health and services grants, \$100.00 shall be awarded to a
13 nonprofit park civic association in a city with a population
14 greater than 600,000 according to the most recent federal decennial
15 census to support improvements to the community house space that
16 include elevator installation, playground improvements, fire
17 suppression, outdoor sports facilities, and multiuse programming
18 space.

19 (2) From the funds appropriated in part 1 for community health
20 and services grants, \$100.00 shall be awarded to an early childhood
21 education service provider with locations in a city with a
22 population greater than 600,000 according to the most recent
23 federal decennial census to provide high-quality services and to
24 support facility infrastructure improvements.

25 (3) From the funds appropriated in part 1 for community health
26 and services grants, \$100.00 shall be awarded to a city with a
27 population between 81,000 and 81,500 in a county with a population
28 between 405,000 and 410,000 according to the most recent federal
29 decennial census to support the costs to reopen a community center

1 facility.

2 (4) From the funds appropriated in part 1 for community health
3 and services grants, \$100.00 shall be awarded to a multiservice
4 community development organization advancing health equity located
5 in a city with a population greater than 600,000 according to the
6 most recent federal decennial census for facility purchase and
7 upgrades.

8 (5) From the funds appropriated in part 1 for community health
9 and services grants, \$100.00 shall be awarded to a youth activity
10 and athletic facility located in a county with a population between
11 68,000 and 69,000 according to the most recent federal decennial
12 census to support renovations to the facility, become ADA
13 compliant, and construct 4 licensed child care rooms.

14 (6) From the funds appropriated in part 1 for community health
15 and services grants, \$100.00 shall be awarded to a nonprofit
16 organization that supports a food pantry located in a city with a
17 population greater than 600,000 according to the most recent
18 federal decennial census to support the supply and operations of
19 the food pantry.

20 (7) From the funds appropriated in part 1 for community health
21 and services grants, \$100.00 shall be awarded to a health network
22 located in a county with a population between 1,200,000 and
23 1,300,000 according to the most recent federal decennial census for
24 infrastructure upgrades at a resource and crisis center.

25 (8) From the funds appropriated in part 1 for community health
26 and services grants, \$100.00 shall be awarded to a food bank
27 located in a city with a population greater than 600,000 according
28 to the most recent federal decennial census to support the creation
29 of a more stable food security network through the metro Detroit

1 area.

2 (9) From the funds appropriated in part 1 for community health
3 and services grants, \$100.00 shall be awarded to a community
4 organization focused on alleviating poverty located in a city with
5 a population between 61,600 and 61,700 in a county with a
6 population between 1,200,000 and 1,300,000 according to the most
7 recent federal decennial census to support programming and
8 operations.

9 (10) From the funds appropriated in part 1 for community
10 health and services grants, \$100.00 shall be awarded to a community
11 association to address social, recreational, and cultural needs of
12 the community and headquartered in a city with a population greater
13 than 73,000 in a county with a population between 261,000 and
14 262,000 according to the most recent federal decennial census to
15 support accessibility upgrades.

16 (11) From the funds appropriated in part 1 for community
17 health and services grants, \$100.00 shall be awarded to a youth
18 engagement and adult reengagement nonprofit center in a city with a
19 population greater than 600,000 according to the most recent
20 federal decennial census for expansion of the center.

21 (12) From the funds appropriated in part 1 for community
22 health and services grants, \$100.00 shall be awarded to a nonprofit
23 organization headquartered in a city with a population greater than
24 600,000 according to the most recent federal decennial census that
25 operates a community center in a city with a population between
26 8,500 and 9,000 in a county with a population greater than
27 1,500,000 according to the most recent federal decennial census for
28 structural improvements to a nonprofit community center.

29 Sec. 1003. (1) From the funds appropriated in part 1 for

1 community infrastructure grants, \$100.00 shall be awarded to a city
2 with a population between 3,000 and 4,000 in a county with a
3 population greater than 1,500,000 according to the most recent
4 federal decennial census for the purchase of a fire engine.

5 (2) From the funds appropriated in part 1 for community
6 infrastructure grants, \$100.00 shall be awarded to a city with a
7 population between 6,000 and 7,000 in a county with a population
8 between 1,200,000 and 1,300,000 according to the most recent
9 federal decennial census for replacement of the heating,
10 ventilation, and air conditioning system at the city hall.

11 (3) From the funds appropriated in part 1 for community
12 infrastructure grants, \$100.00 shall be awarded to a city with a
13 population between 139,000 and 140,000 in a county with a
14 population between 800,000 and 900,000 according to the most recent
15 federal decennial census for repair and restoration of the red run
16 drain.

17 (4) From the funds appropriated in part 1 for community
18 infrastructure grants, \$100.00 shall be awarded to a charter
19 township with a population between 49,000 and 50,000 in a county
20 with a population greater than 1,600,000 according to the most
21 recent federal decennial census to construct a combined sewer
22 overflow basin.

23 (5) From the funds appropriated in part 1 for community
24 infrastructure grants, \$100.00 shall be awarded to a city with a
25 population between 40,000 and 41,000 in a county with a population
26 greater than 1,500,000 according to the most recent federal
27 decennial census for upgrades of the water metering system.

28 (6) From the funds appropriated in part 1 for community
29 infrastructure grants, \$100.00 shall be awarded to a county with a

1 population between 1,200,000 and 1,300,000 according to the most
2 recent federal decennial census to provide grants for management
3 organizations for placemaking and small business support.

4 (7) From the funds appropriated in part 1 for community
5 infrastructure grants, \$100.00 shall be awarded to a city with a
6 population between 28,500 and 29,000 in a county with a population
7 greater than 1,600,000 according to the most recent federal
8 decennial census to purchase a generator for a community center.

9 (8) From the funds appropriated in part 1 for community
10 infrastructure grants, \$100.00 shall be awarded to a city with a
11 population between 4,100 and 5,000 in a county with a population
12 between 160,000 and 161,000 according to the most recent federal
13 decennial census to support the engineering costs for boardwalk
14 revitalization and improvements.

15 (9) From the funds appropriated in part 1 for community
16 infrastructure grants, \$100.00 shall be awarded to a city with a
17 population between 58,500 and 59,000 in a county with a population
18 between 850,000 and 900,000 according to the most recent federal
19 decennial census for enhancements of the nautical miles.

20 (10) From the funds appropriated in part 1 for community
21 infrastructure grants, \$100.00 shall be awarded to a city with a
22 population between 11,500 and 12,000 in a county with a population
23 greater than 1,500,000 according to the most recent federal
24 decennial census for water main replacement.

25 (11) From the funds appropriated in part 1 for community
26 infrastructure grants, \$100.00 shall be awarded to a county with a
27 population between 800,000 and 900,000 according to the most recent
28 federal decennial census to conduct a muck removal feasibility
29 study.

1 (12) From the funds appropriated in part 1 for community
2 infrastructure grants, \$100.00 shall be awarded to a city with a
3 population between 95,000 and 96,000 in a county with a population
4 greater than 1,500,000 according to the most recent federal
5 decennial census for construction of a bike and walk trail.

6 (13) From the funds appropriated in part 1 for community
7 infrastructure grants, \$100.00 shall be awarded to a treeline
8 conservancy located in a city with a population between 120,000 and
9 125,000 according to the most recent federal decennial census to
10 support trail expansion.

11 (14) From the funds appropriated in part 1 for community
12 infrastructure grants, \$100.00 shall be awarded to a charter
13 township with a population between 33,000 and 35,000 in a county
14 with a population between 105,000 and 110,000 according to the most
15 recent federal decennial census for water treatment facility
16 improvements mandated by state regulations.

17 Sec. 1004. (1) From the funds appropriated in part 1 for
18 community public safety grants, \$100.00 shall be awarded to a
19 charter township with a population between 49,000 and 50,000 in a
20 county with a population greater than 1,600,000 according to the
21 most recent federal decennial census to purchase radios for the
22 police department.

23 (2) From the funds appropriated in part 1 for community public
24 safety grants, \$100.00 shall be awarded to a city with a population
25 between 10,500 and 11,000 in a county with a population greater
26 than 1,500,000 according to the most recent federal decennial
27 census for the purchase of a fire engine.

28 (3) From the funds appropriated in part 1 for community public
29 safety grants, \$100.00 shall be awarded to a city with a population

1 greater than 73,000 in a county with a population between 261,000
2 and 262,000 according to the most recent federal decennial census
3 for purchasing firefighter turnout gear.

4 (4) From the funds appropriated in part 1 for community public
5 safety grants, \$100.00 shall be awarded to a city with a population
6 between 134,300 and 134,400 in a county with a population between
7 880,000 and 885,000 according to the most recent federal decennial
8 census for construction of a police training center.

9 (5) From the funds appropriated in part 1 for community public
10 safety grants, \$100.00 shall be awarded to a city with a population
11 between 28,500 and 29,000 in a county with a population greater
12 than 1,600,000 according to the most recent federal decennial
13 census for the purchase of a fire truck.

14 (6) From the funds appropriated in part 1 for community public
15 safety grants, \$100.00 shall be awarded to a charter township with
16 a population between 70,500 and 70,600 in a county with a
17 population between 1,200,000 and 1,300,000 according to the most
18 recent federal decennial census for construction of a fire station.

19 (7) From the funds appropriated in part 1 for community public
20 safety grants, \$100.00 shall be awarded to a city with a population
21 between 34,000 and 35,000 in a county with a population between
22 880,000 and 885,000 according to the most recent federal decennial
23 census for police station and district courthouse infrastructure
24 improvements.

25 (8) From the funds appropriated in part 1 for community public
26 safety grants, \$100.00 shall be awarded to a county with a
27 population between 105,000 and 110,000 according to the most recent
28 federal decennial census for municipal fire department
29 infrastructure and equipment needs.

1 (9) From the funds appropriated in part 1 for community public
2 safety grants, \$100.00 shall be awarded to a county with a
3 population of between 283,000 and 288,000 according to the most
4 recent decennial census for municipal fire department
5 infrastructure and equipment needs.

6 Sec. 1005. (1) From the funds appropriated in part 1 for
7 community workforce development grants, \$100.00 shall be awarded to
8 a community college located in a city with a population between
9 95,000 and 96,000 in a county with a population greater than
10 1,500,000 according to the most recent federal decennial census to
11 support expansion of a masonry trades center.

12 (2) From the funds appropriated in part 1 for community
13 workforce development grants, \$100.00 shall be awarded to a
14 501(c)(3) nonprofit organization that provides support to
15 individuals with disabilities and their families located in a
16 charter township with a population between 31,000 and 32,000 in a
17 county with a population greater than 1,500,000 according to the
18 most recent federal decennial census to support the operations of
19 the center.

20 (3) From the funds appropriated in part 1 for community
21 workforce development grants, \$100.00 shall be awarded to a
22 nonprofit organization that helps women consider careers in and
23 connect with technology industries, to support programs aimed at
24 connecting women in K-12 through postuniversity with careers in
25 technology.

26 (4) From the funds appropriated in part 1 for community
27 workforce development grants, \$100.00 shall be awarded to an
28 association that provides education for the care at home industry
29 located in a charter township with a population between 43,000 and

1 44,000 in a county with a population between 284,000 and 285,000
2 according to the most recent federal decennial census to support
3 education programs providing onboarding safety training.

4 (5) From the funds appropriated in part 1 for community
5 workforce development grants, \$100.00 shall be awarded to a
6 501(c)(3) nonprofit organization formed in 1983 whose mission is to
7 engage in partnerships, provide member support, and advocate for
8 lifelong learning, leading to employment and self-sufficient
9 families and that is located in a township with a population
10 between 30,000 and 34,000 in a county with a population between
11 109,000 and 110,000 according to the most recent federal decennial
12 census to support programming and operations.

13 (6) From the funds appropriated in part 1 for community
14 workforce development grants, \$100.00 shall be awarded to a county
15 with a population between 1,200,000 and 1,300,000 according to the
16 most recent federal decennial census to establish an automation
17 alley project to support a robust, distributed manufacturing
18 network benefiting local economies.

19 Sec. 1006. (1) From the funds appropriated in part 1 for
20 economic stress test, the department shall conduct an economic
21 stress test to assess the potential impact of tariffs and reduction
22 of federal funding, including eliminated federal contracts and
23 funding to state agencies, local units of government, institutions
24 of higher education, and businesses with a significant economic
25 presence in this state. The economic stress test shall evaluate the
26 impact of such federal actions on this state's economic stability,
27 state revenues, public services, and workforce development.

28 (2) The economic stress test shall analyze potential revenue
29 shortfalls, program cuts, cost increases, and workforce

1 displacement as a result of tariffs and federal funding reductions,
2 and shall consider how these cuts may affect state functions, local
3 governments, businesses, and key industries in this state.

4 (3) The department may work in coordination with the
5 department of technology, management, and budget and other relevant
6 agencies to include impacts to state functions and services and a
7 focus on displaced workers and their retaining needs.

8 (4) The department may use funds for any of the following
9 purposes:

10 (a) To survey businesses, industry organizations, employee and
11 worker organizations, other state agencies, local units of
12 government, or academic researchers on the impact of tariffs or
13 federal funding reductions.

14 (b) Department activities, including the review of existing
15 programs and how they may be impacted or adjusted to support
16 individuals, local units of government, and businesses harmed by
17 tariffs or federal funding reductions.

18 (c) To develop recommendations on responding to the economic
19 impact of tariffs and federal funding reductions.

20 (5) Not later than March 1, the department shall provide a
21 report to the standard report recipients that includes, but is not
22 limited to, all of the following:

23 (a) The activities undertaken to monitor and respond to the
24 economic impact of tariffs and federal funding reductions.

25 (b) Any recommendations to support affected business and
26 residents in this state.

27 (c) Any recommendation on fiscal strategies for addressing
28 potential revenue shortfalls or increased demand on state services.

29 Sec. 1007. From the funds appropriated in part 1 for economic

1 relief, the funds shall be appropriated in the following manner:

2 (a) \$20,000,000.00 shall be allocated to provide grants or
3 loans to businesses impacted by tariffs, with priority given to the
4 businesses that experience the most negative financial impact.

5 (b) \$20,000,000.00 shall be allocated to provide economic
6 relief and emergency preparedness grants to nonprofit organizations
7 that provide community supports.

8 (c) \$30,000,000.00 shall be allocated to provide grants that
9 support worker trainings and retooling initiatives, with priority
10 given to workers in industries most impacted by tariffs.

11 (d) \$10,000,000.00 shall be allocated to provide grants to
12 food banks to prioritize the purchase of locally grown food.

13 (e) \$1,000,000.00 shall be awarded to a request for
14 information proposal to develop in-state manufacturing of public
15 safety vehicles with a priority on fire trucks. Remaining dollars
16 may be used for incentives to manufacture fire trucks in this
17 state.

18 (f) \$9,000,000.00 shall be allocated to provide grants or
19 incentives to reshoring supply chains in Michigan.

20 (g) \$10,000,000.00 shall be allocated to provide grants to
21 apprenticeships and adult education programs, with priority given
22 to apprenticeship programs for industries most in demand of
23 workers.

24 Sec. 1008. (1) From the funds appropriated in part 1 for
25 emergency housing, \$30,000,000.00 shall be appropriated for
26 affordable housing projects that is allocated in the following
27 manner:

28 (a) \$2,500,000.00 shall be allocated to provide grants to
29 nationally recognized tribes in this state to support housing

1 projects either on tribal land or where a majority of tribal
2 members will reside.

3 (b) \$2,000,000.00 shall be allocated to provide grants to
4 homeowners or business owners to make accessibility improvements to
5 homes or businesses to align with the requirements of title III for
6 public accommodations of the Americans with Disabilities Act of
7 1990, 42 USC 12181 to 12189. Grants shall be not greater than
8 \$50,000.00 for homeowners and \$200,000.00 for business owners. Not
9 less than 50% of the funds must go to homeowners that need
10 accessibility upgrades to their homes.

11 (c) \$15,000,000.00 shall be allocated to provide grants for
12 home repairs and weatherization to homes with a household income
13 not greater than 250% of the federal poverty level guidelines.
14 Priority shall be given to communities with the greatest housing
15 and density stock.

16 (d) \$1,000,000.00 shall be awarded to a statewide nonprofit
17 specializing in eliminating poverty housing and advocating for safe
18 and affordable housing located in a charter township with a
19 population of between 33,000 and 33,500 in a county with a
20 population of between 109,000 and 110,000 according to the most
21 recent federal decennial census for statewide construction of
22 affordable housing.

23 (e) All remaining dollars in this subsection shall be
24 allocated to provide housing affordability grants to support
25 housing development projects that have at least 50% of the housing
26 units designated for affordable housing for individuals making not
27 more than 120% of the community's average median income.

28 (f) \$100.00 shall be awarded to an Indian tribe located in a
29 county with a population between 36,700 and 36,800 according to the

1 most recent federal decennial census to support housing and care
2 for tribal homeless members.

3 (2) From the funds appropriated in part 1 for emergency
4 housing, \$20,000,000.00 shall be appropriated for housing
5 programming that is allocated in the following manner:

6 (a) \$4,500,000.00 shall be allocated for eviction diversion
7 assistance in the following manner:

8 (i) \$3,000,000.00 shall be awarded to an association located in
9 a city with a population between 198,000 and 199,000 according to
10 the most recent federal decennial census that provides civil legal
11 aid to maintaining housing stability to provide legal aid services
12 to tenants facing eviction from non-subsidized housing.

13 (ii) \$1,500,000.00 shall be awarded to a city that has
14 established a tenant right to counsel program to implement a right
15 to counsel program for city tenants in eviction proceedings.

16 (b) \$2,000,000.00 shall be allocated to the landlord incentive
17 fund operated by MSHDA.

18 (c) \$1,000,000.00 shall be allocated to the housing navigation
19 fund operated by MSHDA.

20 (d) \$4,000,000.00 shall be allocated to a statewide pay as you
21 stay program. The program would support households with an income
22 not greater than 250% of the federal poverty level guidelines with
23 a unpaid delinquent tax balance greater than 10% of home's taxable
24 value. The program would pay off the total balance of property
25 taxes, interest, fees, and penalties, once the homeowner pays back
26 the unpaid taxes that equate to 10% of the value of the home over
27 no more than 3 years.

28 (e) \$2,500,000.00 shall be allocated to provide emergency
29 housing solution grants.

1 (f) \$2,500,000.00 shall be allocated to the shelter diversion
2 program operated by MSHDA.

3 (g) \$100.00 shall be awarded to an empowerment plan operated
4 by a city with a population greater than 600,000 according to the
5 most recent federal decennial census.

6 (h) All remaining dollars in this subsection shall be
7 allocated to combat homelessness, housing insecurity, eviction
8 diversion, or legal housing assistance.

9 Sec. 1009. For the funds appropriated in part 1 for emerging
10 community grants, the funds must be allocated to provide grants to
11 nonprofit organizations and community organizations that are
12 dedicated to supporting emerging populations within this state.
13 Grants may be used to support facility acquisitions, facility
14 upgrades, economic development activities that support the
15 organization's community, and programming to support the
16 organization's community.

17 Sec. 1010. For the funds appropriated in part 1 for fire
18 station infrastructure grants, funds must be allocated to provide
19 grants to support facility upgrades to fire stations as well as
20 firefighter uniforms and gear. Funds shall be available to fire
21 departments and departments of public safety. Grants shall be
22 prioritized to a community with an average median income less than
23 300% of the federal poverty level.

24 Sec. 1011. (1) For the funds appropriated in part 1 for
25 housing relief fund, MSHDA shall support the following housing
26 programs:

27 (a) Down payment assistance.

28 (b) Missing middle.

29 (c) Employer housing.

1 (d) Foreclosure prevention.

2 (e) Rental assistance.

3 (f) Grants for conversion of commercial space to workforce
4 housing in downtown corridors.

5 (g) Streamline housing application through MSHDA.

6 (h) Permanent supportive housing.

7 (i) Faith-based housing grants.

8 (2) MSHDA shall appropriate not less than \$2,500,000.00 for
9 faith-based housing grants.

10 (3) MSHDA shall appropriate not greater than 10% of the total
11 appropriations for the missing middle program.

12 Sec. 1012. (1) The Michigan capital access fund is created in
13 the state treasury.

14 (2) Funds appropriated in part 1 for MiCAP must be deposited
15 into the Michigan capital access fund and are available to support
16 the Michigan capital access program.

17 (3) The state treasurer may receive money or other assets from
18 any source for deposit in the Michigan capital access fund. The
19 state treasurer shall direct the investment of the Michigan capital
20 access fund. The state treasurer shall credit to the Michigan
21 capital access fund interest and earnings from the community
22 infrastructure fund. The state treasurer may use up to the amount
23 credited on the interest and earnings of the fund for
24 administration of this section.

25 (4) Any unexpended funds in the Michigan capital access fund
26 must be carried forward and are available for expenditure under
27 this section.

28 (5) Funds in the Michigan capital access fund at the close of
29 the fiscal year remain in the Michigan capital access fund and do

1 not lapse to the general fund.

2 (6) The Michigan capital access fund shall be appropriated to
3 the Michigan capital access program to provide reduced interest
4 loans to small businesses. Loans shall be administered by approved
5 lenders that meet the requirements of this section as approved by
6 the state treasurer. The state treasurer shall develop a process
7 for approving lenders and allocating funds for small business
8 loans. The treasurer shall monitor and may audit lenders to ensure
9 compliance with the program. If the treasurer determines that a
10 lender is no longer in compliance with this section or determines
11 the lender has a default rate that is significantly higher than the
12 market average, the treasurer can disqualify the approved lender
13 and seek collections from the lender on the amount of outstanding
14 loans remaining that are not in default.

15 (7) Loans paid back by the small businesses and 1/2 of the
16 earning on the interest of the loan shall be deposited to the
17 Michigan capital access fund and be available for additional loans
18 as allowed under this section.

19 (8) Approved lenders shall prioritize small businesses located
20 in low-income or economically disadvantaged communities and
21 businesses owned by individuals in emerging populations or owned by
22 individuals with disabilities or who are veterans.

23 (9) The treasurer shall quarterly report not later than 45
24 days after each quarter to the standard report recipients on at
25 least the following information:

26 (a) The list of approved lenders.

27 (b) The number and amount of loans issued by each lender.

28 (c) The number of loans repaid by each lender.

29 (d) The number of loans in default by each lender.

1 (e) The amount of funds available in the Michigan capital
2 access fund.

3 (f) The list of lenders that are no longer approved under this
4 section.

5 (10) As used in this section, "approved lender" means a lender
6 that is either a bank, credit union, or community development
7 financial institution. The lender must have experience providing
8 loans to small businesses and offer counseling to potential lenders
9 that includes coaching, mentoring, financial literacy, and
10 accounting training. The lender must agree to all reporting
11 requirements and provide the state treasurer with all necessary
12 information on loans issued under the program and retain the
13 information for not less than 3 years after the loan is repaid. The
14 lender shall offer loans with an interest under market level that
15 is not greater than 5%. The lender shall not issue any erroneous
16 fees. The lender shall provide pre-loan counseling to all loan
17 applicants.

18 Sec. 1013. (1) From the funds appropriated in part 1 for
19 Michigan future force, \$15,000,000.00 shall be allocated to provide
20 grants for youth workforce development. Grants are eligible to
21 organizations that provide career exploration services, youth
22 apprenticeships and preapprenticeship programs, youth after-school
23 or out-of-school-time programming, youth workforce development,
24 youth mentorship, and civic education programs. Funds must be used
25 for programming any education services of the organization.

26 (2) From the funds appropriated in part 1 for Michigan future
27 force, \$100.00 shall be awarded to a free after-school writing
28 program for students to explore writing in southeast Michigan to
29 expand services to additional students.

1 (3) From the funds appropriated in part 1 for Michigan future
2 force, \$100.00 shall be awarded to a center for educational
3 excellence located in city with a population between 81,000 and
4 81,500 in a county with a population between 405,000 and 410,000
5 according to the most recent federal decennial census to support
6 education and workforce infrastructure access.

7 (4) From the funds appropriated in part 1 for Michigan future
8 force, \$100.00 shall be awarded to a 501(c)(3) nonprofit
9 organization with a mission to create and support 1-on-1 youth
10 mentoring relationships to support the expansion of services
11 statewide.

12 (5) From the funds appropriated in part 1 for Michigan future
13 force, \$100.00 shall be awarded to a women's mentoring and
14 scholarship program that is headquartered in a county with a
15 population between 1,000,000 and 1,500,000 according to the most
16 recent federal decennial census for programming.

17 (6) From the funds appropriated in part 1 for Michigan future
18 force, \$100.00 shall be awarded to a 501(c)(3) nonprofit serving
19 the metro Detroit area that works to empower youth between the ages
20 of 14 and 24 with the confidence, skills, knowledge, and onramps to
21 opportunities to achieve their goals and build their futures.

22 (7) From the funds appropriated in part 1 for Michigan future
23 force, \$100.00 shall be awarded to a nonprofit youth development
24 program that provides academic support, coaching in the sport of
25 squash, and character-building activities located in a city with a
26 population greater than 600,000 according to the most recent
27 federal decennial census to support programming and operations.

28 Sec. 1014. The funds appropriated in part 1 for Michigan
29 veteran wraparound services shall be allocated to provide financial

1 assistance to veterans in Michigan. The program shall prioritize
2 veterans who lost federal employment because of actions taken by
3 the federal government after January 21, 2025. Funds would provide
4 up to \$250.00 or the veteran's biweekly wage, whichever is less.
5 Funds may be allocated every 2 weeks for not more than 2 months or
6 until the veteran attains new employment, whichever is sooner.

7 Sec. 1015. (1) From the funds appropriated in part 1 for
8 Michigan Works!, \$500,000.00 shall be allocated to Michigan works
9 agencies to provide assistance to individuals with disabilities who
10 lost employment because of actions taken by the federal government
11 after January 21, 2025 in obtaining new employment. Funds may be
12 used for staff, outreach, and program services focused on
13 individuals with disabilities.

14 (2) From the funds appropriated in part 1 for Michigan Works!,
15 \$500,000.00 shall be allocated to Michigan works agencies to
16 provide assistance to veterans who lost employment because of
17 actions taken by the federal government after January 21, 2025 in
18 obtaining new employment. Funds may be used for staff, outreach,
19 and program services focused on veterans.

20 Sec. 1016. (1) The funds appropriated in part 1 for my pay
21 today pilot program shall be awarded to an alternative payday loan
22 program located in a county with a population between 1,200,000 and
23 1,300,000 according to the most recent federal decennial census.
24 Funds shall be used to provide loans up to \$2,000.00 to households
25 living at or below 200% of the federal poverty level, with loan
26 repayment plans of not more than 12 months, and an interest rate of
27 not greater than 5%. Loans repaid to the program may be used only
28 for the same purpose as allowed under this section.

29 (2) The organization shall provide an annual report due March

15 that includes at least the following:

- (a) The number of households that received a loan.
- (b) The average amount of loans provided.
- (c) The number of loans that have been repaid.
- (d) The number of loans that have defaulted.
- (e) The amount of funds outstanding.
- (f) The amount of funds remaining in the program.

Sec. 1017. The funds appropriated in part 1 for re-emerging workforce shall be allocated to provide grants to organizations that support programs or other services to help adults reenter the workforce. The grants are eligible to organizations that provide workforce training, financial literacy education, prepare and help individuals navigate reentering the workforce, and apprenticeship programs for adults. Grants shall be used for the programming or educational purpose of the organization. Grants shall be prioritized to organizations and programs that provide assistance to adults entering careers in sectors of the economy that are most in need of employees.

Sec. 1018. (1) The funds appropriated in part 1 for short-term loan grants must be used by the department to operate a grant program for short-term lenders that meet the requirements of this section to provide lending to residents of this state.

(2) The department shall develop program guidelines, eligibility criteria, and an application process for organizations to provide lending to individuals with a demonstrated financial hardship or need.

(3) The department shall award grants to organizations licensed under section 12 of the deferred presentment service transactions act, 2005 PA 244, MCL 487.2132, or organizations that

1 are a bank, credit union, community development financial
2 institution, or nonprofit organization licensed and regulated under
3 state or federal law. The lender must have at least 1 physical
4 location in this state and serve residents of this state.

5 (4) Lenders must use grants to provide short-term loans of not
6 more than \$1,200.00 to individuals with a demonstrated financial
7 hardship or need. The annual percentage rate on the loan must not
8 be more than 36%. Lenders that receive grants under this program
9 may use the interest generated off the loans from the grants
10 received to issue additional loans under the requirements of this
11 section.

12 (5) If an organization no longer complies with this program,
13 then the lender must return the grant amount to the department.

14 (6) The department may not use more than 2% of the total
15 appropriation under this section for administration of the program
16 and may not use more than 5% of the total appropriation under this
17 section for marketing and outreach.

18 (7) The department shall submit quarterly reports to the
19 standard report recipients that provide all of the following
20 information:

21 (a) Grants issued to each grant recipient that received a
22 grant under this program.

23 (b) The number of individuals serviced by each grant
24 recipient.

25 (c) The percentage of loans paid back to each grant recipient.

26 (d) Any grant recipients that have returned grants to the
27 department and are no longer participating in the program.

28 (e) Any feedback from grant recipients on the program.

29 (8) After the first year of the program, the department is

1 required to submit only an annual report by March 15 that includes
2 the information required in subsection (7).

3 (9) The unexpended funds appropriated in part 1 for short-term
4 grants are designated as a work project appropriation, and any
5 unencumbered or unallotted funds must not lapse at the end of the
6 fiscal year and must be available for expenditures for projects
7 under this section until the projects have been completed. The
8 following is in compliance with section 451a of the management and
9 budget act, 1984 PA 431, MCL 18.1451a:

10 (a) The purpose of the project is to provide grants to
11 eligible applicants.

12 (b) The project will be accomplished by using state employees,
13 contracts, or grants.

14 (c) The estimated cost of the project is \$2,500,000.00.

15 (d) The tentative completion date is September 30, 2030.

16 Sec. 1019. Funds appropriated in part 1 for community support
17 hubs shall be used to award grants to hubs that provide community
18 or small business support. Grants must be needs-based and are
19 eligible to small businesses, workforce development, local economic
20 development organizations, incubators, accelerators, network and
21 mentorship programs, and community resource hubs aimed at
22 increasing the economic and community development of small business
23 that promotes innovation and entrepreneurship in the state. Grants
24 may be used to support programming, training, wraparound services,
25 capital support, and community resources. Grants shall be
26 prioritized to hubs located in economically distressed communities.
27 Grants awarded to hubs located in a community with an average
28 median income greater than 500% of the average federal income
29 poverty level require a 50% match requirement.

1 Sec. 1020. (1) Funds appropriated in part 1 for statewide
2 apprenticeship expansion shall be used for expanding available
3 apprenticeship opportunities for occupations critical to this
4 state's economy, assisting citizens with obtaining industry
5 credentials recognized by the United States Department of Labor,
6 and supporting registered apprenticeship program expansion efforts
7 across this state. Up to 3% of the funds appropriated for this
8 section may be retained by the department for administration.

9 (2) Not later than September 30, the department shall provide
10 a report to the standard report recipients on the number of active,
11 new, and completed registered apprentices served under the program.

12 Sec. 1021. The department shall develop recommendations for
13 employers on best practices to support, attract, and retain women
14 in the workforce. The department may partner with any additional
15 stakeholders the department deems necessary for completing the
16 recommendations, including the Michigan department of civil rights,
17 the Michigan department of health and human services, and the
18 Michigan Women's Commission. The recommendations must be published
19 on the department's website not later than January 1, 2026. The
20 recommendations must include guidance on all of the following:

21 (a) Postpartum care, including, but not limited to, flexible
22 scheduling, reasonable accommodations, lactation policies, and
23 mental health resources.

24 (b) Menstruation and menopause support, including, but not
25 limited to, counseling or medical resources, symptoms training, and
26 insurance coverage.

27 (c) Fair and transparent pay practices, including, but not
28 limited to, salary disclosures, clear criteria for raises, and
29 employer tools to assess compensation and address wage disparities.